

Looking to the future

Where does the future of lean lie and when will it arrive?

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Demystifying Leadership: Setting Leaders up for Success

Introduction

The genesis of this article was a question the author asked himself:

“How is it possible to spend so much money on leadership development and to produce such high levels of variation in the quality of leadership?”

Look around the world and you can see superb leadership, but you can also see:

- A hospital in the UK were up to 1,400 patients died from preventable causes such as dehydration, starvation and the switching off of heart monitors. A failure for which

only two junior employees have been held accountable.

- A culture in the BBC where serial sex offenders were provided with their own rooms thus facilitating the abuse of vulnerable children and adults - a failure that was repeated by the UK's National Health Service for DJ Jimmy Saville.
- Widespread failures of leadership in financial, regulatory and political systems contributing to the financial crash in 2008.

From the 90s onwards the author diagnosed why organisations get a poor return for their leadership



Frank Devine

Managing Director,
Accelerated Improvement Ltd

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development investment. This article outlines the major findings of that diagnosis and explains a method of addressing them, which has been applied successfully across many sectors.

Some lean experts argue (e.g. John Seddon, 2012, who argues that "culture change comes free with the method") that to create a high performance culture we only need the right Continuous Improvement process, because "if you change the process, you change the behavior". This article argues that it is much quicker if continuous improvement is implemented in an already positive and receptive culture (the purpose of mass engagement) sustained by the approach to leadership outlined here.

Before diagnosis, let's look at leadership from a customer perspective, from how an employee experiences it.

How employees experience "culture" – the issue of variation in leadership

How many times have you heard executives claim that the culture of their organisation is X or Y?

How can they possibly deliver this consistently for individual employees unless they ensure that every people manager in the organisation, models that culture?

Given that employees are, in one sense, the customers of "leadership", if we tolerate variation in the standards of leadership how can we prevent the employee experience of the culture being random? Semi-random inputs will produce semi-random outputs. Employees truly join organisations but they often leave their individual bosses.

Having established why variation is so damaging let's look at

why traditional leadership development has not addressed this issue and has, in fact, compounded the problem.

Diagnosis: Why does traditional leadership development sub-optimize?

This section will outline some of the key findings of the initial question – why is leadership development producing such a wide variation in leadership outcomes?

The key causes found were:

- Time interval between usage
- Academic over specialisation leading to systems effects being underestimated
- Unnecessary complexity

Time interval between usage - the Wayne Rooney example

In 2009, Wayne Rooney of Manchester United (the World's 3rd largest sports organisation by revenue, Forbes 2014) scored an overhead kick in a big soccer game; what do you think all the soccer kids in the UK were practicing that afternoon in the park?

How many times in a season will a soccer player use an overhead kick? [For people who do not understand soccer, the answer is fewer than ten times a season.]

How many times does a soccer player need to control the ball regardless of which part of the body it is about to make contact with? [For those who do not understand soccer – thousands of times a season.]

"How can they possibly deliver this consistently for individual employees unless they ensure that every people manager in the organisation, models that culture?"

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So if we want to produce a good soccer team, which of these two skills should we spend the more time improving?

When the author looked at the contents of most leadership development programs, he found a large coverage of the equivalent of overhead kicks, and little time devoted to mastering the foundations.

Academic Over specialisation

The issue can be summarised by the comparison below between the contrasting priorities of individuals as they become more senior in academic and organisational careers:

Unnecessary Complexity

Every year the author runs hundreds of workshops where employees describe how they see their leaders and their organisations (a key part of the mass, rapid employee engagement process which compliments the leadership approach outlined here).

Employees hear their leaders describe what appears to be the same issues in very different ways depending on individual leaders' organisational and educational experiences and favoured models.

This complexity is experienced by many employees not as evidence

of sparkling intellectual diversity but rather as a lack of alignment and competence!

The Cathedral/ Higher Purpose Model explained below reverses this process and delivers a few key skills (henceforth "The Brilliant Basics") well and often enough to move the culture forward.

