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Special thanks to



# ENTERPRISE DIAGNOSIS Introduction

# Enterprise diagnosis made simple

What does enterprise diagnosis mean?

What diagnosis purpose is?

Why top management needs enterprise diagnosis?

Ethics and trustworthiness

Types of enterprise diagnosis

How diagnosis procedure should be performed?

SWOT analysis

Techniques of benchmarking and analysis


5S in Japanese management philosophy



## **i) Enterprise diagnose is...**

**Detailed analysis of present situation in a company as well as its surroundings, problems and issues understanding, including their advancing to a desired conditions and efficiency.**

## **ii) Diagnosis purpose**



**SME consultant, specially skilled in giving instructions and advices, supports and redirecting the company toward its objective position, making thus purpose and aim of the management.**

### **iii) Why company diagnosis is needed to top management?**

- A. Lack of know-how in management**
- B. Rapid internationalization, which requires fast development**
- C. Better results**

### **iv) Ethics and trustworthiness**

- A. Confidential information in the company kept**
- B. Company independence should be held on**
- C. Illegal companies support forbidden**
- D. Influence peddling for profit acquiring forbidden**
- E. Constant improvement of the consultant abilities required**
- F. Human features should be cherished**

## v) Types of enterprise diagnosis

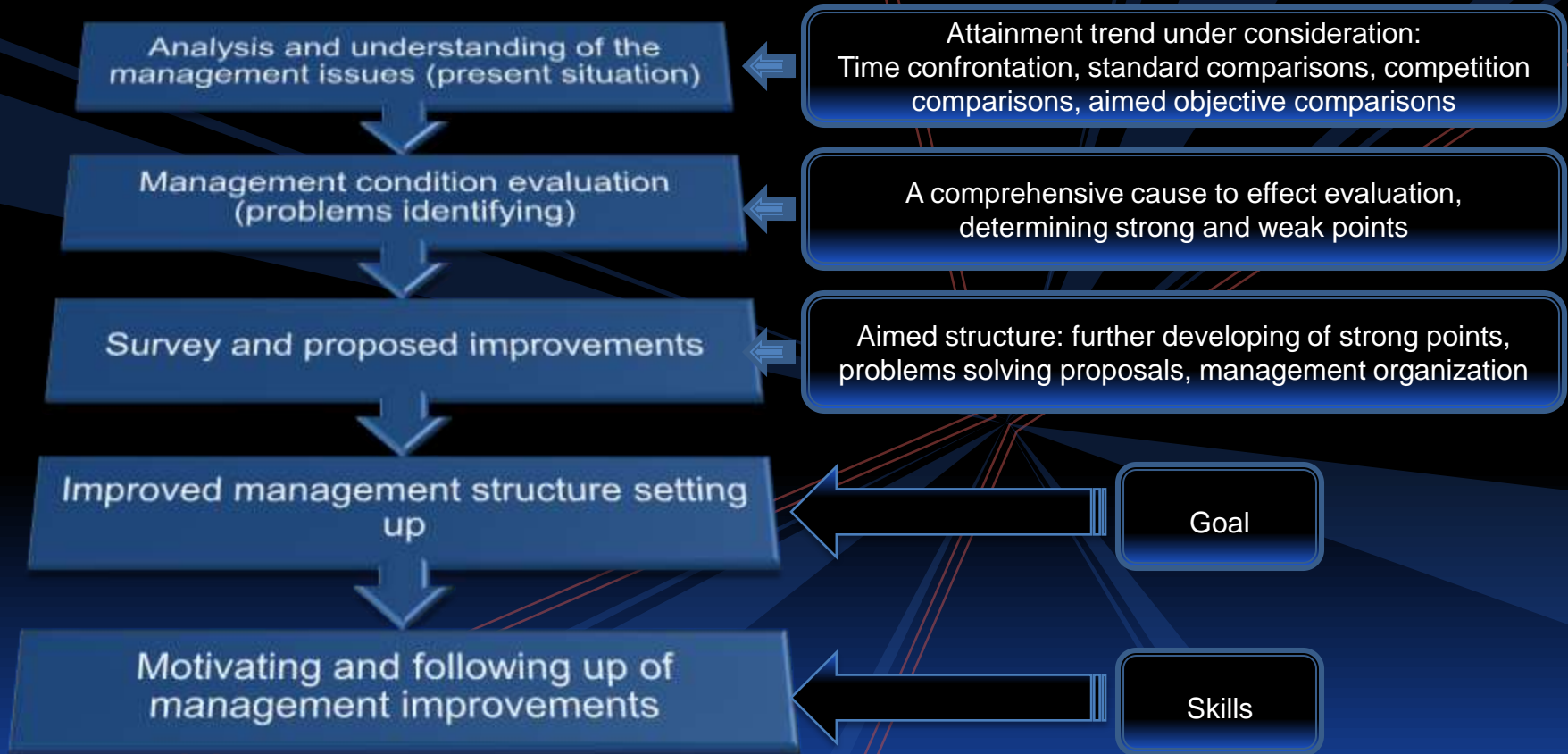
General  
diagnosis  
(a must do)

