

Hoshin Kanri

Hoshin Kanri Defined

Hoshin Kanri is a systems approach using a step-by-step planning, implementation, and review process to the management of change in critical business processes. For every business system there are measures of



performance and desired levels of performance. Hoshin Kanri provides a planning structure that will bring selected critical business processes up to the desired level of performance.

Hoshin Kanri Applied

The origin of Hoshin Kanri provides insight into its concepts. The word Hoshin can be broken into two parts. The literal translation of ho is direction. The literal translation of shin is needle, so the word Hoshin could translate into direction needle or the English equivalent of compass. The word Kanri can also be broken into two parts. The first part, kan, translates into control or channeling. The second part, ri, translates into reason or logic. Taken altogether, Hoshin Kanri means management and control of the organization's direction needle or focus. A simpler translation of Hoshin is policy deployment.

The purpose of Hoshin Kanri (or Policy Deployment) is to make it possible to change from the status quo and make a major performance improvement by analyzing current problems and deploying strategies that respond to environmental conditions. Policy Deployment cascades, or deploys, top management policies and targets down the management hierarchy. At each level, the policy is translated into policies, targets, and actions for the next level down.

Hoshin Kanri at Thomas Group

Thomas Group applies Hoshin Kanri at two levels: the Strategic Planning Strategies (Business Simulations) and the Daily Management Strategies (Business Operations). The intention is that, in companies using Hoshin Kanri, everybody is aware of management's vision, departments do not compete against each other, and projects run to successful conclusions because business is seen as a set of coordinated processes. ■■■