Lean Definition

Lean Leadership is an approach to running an organization that supports the concept of continuous improvement, a long-term approach to work that systematically seeks to achieve small, incremental changes in processes in order to improve quality, delivery and cost

- **Customer Focused**
- **Utilize knowledge of people doing the processes**
- **Leading Without Power**
- **Coaching to create a team of 'problem solvers'**

What are the differences between Management & Leadership?

Lean and Six Sigma

Lean

- **A leadership system** based on continual improvement of every process at every level **to reduce waste**
- Collaborative problem solving with a focus at the working level
- Simpler more intuitive tool set
- Integrated into the daily management system

Six Sigma

- **Project based improvements** closely tied to cost benefit analysis and financial incentives, **reducing variability leading to performance improvement**
- Certification and rankings articulated as "Belts"
- **Expert based problem solving**
- Technically sophisticated tools set
- Statistically based = lots of data required

History of Management

		Plus	Delta
•	1900 Technical Bureaucrat	Distributed Cont. Scaleable	Slow to react Asymmetry Info.
•	1920 Scientific Management	Process knowledge Gemba – mt. people	Not involve all Little creativity
•	1940 MBO	Involvement goals Improvement	Process not defined Responsibility = Indiv. Sub optimization
•	1980 MBWA	Gemba – involving Instill trust Build relations	Interrupting Not get at truth Social Event
•	2000 Servant Leadership Management by Means Consequential Mgmt.	Develop people Engagement	

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The Lean Leadership System

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Linking New Management Style terminology to Lean Leadership

Consequential Management: is detailed feedback for both positive & negative behaviors. It serves to give the person informed choices and clarify the consequences of their actions, in relation to:
- themselves
- others
- and the organization.

Servant Leadership: Seeks diverse opinions while creating a culture of trust, desires to develop other leaders via personal development (in/outside from work), thinks of you not me & is humble

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Examples of our own behaviors

What you do

and why?

ABC's of Human Behavior (the basis of Consequential Management)

A trigger of prompt	What people do or say	What happens to them
A Antecedent	**B** Behavior	**C** Consequence

Consequences
Drive Behaviors

Leaders & Change Agents
Can affect the type of feedback
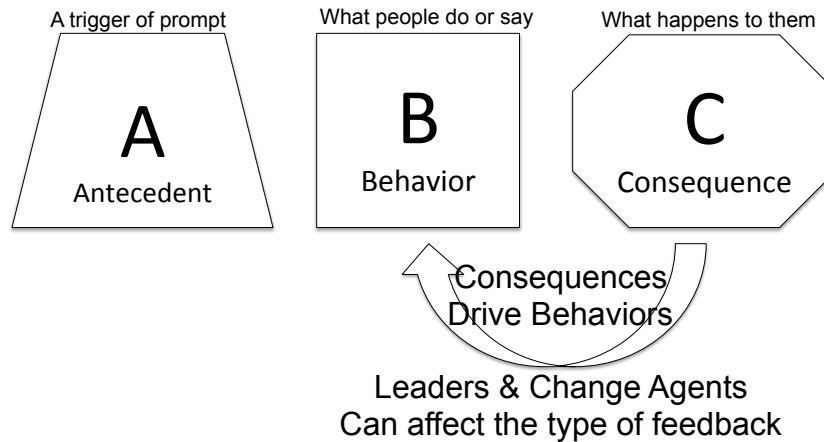
Dimensions of Consequences

Positive **Impact** Negative

Now **Immediacy** Later

I HAVE FAITH:
IN OTHERS ○
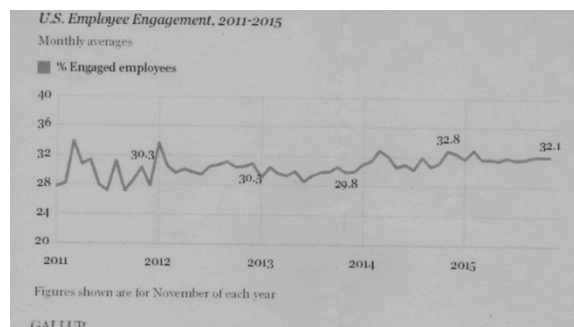IN MYSELF ● Certain **Certainty** Uncertain

