

# Developing Lean Leaders for High Performance

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The University of Michigan

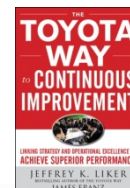
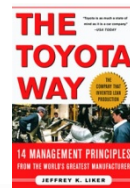
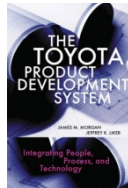
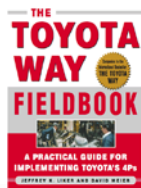
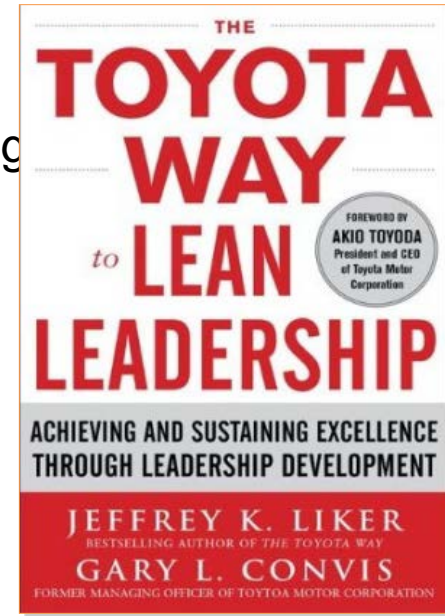
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**Sharpening Your Competitive Edge**

Saskatchewan Chamber of Commerce

*December 3, 2013*



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# Toyota Way True North



*“The Toyota Way 2001 is an ideal, a standard and a guiding beacon for the people of the global Toyota organization.”*

# Lean Leadership Starts with Values

## TRUE NORTH VALUES

*Challenge*  
*Kaizen Mind*  
*Go and See*  
*Teamwork*  
*Respect*

Stretch and Develop Us to Creatively Reach the Goal

Systematic Problem Solving that Never Ends

Observe to Understand the Actual Situation

Highly Developed Individuals Working toward a Goal

People are our only appreciating asset



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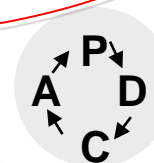
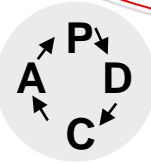


# Lean Leadership Development Model

Starts Here

## 1 Commit to Self Development

Learn to live True North values through repeated Learning Cycles

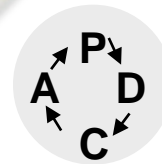
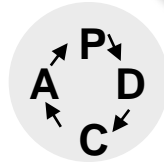


### TRUE NORTH VALUES

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## 2 Coach and Develop Others

See and challenge true potential in others through self-development learning cycles



