

# ONE-PAGE INFORMATION - KAIZEN No.23

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## ■ Carlos Ghosn

In Japan, everybody knows his name. Carlos Ghosn, as CEO of Nissan Motor, is one of the most respected business leaders in the country. Born in Brazil of Lebanese parents and educated in France he chose to work first in Gemba at Michelin ; rejecting the company's proposal to work as an engineering cadet in the office. Recently, he was awarded a special prize for his strong support of Quality Circles at Nissan Motor by JUSE, Japan Union of Scientists and Engineers, Japan's promoter of TQM and Kaizen across the nation for more than 50 years. In his interview with JUSE magazine "Quality Management" July 2003, Carlos Ghosn reiterated that Nissan employees made a splendid V-shape recovery of the company with the 3 points of power as below.

1. The employees feel strong sense of ownership about the company. –Nissan employees have planned the Nissan Revival Plan by themselves.
2. The employees become very active to achieve the goals
3. They become confident about themselves

In his best-selling book "Turn Around - How Carlos Ghosn Rescued Nissan" by David Magee (Harper Business), he was quoted as saying that he learned the following 3 lessons from his Lebanese father. These are important points for industrial executives or any leaders.

- Be transparent and explain yourself in clear, lucid terms.
- Do as you say you are going to do
- Listen first ; then think (Not in the reverse way)

## ■ Nissin Kogyo ---- A Miracle – Growth Company

Today many Japanese describe the current economic set back as the "Lost Ten Years". But there are many companies with rapid growth over these 10 years. Nissin Kogyo is one of those companies. Established in 1953 in Ueda City, Nagano Prefecture, Japan as an automotive brake system maker, Nissin suffered a great loss about 10 years ago. Mr. T. Abe, and Mr. Nakaya, production experts from Honda Motor, increased the sales 1,100 times over the past 10 years since they started to work for Nissin Kogyo as CEO's. The main product is ABC, Antilock Brake System. The ABC unit with 8 kilos in 1996 was reduced in weight to 1/3 in 1996, the smallest in the world. In 2000, the weight was further reduced to 1/5. According to Mr. Abe, this technological achievement is made possible only through employees. Top management of Nissin Kogyo did not terminate excess employees like other companies did, but asked them to work as a team to make better products. All employees are asked to think of new ways all the time. They did not depend upon out-sourcing to develop new products and new production processes. They call this policy as "Jimae" principle or In-house making principle. You might be familiar with this principle. This is the guiding principle of Kaizen programs such as LCA, TPM, and JIT. Quality Circles are considered as the basis of improvement power of employees. At Nissin Quality Circle Presentation meeting are convened 2 times a year with CED and top management attending

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