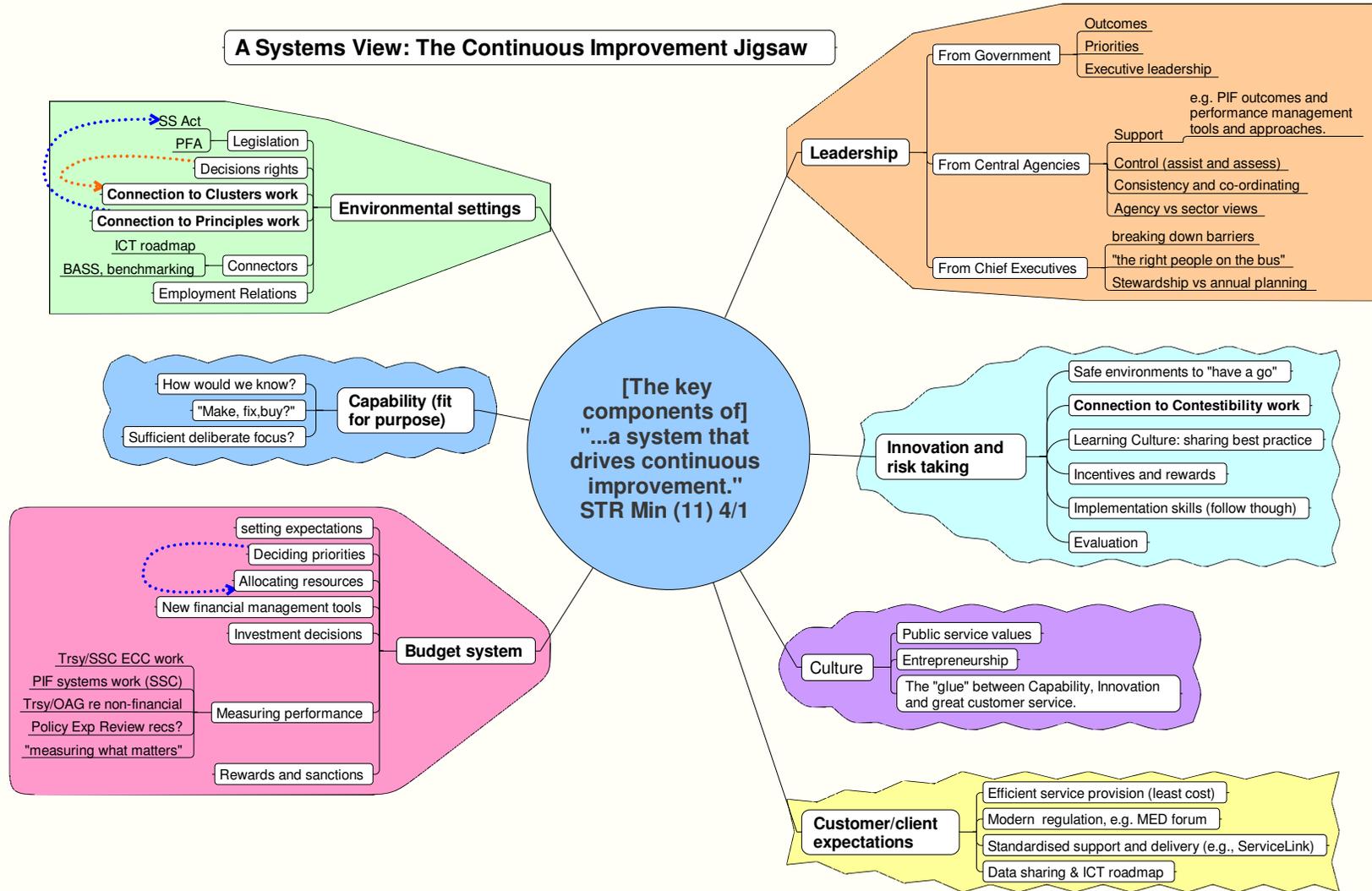


A Systems View: The Continuous Improvement Jigsaw



The problem: There is a plethora of change activity already under way or proposed that can be classified as "continuous improvement". Some initiatives will have minimal effect while others can create step changes. One problem is understanding what all of that activity adds up to. Attempts have been made to capture the nature and extent of it all, but continuous improvement per se remains a moving target. Equally, this programme was never intended to manage any or all of these individual projects. Therefore, the core problem to be addressed here may not be so much the amount of activity (though the risk of scarce resources spread too thinly remains, along with replication), rather it is the lack of clarity on the optimal system configuration that can drive and leverage continuous improvement. Once the overall system is well understood, the separate elements can be reviewed for the most effective instruments; but always to be seen within a whole system.

Working Definition: Continuous improvement (Kaizen) mean just that, "systematically seeking small incremental process changes to improve efficiency and quality". It can be organic (there are always ideas for improvement); it can also be chaotic, e.g. adding ever more functionality to existing systems; or else it can be deliberate and prescriptive, e.g., process improvement, lean manufacturing, TQM, Six-Sigma, or through business re-engineering.

What success could look like? : Continuous improvement is understood and leveraged within a system of overall influence, rather than as what often appears to be a grab bag of initiatives and instruments. Viewing continuous improvement as an inter-connected system would then enable Government, C/Agencies and CEs to make better investment decisions for interventions that add real value of the core reform tools. Thus, a deliberate focus on creating the right environment and incentives for innovation and risk taking could usefully influence decision in the Contestability space. Similarly, a renewed focus on capability and leadership could significantly enhance the Clusters work.