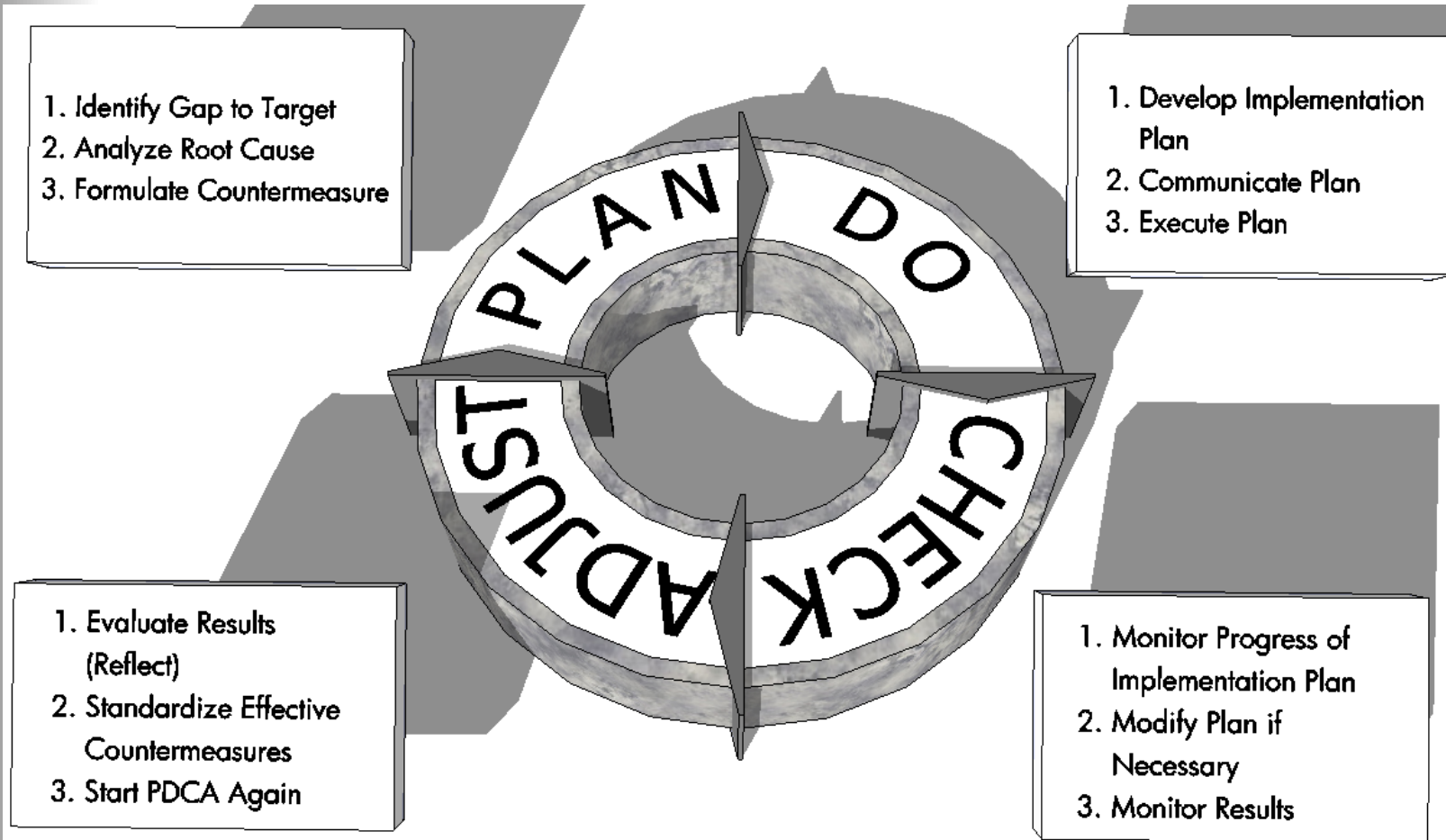
## 3 Support Daily Kaizen

Build local capability throughout for daily Management & *Kaizen*

## 4 Create Vision and Align Goals

Create True North vision and align goals vertically and horizontally

# PDCA Problem Solving is the Core of What Leaders should Learn and Coach



# Lead at the Gemba: The 5 Whys, not 5 Whos

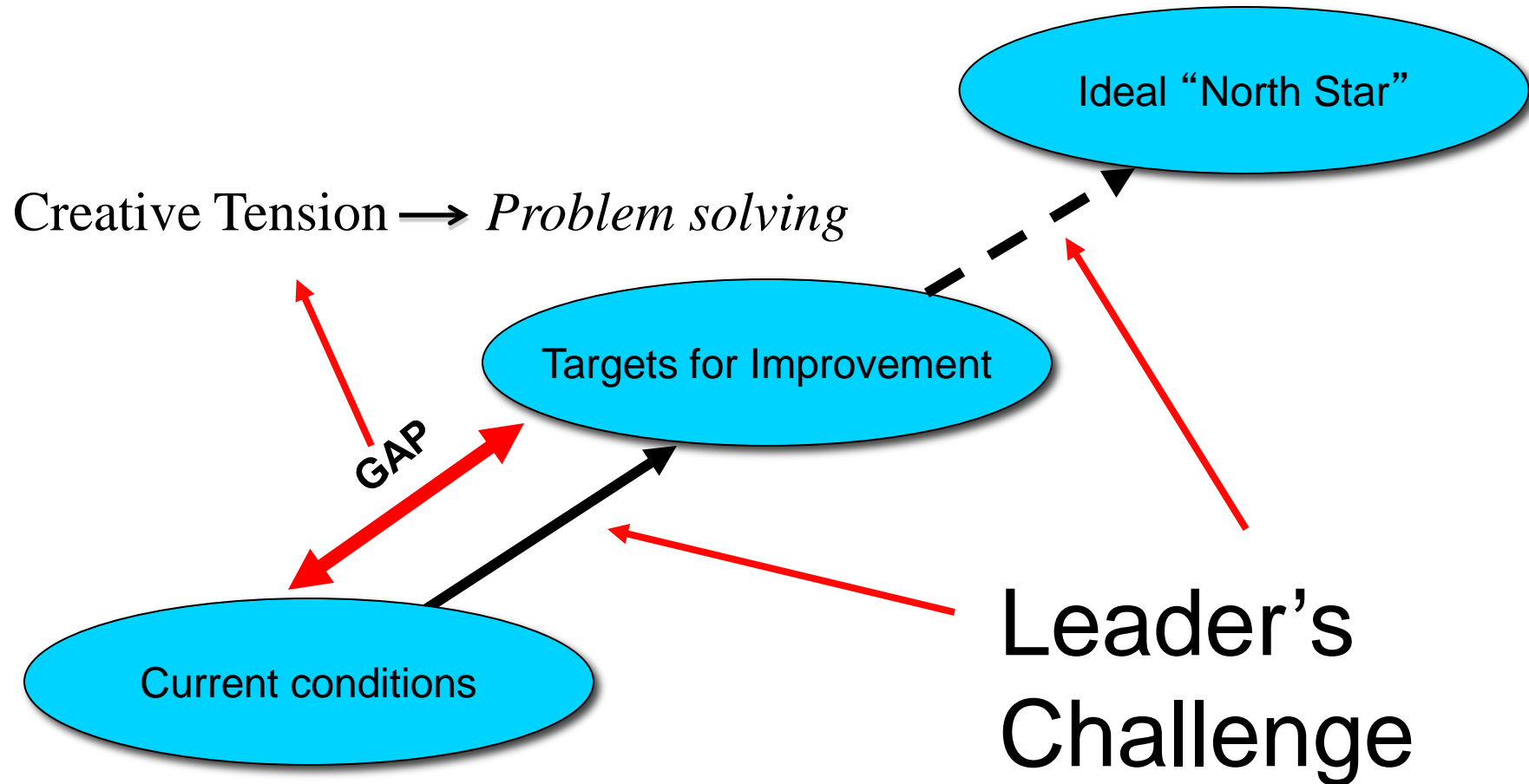
“Observe the production floor without preconceptions and with a blank mind. Repeat “why” five times to every matter.”

Taiichi Ohno



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# Lean Processes reveal gaps between Current and Target Conditions