This approach (combined with the mass engagement approach outlined in the sidebar) contributed to the awarding of the Shingo Prize to DePuy Jonson & Johnson in 2014 and has led to numerous large increases in employee engagement scores in global organisations such as Roll-Royce, Coca-Cola, Johnson & Johnson and GKN. (internal organisational data 2000-2015)

Area	Academic	Executive
Focus	Focus Deeper and deeper knowledge of the "expert" area	Broader and broader as responsibility increases over more and more organisational units, legal, political and cultural systems and people
Consequence	Advancement of science but decreasing sensitivity to boundary and system issues remote from the particular deep knowledge and not necessary for career advancement	Because systems do not optimise by focus on their parts, executives develop increasing sensitivity to and skill in optimising inter-related systems (necessary to achieve organisational success without which career success is unlikely)

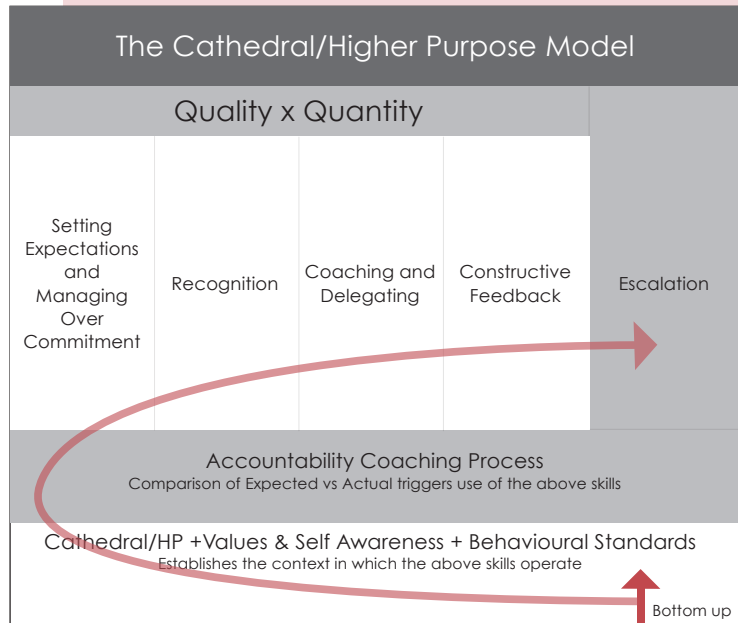
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The Cathedral/Higher Purpose Model

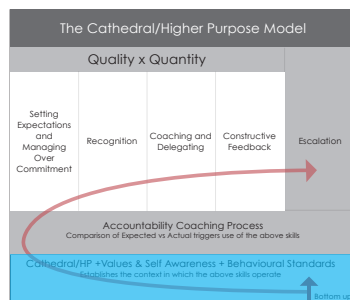
The title of the model emerged from a story used to illustrate the deeper, more emotional and values-based aspects of the model.

The story goes that a visitor to a building site looked down into an excavation and asked one bricklayer what he was doing. The bricklayer replied "I'm laying bricks, what do you think I'm doing". The visitor then went to a second bricklayer in a separate excavation and asked the same question. The response this time was "I am building a Cathedral". Many leaders see the logical significance of the second bricklayer's response, - that he sees the big picture and where his work fits within it. Unfortunately many leaders miss the emotional aspect of his response, his pride in his work.

That pride and ownership is key to employee engagement.



Let's build the model!



The Foundation Levels of the model addresses:

- the differentiating approach of creating bottom up behavioural standards (see sidebar) "When Employees Create Their own Culture" whereby the high performance culture is agreed and codified by the workforce itself. The workforce is not

"involved" or "consulted" about the culture, the workforce directly creates and codifies the new culture with senior leadership, a much more meaningful process

- the spatial sense of all of the skills in the model being based on a foundation of values and employee-created behavioural standard
- the values both of individual employees and of the organisation
- the idea of self-awareness as an integral aspect of humility, a key aspect of the approach

The arrow in the model has 2 meanings:

1. It demonstrates the sequential nature of the model:

- progress starts with building a strong foundation of creating a sense of Cathedral, and sometimes a shared Higher

Purpose, based on values and behavioural standards.