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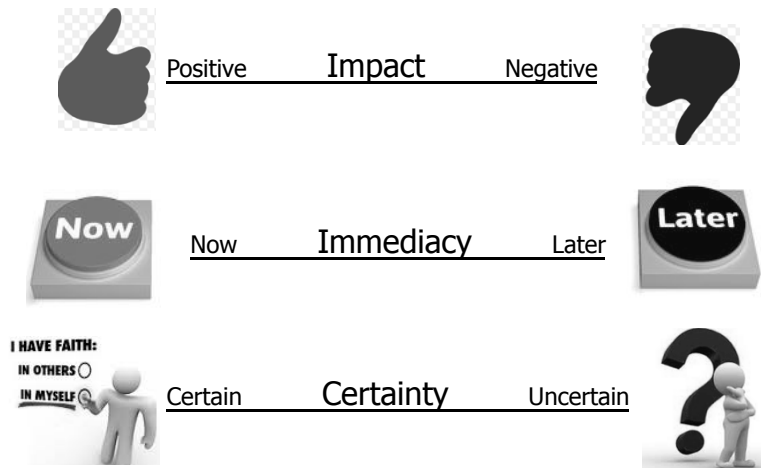
Interesting Data Regarding Employee Populations

Toyota North America:
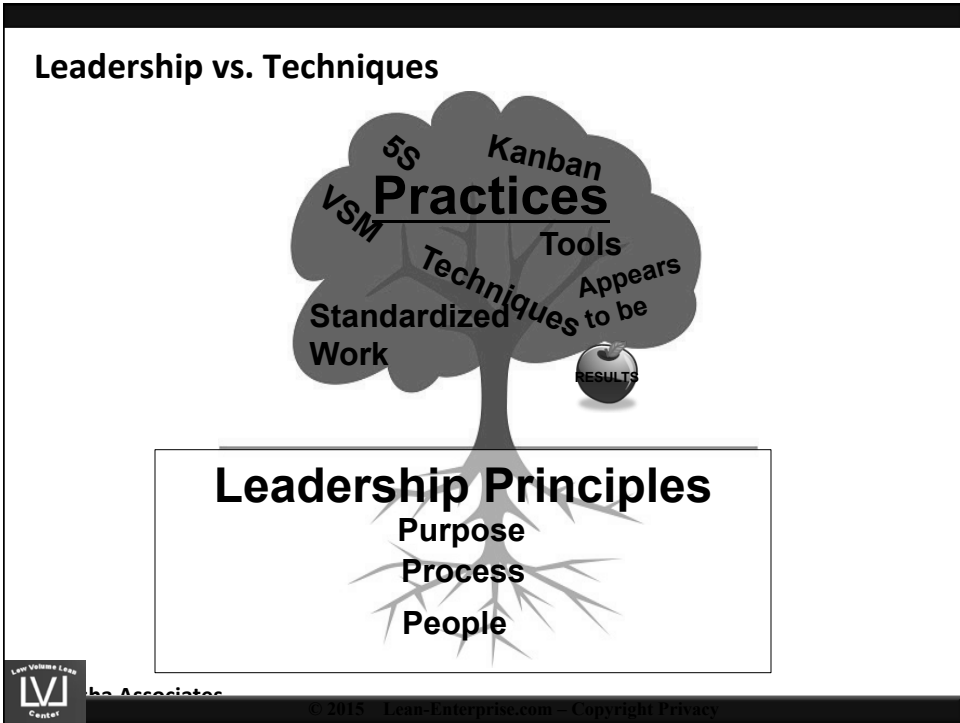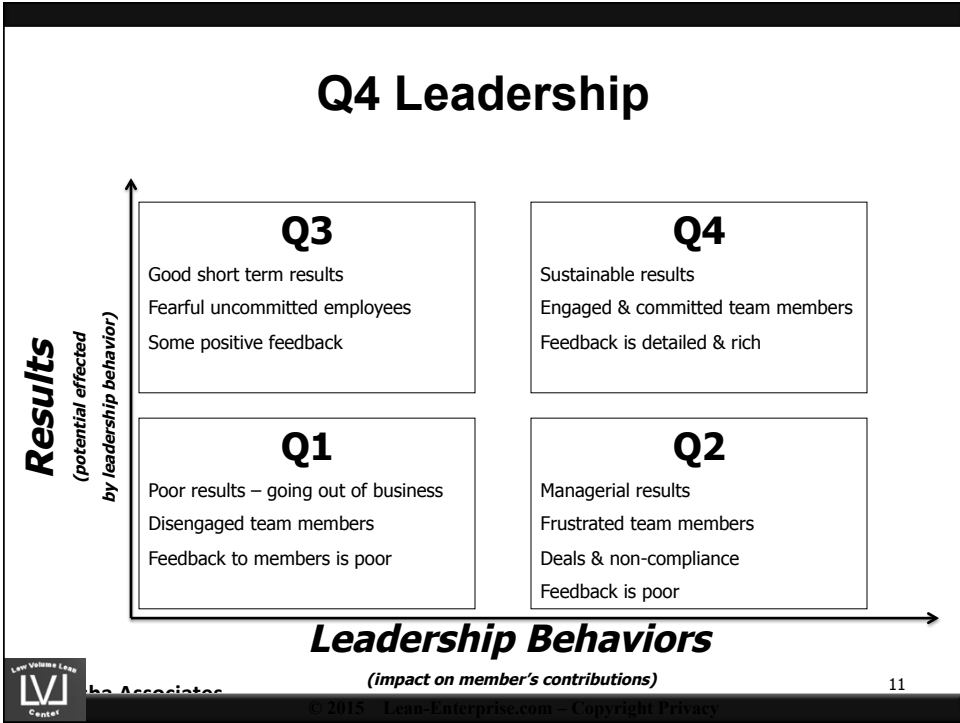
2-4% proactively develop ideas & encourage change ← → *2-4% actively resist change*