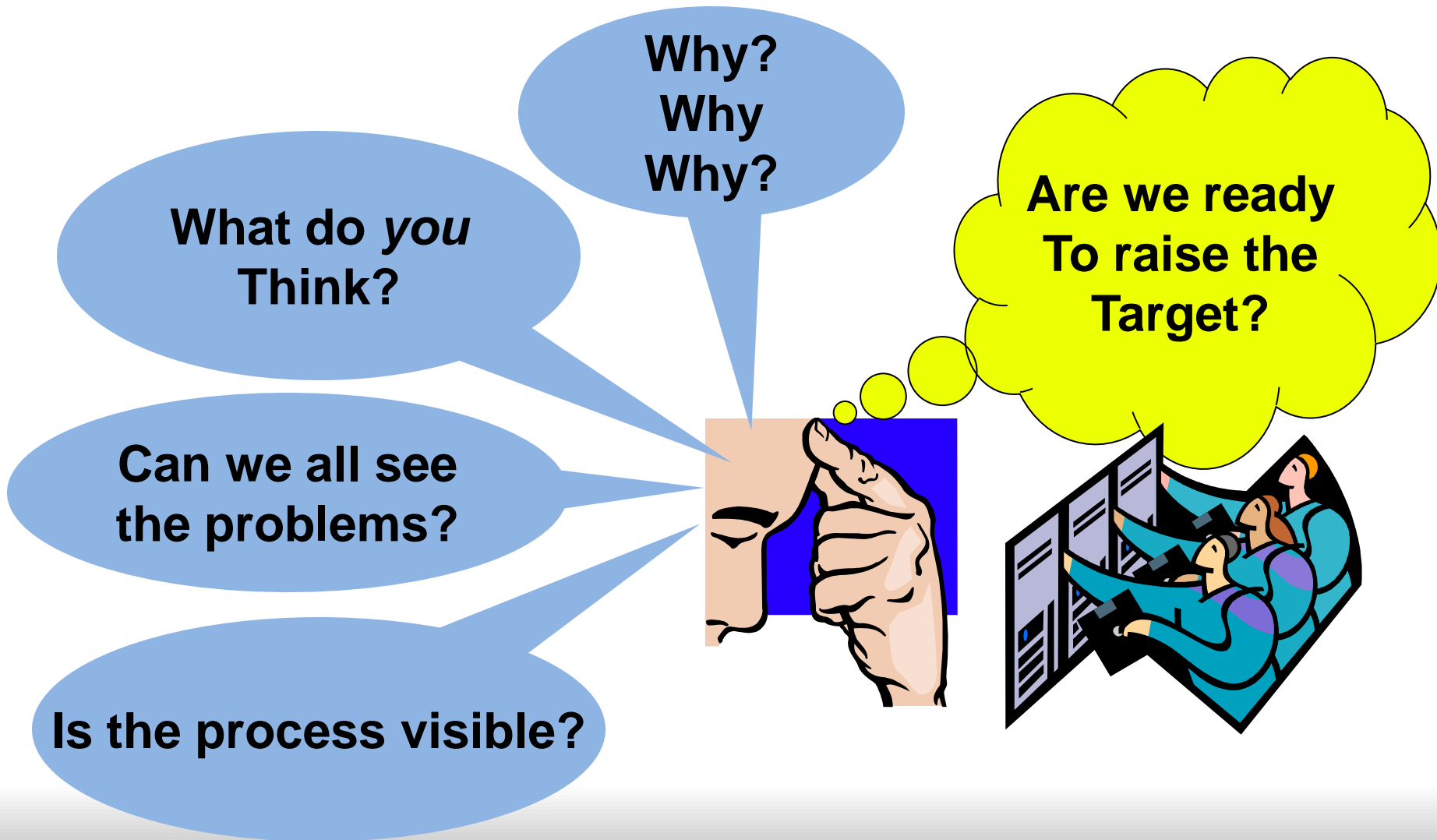
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Lean Leaders Do not Command and Control their Functions—They Go to the “place” to Coach and Develop Teamwork and Problem Solving





# Leadership takes expertise. Will any of these teachers or students become an expert in a 2-Week Training Course?



Master Chef & Students



Coaching Girl's Basketball Team

## Key Points:

- Break down Skills
- Practice Elements
- With Coach feedback
- Repeat, Repeat,
- Repeat!
- Move on when
- Coach says!



Coaches going over plays



Teaching Violin

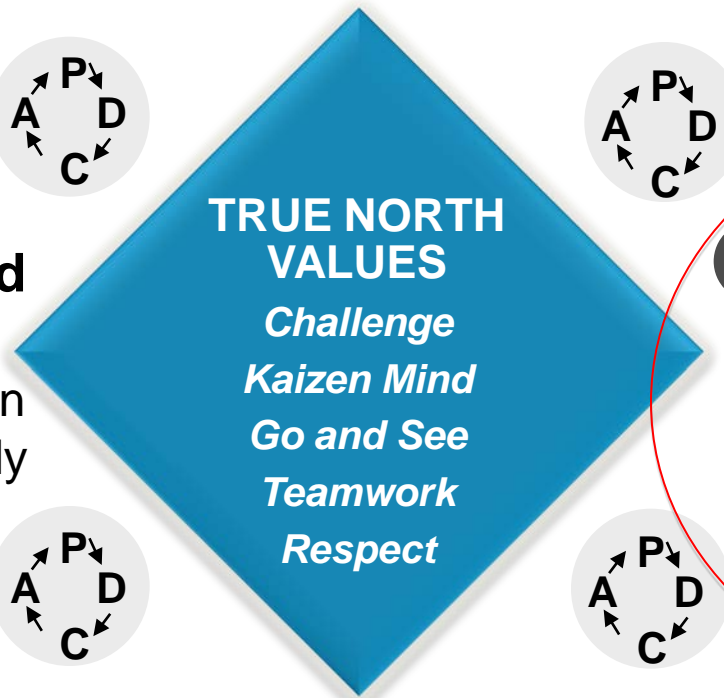
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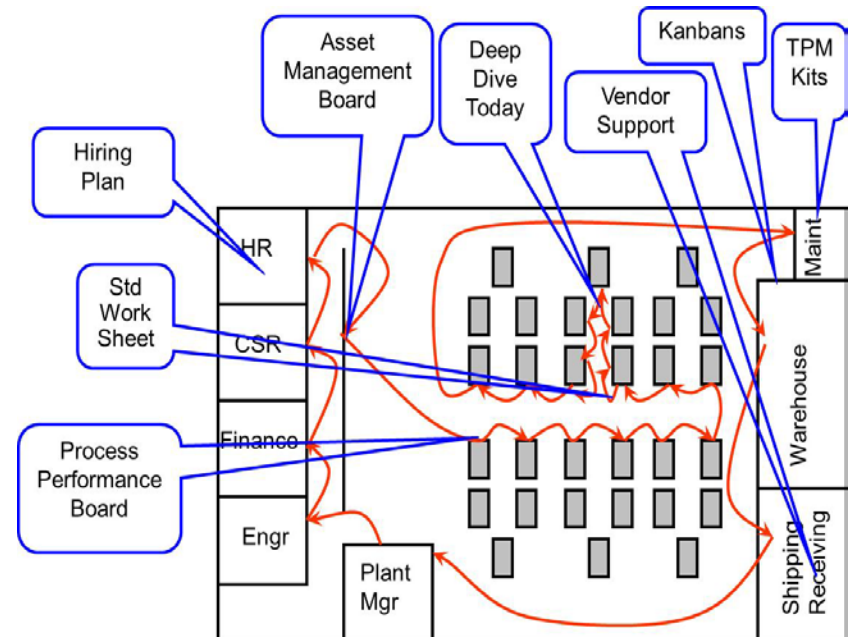
# What is Leader Standard Work?