- it then adds brilliant basics skills all delivered at very high levels of quality and quantity.
- finally, these are continuously improved by the application of the accountability coaching process. (similar to "Check, Act" in PDCA)

2. It is not enough to deliver individual skills in isolation to the quality recommended (see over specialisation above); the model is a system and by working on the foundation level and the left of it leaders "earn the right" to move rightwards in the model i.e. become more assertive and directional where appropriate.

The first pillar addresses setting, expectations and managing over commitment.

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Setting Expectations and Managing over Commitment

The first pillar addresses setting expectations and managing over commitment.

Setting Expectations:

In Gallup's Q12 Employee Engagement Survey (Gallup 2015) the first one is - I know what is expected of me at work?

When setting expectations is done by mutually agreeing what we expect from each other, this reinforces values around respect, teamwork and mutuality inherent in the foundation level discussed above.

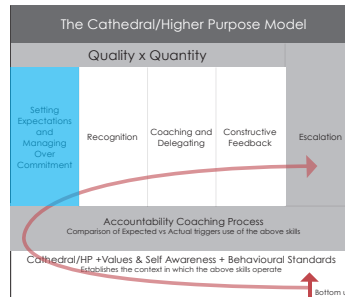
Such mutuality sets the scene for the type of joint evaluation of workload outlined in the 2nd part of this pillar "Managing Over Commitment".

Managing Over Commitment

Imagine this scenario – an over committed employee does not arrive one morning for a meeting; everyone is surprised as it is out of character but everyone is relieved when she arrives 45 minutes later feeling uncomfortable for sleeping in.

Let's look at a different scenario – she is driving home one night after a very long week and she falls asleep at the wheel of her car and kills a family in another car.

In both cases the organisation's toleration of her over commitment led to her sleeping when she shouldn't have; in the



“set clear and mutual expectations”

first case she slept in the safety of her bed and did not hear her alarm; in the second case she fell asleep while driving her car.

The only difference in the outcome of these two cases was luck.

No organisation that aims to operate on the basis of values can tolerate such random outcomes.

How do we treat employees who habitually, offer discretionary effort? These employees are reluctant ever to say no or to disappoint anyone asking them to do work; what they tend to do is commit to doing the work and only afterwards, assess the amount of work required to deliver the commitment.

Poor/lazy managers will often just accept the commitment from the employee and assume that, as that employee has always delivered in the past, he or she will deliver on this new commitment. The employee concerned tends to simply increase his or her workload by first increasing the lengths of their days, then gradually eroding their weekends.

What happens to the moral basis of the implicit contract between the organisation and the employee

if employees voluntarily giving of more and more discretionary effort are simply taken for granted and over worked?

To avoid acting contrary to the values on which this approach is based we have to actively manage over commitment.

We do this by establishing mutual expectations with both the commitment-seeker and the commitment-giver so that the cumulative impact of employees' workload is calculated and appropriate adjustments made. By so doing we not only de-risk against random (and therefore, potentially catastrophic) failure but protect the moral basis on which the new culture sits, a key aspect of a sustained high performance culture.

The process to support this skill sets clear expectations on both the commitment-seeker and the commitment-giver. It involves the mutual and non-hierarchical examination of real workload demand.

Having set clear and mutual expectations and ensured against over commitment we now need to ensure that no employee is taken for granted and that takes us to the recognition pillar in the model.

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Recognition

As we saw earlier, all of the skills sections of the model rest on a values foundation and for Recognition this differentiates the approach from traditional leadership development.

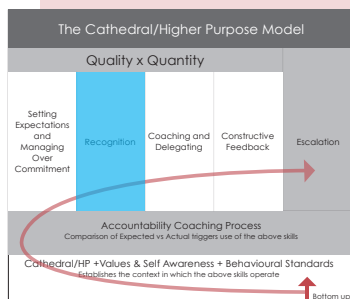
For years leaders have been told that the purpose of giving recognition is to encourage the repetition of already positive behaviors. This is sometimes referred to as "reinforcement feedback".