- Top management diagnose
- Organization diagnose
- Financial system diagnose
- Strategies diagnose
- Management plan diagnose

Diagnosis by  
departments

- Sales and Marketing diagnose
- Human resources diagnose
- Purchasing Dept. diagnose
- Plant(s) diagnose
- Information system diagnose
- Logistics diagnose

## vi) Diagnosis procedure



## vii) SWOT analysis

*SWOT analysis is strategic planning tool to evaluate internal Strengths and Weaknesses, and Opportunities and Treats out of external environment. If SWOT analysis does not start with defining a desired end state or objective, it runs the risk of being useless. If a clear objective has been identified, SWOT analysis can be used to help in the pursuit of that objective. In this case, SWOTs are:*

### **Strengths:**

attributes of the organization that are helpful to achieving the objective

### **Weaknesses:**

attributes of the organization that are harmful to achieving the objective

### **Opportunities:**

external conditions that are helpful to achieving the objective

### **Threats:**

external conditions that are harmful to achieving the objective

# Techniques of benchmarking, analysis and proposals making

i) Benchmarking

ii) KJ Method

iii) Fishbone diagram

iv) System diagram

v) Brainstorming

vi) ABC analysis

i) Benchmarking procedure includes: preparation and planning (what we actually want to hear, collecting existing information, presumptions and possible causes and effects, questions selection), creating benchmarking atmosphere, benchmarking carrying out, closing with short revision, and information filing and analysis.

Structure and sequences of questions asked are very important. Additional questions are always very helpful to get more detailed information.

## ii) KJ Method

One of the most amazing things about the KJ-Method is how well it objectively gets groups to the top priorities. Different groups can analyze the same data and will often come to the same results.