- The repetitive activities are designed to **identify abnormal situations** such as:

- Non-standard work
- Non-standard labor
- Non-standard inventory
- Non-standard output

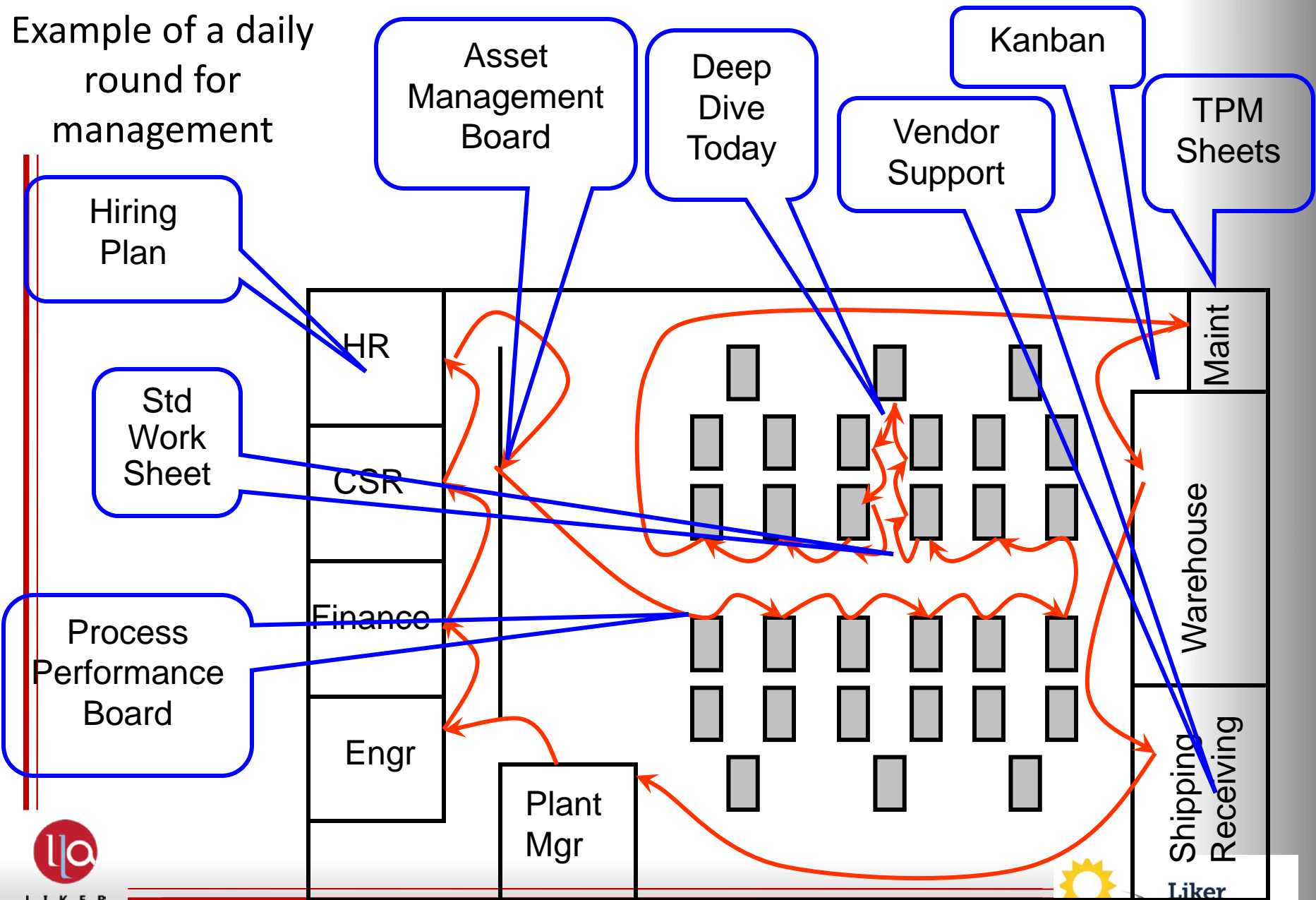
- This is done where the work takes place, “The GEMBA”

- Organized, Visual Management helps leader see abnormalities



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# Example of a daily round for management