This is a conceptual confusion between one of many positive consequences of recognition, namely reinforcement, and its purpose.

In the Cathedral/Higher Purpose Model we give recognition because it is the right thing to do; it is a values-based purpose.

Why do we rush to the aid of an old lady who falls in the street? Not because we want to be included in her will but because it is the right thing to do. It is unconditional recognition; we do not do it to get anything back.

Human beings feel the difference between someone recognising them unconditionally and someone praising them because they want something in return.



On its own recognition is not predicted to be capable of sustaining a quality culture and recognition programs in isolation can often sub-optimize but, as part of a system, genuine recognition is fundamental.

Coaching and Delegation

The distinctive approach to coaching is a unification of two unnecessarily separated streams of thinking, namely:

- The coaching stream usually owned by HR/L&D
- The problem-solving stream originating in the "hard" sciences and owned by functions such as engineering, continuous improvement/process excellence etc.

The aim is to:

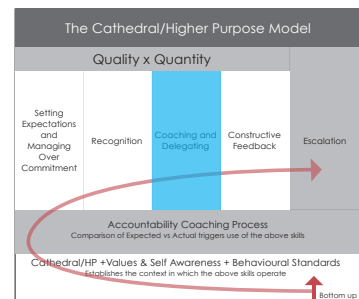
- Add rigour to coaching especially re understanding data and challenging assumptions and logical errors
- Add coaching skill to the myriad of problem-solving approaches in use
- Build mutual empathy and respect between the owners of the respective disciplines

The skills developed here include:

- Use of a push-pull coaching continuum to ensure that the person coaching is always consciously in the optimum place to maximise the potential of the situation
- Understanding of the use and sequencing of different types of questions to ensure that the process produces optimum results including rigorous diagnosis involving challenging assumptions, logical errors and lack of root cause analysis

- Significantly increasing the quantity of coaching by applying the approach to situations that arise every day in informal conversations, meetings etc.
- Appreciation of the limits to analysis and the value of experimentation. This involves multiple inexpensive experiments rather than being content to implement the analytically "best" solution (often not the best when it comes into contact with reality).

Coaching focuses on developing individuals; but sometimes the focus needs to be on dealing with a situation or performance that fails to meet the expected standards and requires the skill of constructive feedback.



"Why do we rush to the aid of an old lady who falls in the street? Not because we want to be included in her will but because it is the right thing to do."

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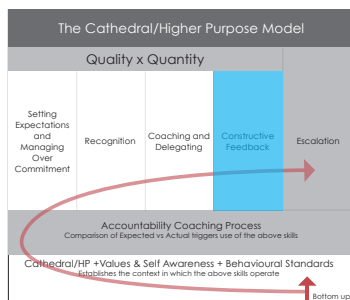
Constructive Feedback

The approach in this pillar is to debunk the idea that constructive feedback is negative so as to encourage quick, non-judgmental conversations to “nip any issues in the bud”.

The skills developed here include:

- When to use constructive feedback and when other options are preferable
- The precision of language and sequence of steps most likely to produce a constructive, mutually respectful and joint problem-solving exchange
- How to receive constructive feedback in a way likely to encourage its future use - crucial for leaders especially when receiving constructive feedback from team members

Constructive feedback may not always be sufficient, or may be inappropriate due to the severity of the situation, requiring a more robust response. That is why there is a pillar called “Escalation”.

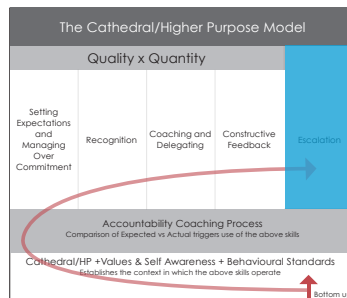


Escalation

The skills developed here include:

- How to informally escalate while maintaining the relationship
- Increasing managers' confidence to start a process of formal escalation by avoiding ruining legal and reputational risks
- Practical processes to shorten, simplify and make more operationally friendly existing HR policies and procedures covering this area

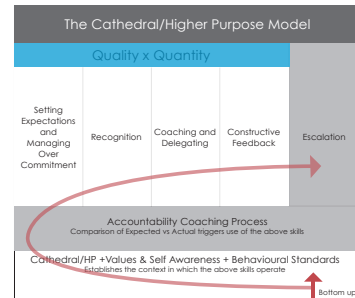
Having looked at all the skills sections we will now look at the roof of the model and explain what is meant by “Quality x Quantity”.