U.S. Employee Engagement, 2011-2015
Monthly averages
■ % Engaged employees

40
36
32 — 30.3
28 — 30.3 — 29.8 — 32.8 — 32.1
24
20
2011   2012   2013   2014   2015

Figures shown are for November of each year

GALLUP

Q4 Leadership

Q3	**Q4**
Good short term results	Sustainable results
Fearful uncommitted employees	Engaged & committed team members
Some positive feedback	Feedback is detailed & rich
Q1	**Q2**
Poor results – going out of business	Managerial results
Disengaged team members	Frustrated team members
Feedback to members is poor	Deals & non-compliance
	Feedback is poor

Results
(potential effected by leadership behavior)

Leadership Behaviors
(impact on member's contributions)

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ha Associates

Leadership vs. Techniques

5S Kanban
VSM **Practices**
Tools
Techniques Appears to be
Standardized Work

RESULTS

Leadership Principles
Purpose
Process
People

ha Associates

Why might we fail to sustain the gains or not make significant progress in continuous improvement?
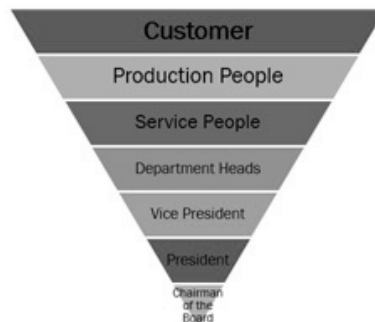
- Tools approach without PDCA

- Lack of consistency in purpose without strategy deployment (Hoshin)

- Leaders not having the 'right' behaviors

- Not having Leader Standard Work

- Top leadership not understanding the commitment

SERVANT LEADERSHIP

Customer
Production People
Service People
Department Heads
Vice President
President
Chairman of the Board

- Encourage, Support and Enable subordinates to unfold their full potential and abilities.
- Delegate responsibility and engage in participative decision-making
- **Not** participative style in any **situation**, but that the focus of leadership responsibilities are the promotion of performance and satisfaction of employees.

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SERVANT LEADERSHIP BEHAVIORS

- Listening
- Empathy
- Coaching
- Persuasion
- Foresight
- Commitment to the growth of people
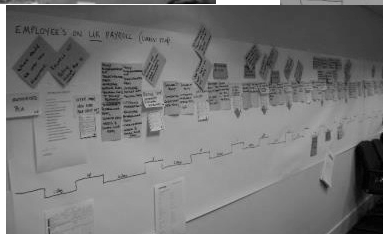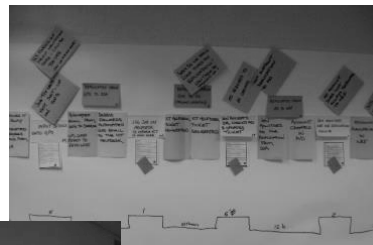
What Structure can we use to develop these behaviors?

What's Lean Leadership look like?

What's Lean Leadership look like?

See the processes & involving the people doing the work!
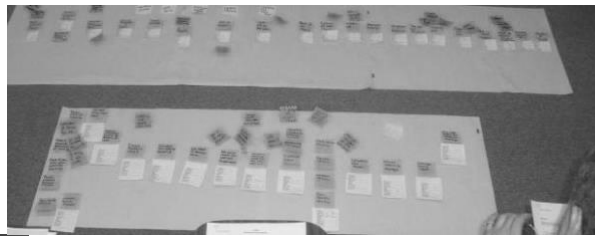
How do Lean Organizations Prioritize Process Improvement?