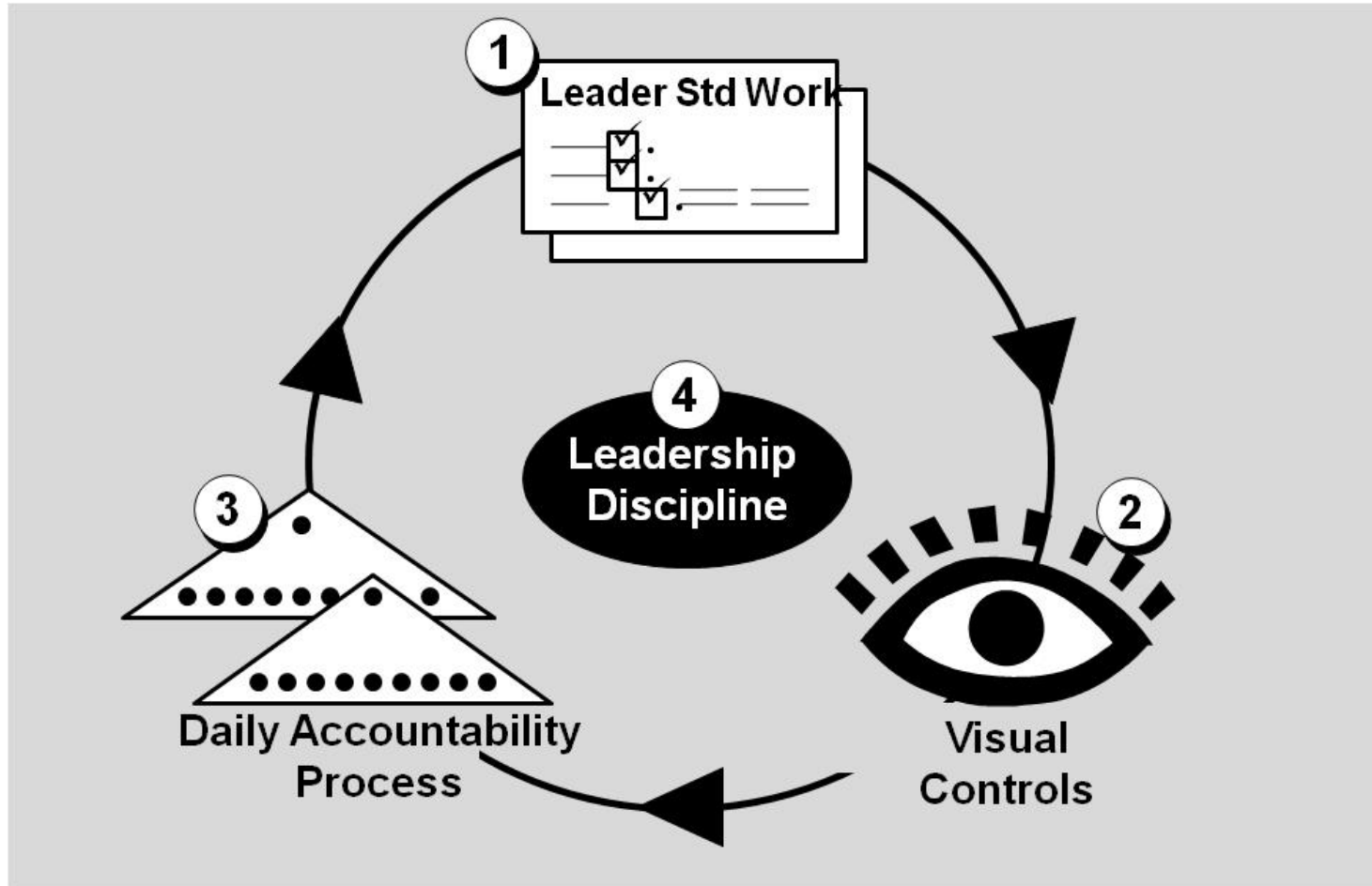


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Leader Standard Work is a necessary step in the **beginning** stage until leaders develop so it is “the way they think and act”



# Einar Gudmundsson, Vice President Customer Service Volvo

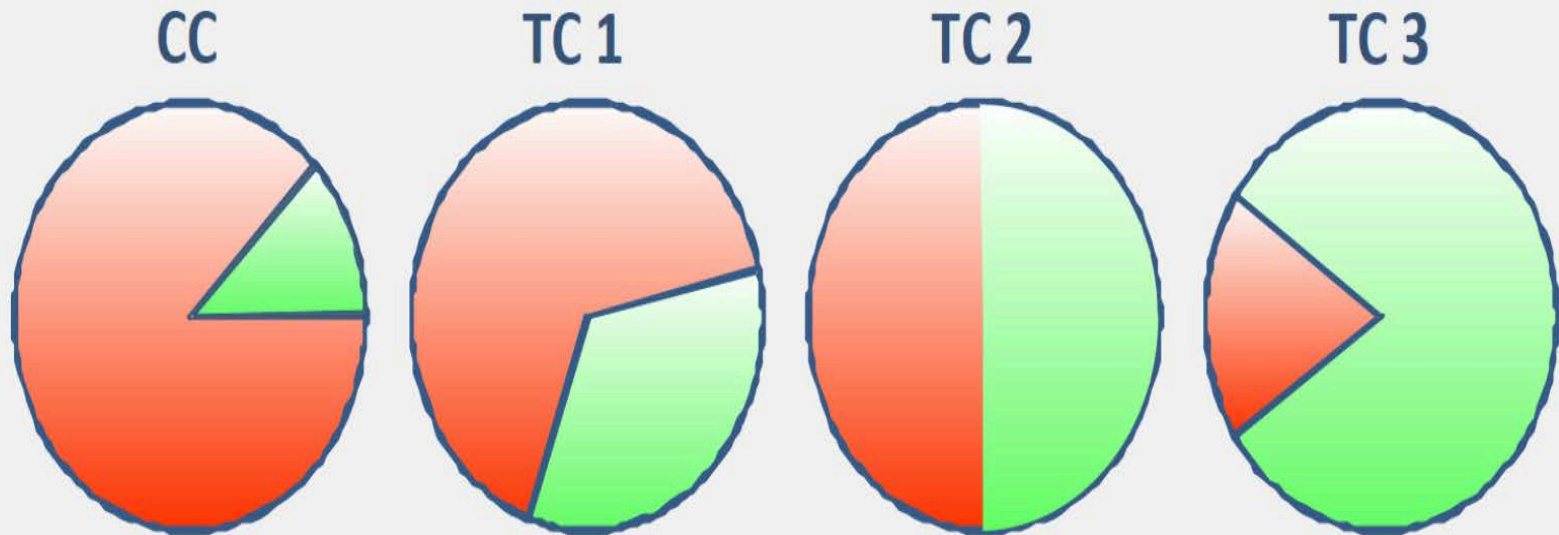


“When I did my first Leadership learning loop I was coached by our JMAC consultant, Lars Wenström. Coaching as we see it is not linked to position but an earned right to coach based on time at the gemba and hansei (reflection). So we are promoting white collars that develop well and spends a lot of time at gemba to share their experiences as coaches. An earned right.”



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## Four step plan



**"Free up time" to get the value ad work done!**

Value-added = Get off THE ICEBERG and get up on THE HILL.