Step 1: Determine a Focus Question

Step 2: Organize the Group

Step 3: Put Opinions (or Data) onto Metaplan cards

Step 4: Put Metaplan cards on a pin board

Step 5: Group Similar Items

Step 6: Naming Each Group

Step 7: Voting for the Most Important Groups

Step 8: Ranking the Most Important Groups

Reaching Consensus in Record Time

### iii) Fishbone diagram

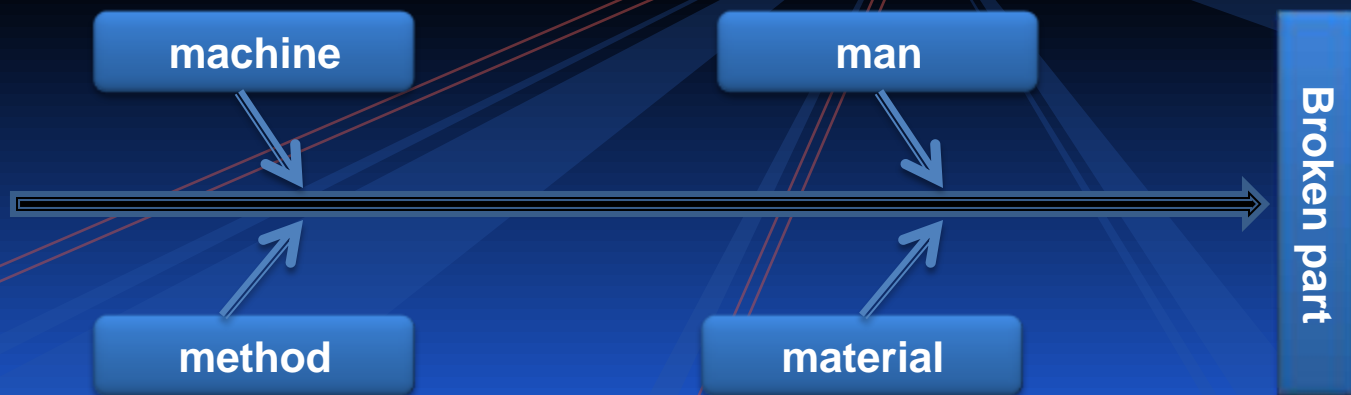
The Ishikawa diagram (also fishbone diagram or cause and effect diagram) is simply a diagram that shows the causes of a certain event.

Causes in a typical diagram are normally arranged into categories, the main ones of which are:

**The 6 M's** - Machine, Method, Materials, Measurement, Man and Mother Nature (Environment) - recommended for manufacturing industry

**The 8 P's** - Price, Promotion, People, Processes, Place / Plant, Policies, Procedures & Product (or Service) - recommended for administration and service industry

**The 4 S's** - Surroundings, Suppliers, Systems, Skills - recommended for service industry






## iv) System diagram

System diagrams are powerful tools that help you to understand how complex systems work. At the heart of the use of system diagrams is the idea of linking factors to show a relationship between them.

Using this you can follow criteria for a problem solving from higher to lower levels.

## v) Brainstorming

Brainstorming is a group creativity technique designed to generate a large number of ideas for the solution to a problem. There are four basic rules in brainstorming:

1. Focus on quantity
  2. No criticism
  3. Unusual ideas are welcomed
  4. Combine and improve ideas
- 



## vi) ABC analysis

How good your evaluation is if you have many items under consideration? You should take most important factors and examine them carefully, while those of less importance may not be treated in details.

ABC analysis is a technique of managing a lot of items using minimal manpower at minimal costs.



## Recommendations Report

Recommendations Report is final step when your consultancy mission is completed. This document includes all the items being analyzed as well as set of measures that should be applied for client's business recovery.

# 5S in Japanese management philosophy

5S is a reference to five Japanese words that describe standardized cleanup:

**Seiri (整理):** tidiness, organization. Refers to the practice of sorting through all the tools, materials, etc., in the work area and keeping only essential items. Everything else is stored or discarded. This leads to fewer hazards and less clutter to interfere with productive work.

**Seiton (整頓):** orderliness. Focuses on the need for an orderly workplace. Tools, equipment, and materials must be systematically arranged for the easiest and most efficient access. There must be a place for everything, and everything must be in its place.

**Seiso (清掃):** cleanliness. Indicates the need to keep the workplace clean as well as neat. Cleaning in Japanese companies is a daily activity. At the end of each shift, the work area is cleaned up and everything is restored to its place.

**Seiketsu (清潔):** standards. Allows for control and consistency. Basic housekeeping standards apply everywhere in the facility. Everyone knows exactly what his or her responsibilities are. House keeping duties are part of regular work routines.

**Shitsuke (躰):** sustaining discipline. Refers to maintaining standards and keeping the facility in safe and efficient order day after day, year after year.



**Thanks  
for your  
time and  
attention!**