“Human beings feel the difference between someone recognising them unconditionally

and someone praising them because they want something in return.”

Quality x Quantity: Leadership as a Contact Sport!



Imagine every leader had superb skill levels in all the key skills.

What difference would they make to the culture if they very rarely engaged these skills in conversations with employees?

The literature tends to focus on the quality aspect but the unsexy, repetitive, muscle memory aspects are crucial to providing and sustaining a culture. It does not matter if a pro tennis player has a world beating forehand *if she cannot move quickly enough into a position where she can use it often enough to win games.*

The Quality x Quantity section emphasises that while the quality of the conversation matters so does the number of conversations taking place. Many trends in business, from increasing spans of control to giving front-line leaders lots of administrative work go in the exact opposite direction...it is as if we said to the aforementioned Wayne Rooney “hey Wayne while you are making those runs in the game could you cut the grass and paint the lines...you are there”!!!

In summary, *leadership is a contact sport and the amount of contact matters.* Leaders can't do it well in the settings many of them find comfortable such as email or via corporate communications.

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Accountability Coaching Process and Managing on Green

It is often said that “practice makes perfect” but if you practice poor quality you just get well-practiced poor quality! It is perfect practice that makes perfect and this section explores how to strive for that.

This section is designed to:

- Sustain the gains made by the initial mass engagement, investment in leadership development and application of a continuous improvement system
- Continuously improve the application of leadership skills *and adherence to any other standard such as a quality standard*

The accountability coaching process does the above by the leader:

- Systematically following up on *previously established expectations by comparing what was expected to happen with what happened.*
- Using these conversations to gently (at first) nudge towards meeting those standards.
- Ensuring that he/she is “managing on green” i.e. ensuring that the positive aspects of performance are recognised as well as moving forward on any underperformance discussed. This is the opposite of managing by exception.

How do you think an employee will feel if he knows that any conversation with his boss, will be a rounded discussion on progress that

shows appreciation and empathy for the difficulties in the situation?

The author’s experience is that managing on green is a rich source of information on how corporate initiatives are working when they come into contact with employees, suppliers and customers.

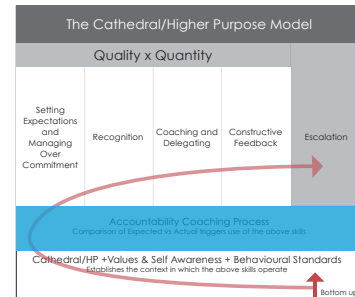
Summary

The overview of this process is:

1. Demystify (i.e. remove all unnecessary complexity) from the approach to leadership
2. (Ideally) combine with a powerful form of employee engagement (see Sidebar)
3. Apply systematically aligning with existing continuous improvement and quality systems

This approach is currently:

- Helping to keeping factories and other workplaces open and, in some cases, to expand (one organisation mentioned here more than doubled its workforce in 6 years)
- Creating workplaces that employees enjoy working in and that helps them self-actualise to a degree many thought was impossible
- Removing artificial/failure demand that had previously wasted employee time and talent
- Demonstrating that by creating mutuality of interests and equipping our employees with brilliant basic skills and processes we can help our organisations become competitive and reinvest the results of that competitiveness into striving for higher purpose
- Sustaining local communities, shops etc.



In doing so I hope that this article will inspire others to do their own experimentation, hypothesis creation and testing in these areas.

References

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- Forbes Business (July 2014) The World’s 50 Most Valuable Sports Teams
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For client examples see www.acceleratedimprovement.co.uk