We measure this in our management team board meetings on Fridays. Target Condition is 18 hours per week at the gemba; coaching or doing kaizen work. Current Condition has improved from more or less 0 to plus 10 hours per person per week.

Each individual presents hers/his result for the week in a coaching cycle manner.

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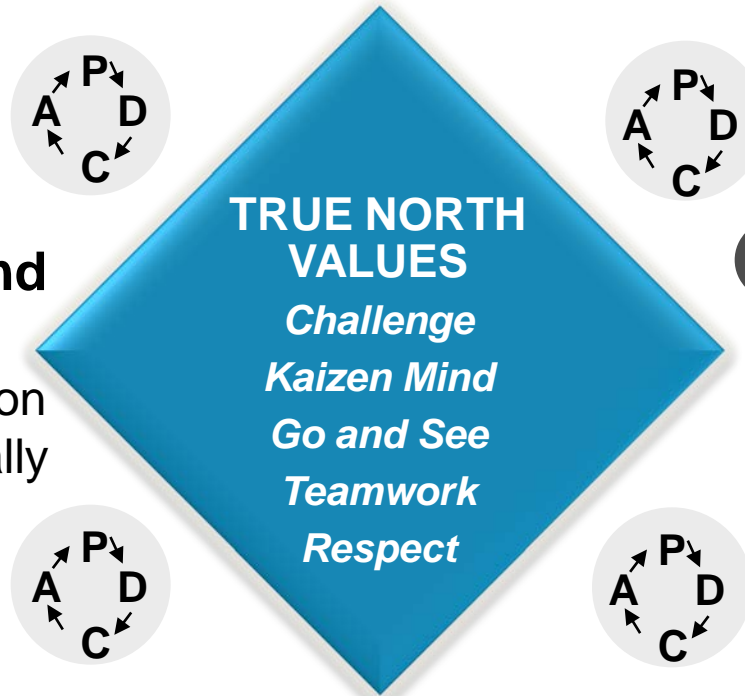
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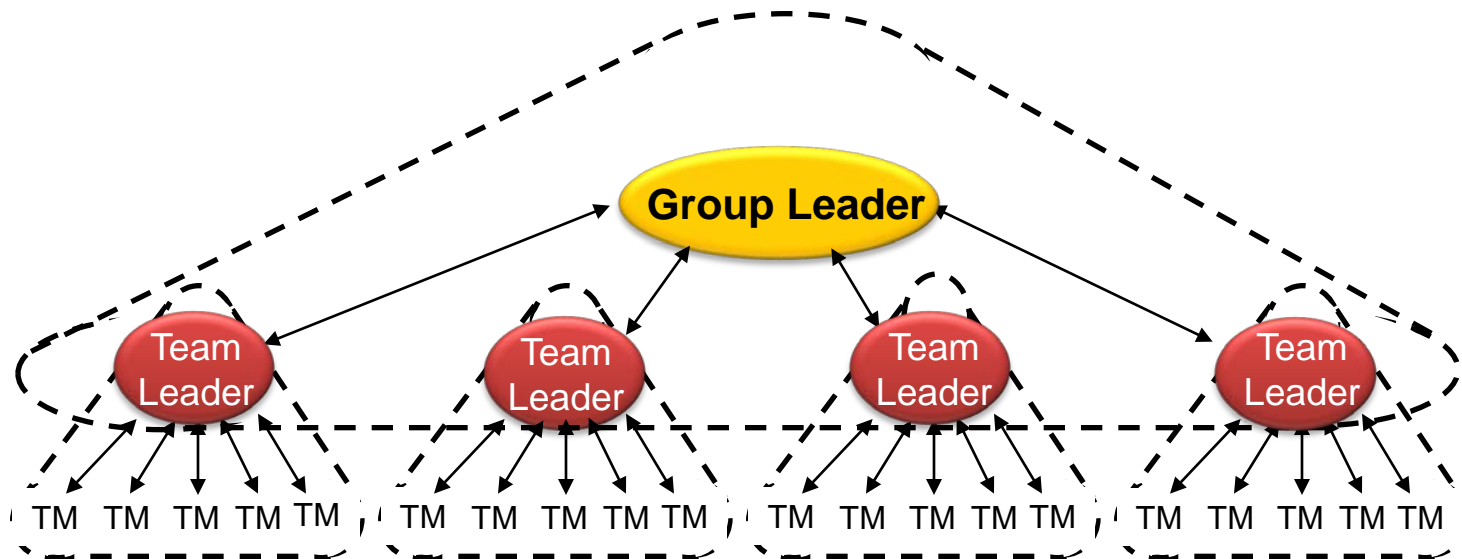
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# Toyota Work Groups at the Heart of Continuous Improvement



## Notes

Ideal TL:TM Ratio= 1:5

Group Leader (GL) = 1st level of management

Team Leader (TL) = Alternates working production and leadership roles.

Team Member (TM) = Production worker



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# Continuous Improvement means a little better every day: Visual Management Boards for Each Work Group (Toyota, Kentucky)



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# Visual Planning Meeting Room at Volvo Customer Service

Days → weeks → Months → Years



Each Row is a Person

Blue post its = Task to deliver  
Yellow, green, orange = subtasks  
X = done right and on time  
/ = late or poor quality

“Not quite there yet.....but we love our Visual Planning boards. They clarify who delivers what task to whom and when and where.”