Strategy Deployment

GENERAL MANAGER

ALITY   LEAN   MANUFACTURING   LOGISTICS   FINANCE   MAR
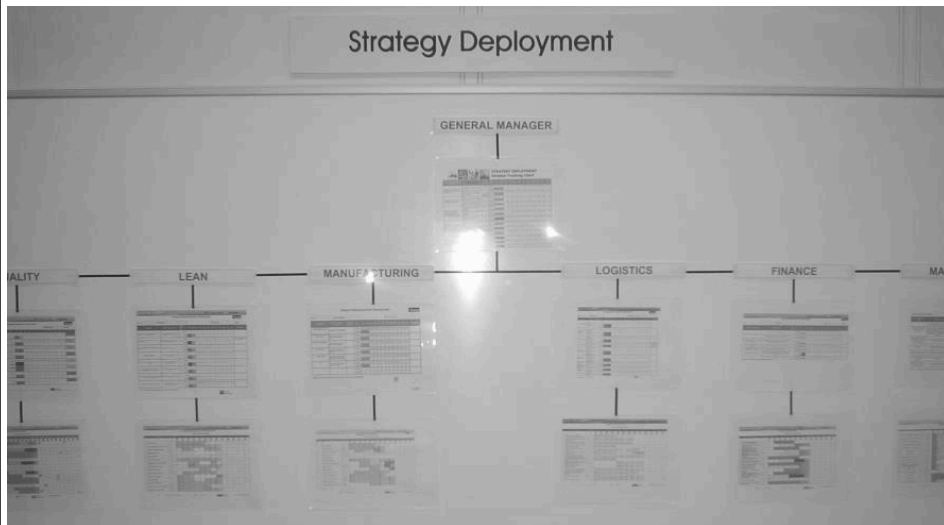
Visualization in Engineering

What does Leader Standard Work Look Like?

Lean Leadership Thinking vs. Reorganization
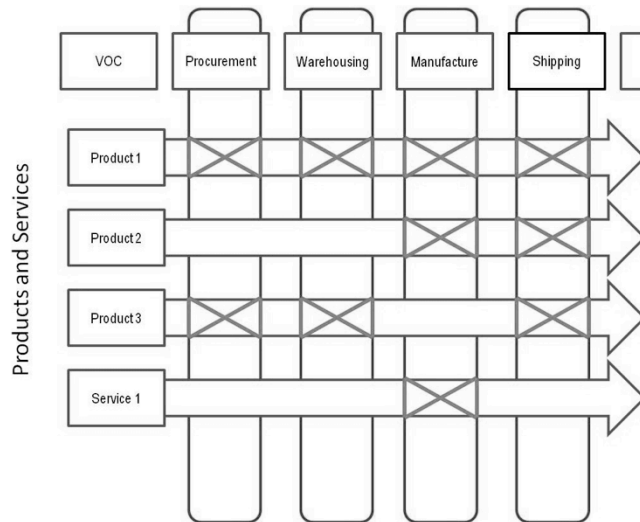
Discovering Solutions by Engaging the Team

The 7 Mistakes in managing

1. **Keeping quiet and wait until you build a strong case.**
   Recommendation: Ask questions, talk and get your team engaged in understanding.

2. **Delay dealing with an issue because you are busy.**
   Recommendation: Make time to talk, explore the situation and find solutions.

3. **Dump an entire list of concerns on an employee.**
   Recommendation: Select and focus conversations on 1 or 2 issues.

4. **expressing anger, lecturing or dominating the conversation**
   Recommendation: Plan ahead and rehearse your thoughts (do not speak for more than 30 seconds at one time or speak more than 50% during the conversation).

The 7 Mistakes in managing (cont.)

5. **Telling others the solution, without going & looking.**
   Recommendation: Remember most people take pride in their expertise. You probably feel you have a lot to offer and know what is best, but instead define the situation and facilitate solutions.

6. **Not continuously providing detailed feedback**
   - *How it affects the person*
   - *How it affects others*
   - *How it affects the organization*

7. **Denial of your own faults**
   Recommendation: Create a 2 way relationship. Try to identify your contributions to the issues, be up front and candid and do not get defensive about your faults.

Conclusions:

- Lean is more about a style of leadership than a set of tools

- Servant Leadership & Consequential Management are types of Lean Leadership that engage everyone in meeting the objectives

- Lean Leadership's focus of solving problems starts with leadership behaviors