--Einar

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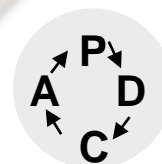
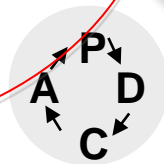
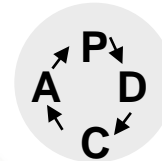
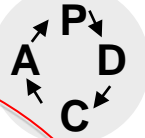
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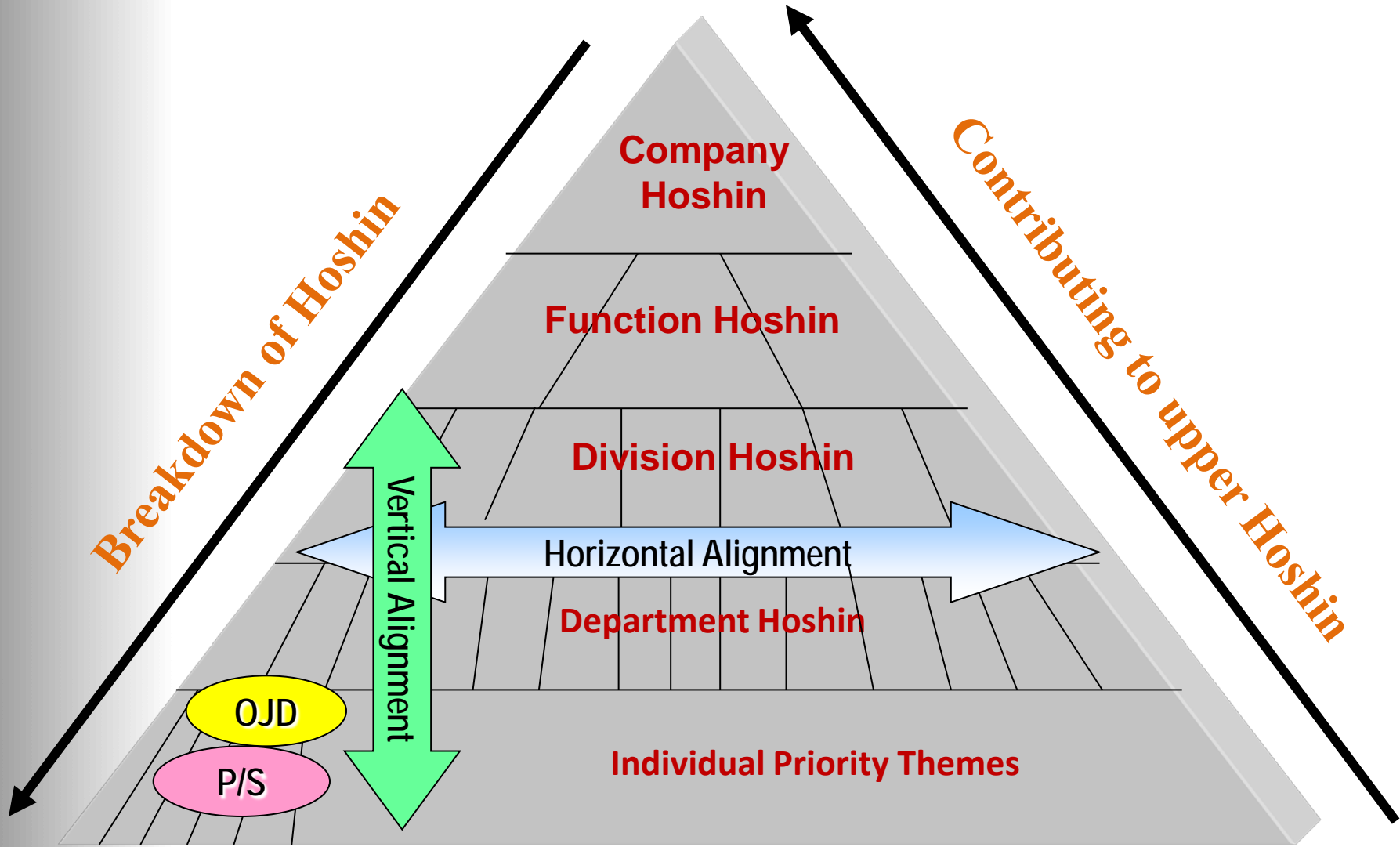
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**TRUE NORTH  
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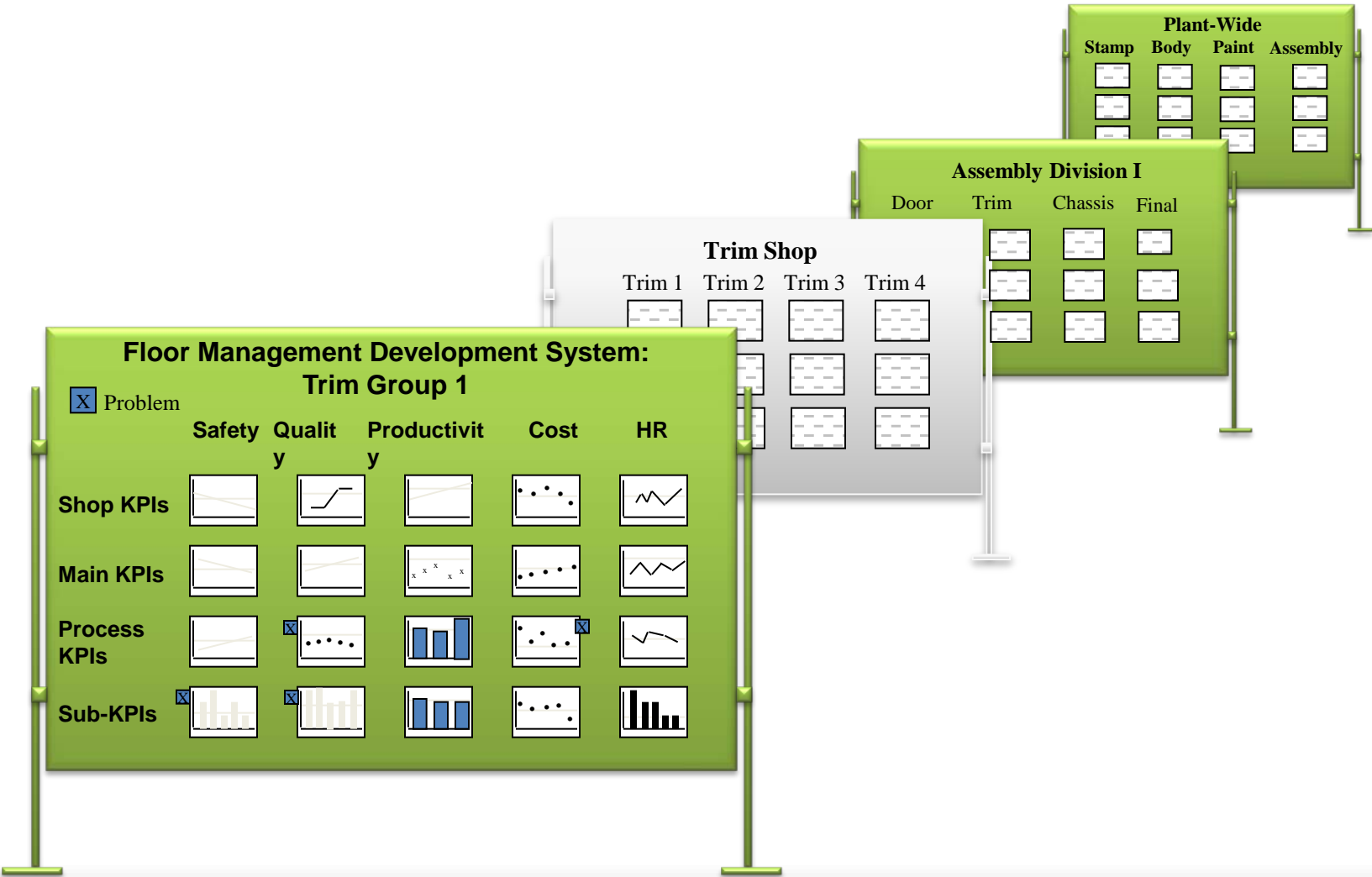
# Hoshin Kanri Aligns Goals & Develops People Horizontally and Vertically



KEY: Concepts: OJD = On-Job-Development

P/S = Problem Solving

# Visual Metrics Aligned from Top to Bottom to meet Annual Plan (Hoshin Kanri)



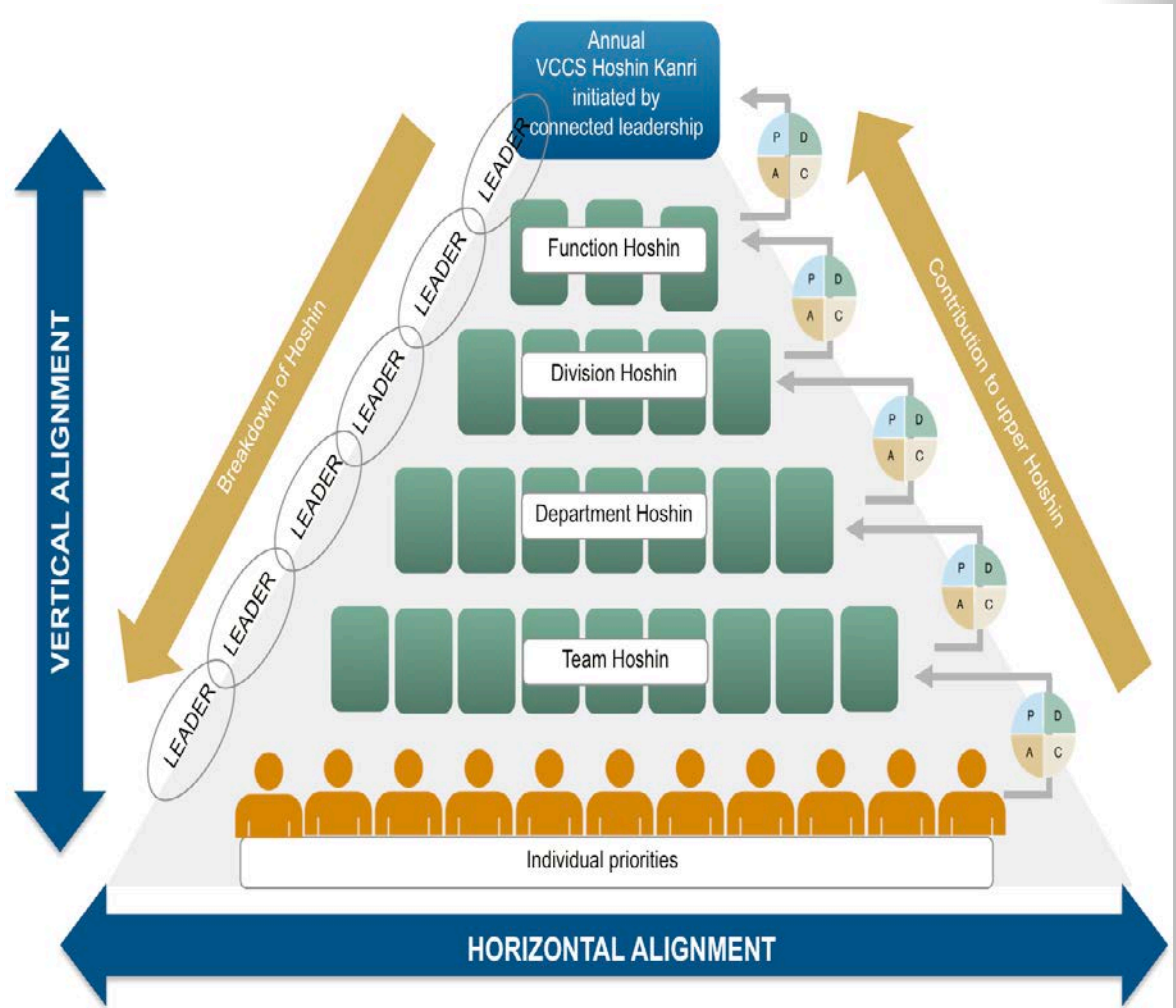
# MBO

## Seeing the Surface



# Hoshin Kanri

## Climbing the Mountain Together



# What is a Lean Leader?

- Manages from the gemba
- Coaches and teaches
  - Technical skills to do job
  - PDCA mindset
- Understands each person: strengths and weaknesses
- Breaks down tasks to give people appropriate assignments: achievable and challenging
- Teaches by questioning, not telling
- Builds trust
- ***Lives the Values!***

We Care! We want you to be your best!



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