



The Toyota style is not to create results by working hard. It is a system that says there is no limit to people's creativity. People don't go to Toyota to "work" they go there to "think".

Taiichi Ohno (1912–1990)

6.1 Leadership in Lean Management

Leadership is defined as the way of motivating and directing a group of people to jointly work towards achieving common goals and objectives (Helmold & Samara 2019; Fatma 2015). The leader is the person in the group that possesses the combination of personality and leadership skills that makes others want to follow his or her direction. Leadership implies formal and informal power distribution. The Tannenbaum-Schmidt Leadership Continuum is a model showing the relationship between the level of authority you use as a leader and the freedom this allows your team (Tannenbaum & Schmidt 2009). At one end of the continuum are managers who simply tell their employees what to do. At the other end of the continuum are managers who are completely hands off. As you move from one end of the continuum to the other, the level of freedom you give your team will increase, and your use of authority will decrease. Most managers and leaders will lie somewhere in the middle between these two extremes. The Leadership Continuum was developed by Robert Tannenbaum and Warren Schmidt in their 1958 *Harvard Business Review* (HBR) article: "How to Choose a Leadership Pattern". Tannenbaum was an organizational psychologist and Professor at the UCLA Anderson School of Management. Schmidt was also a psychologist who taught at the UCLA Anderson School of Management. Most leadership models ring-fence a leadership style and analyse it in isolation from other leadership styles. However, in practice, a single leadership style is not appropriate for all situations. Sometimes you might want to borrow elements

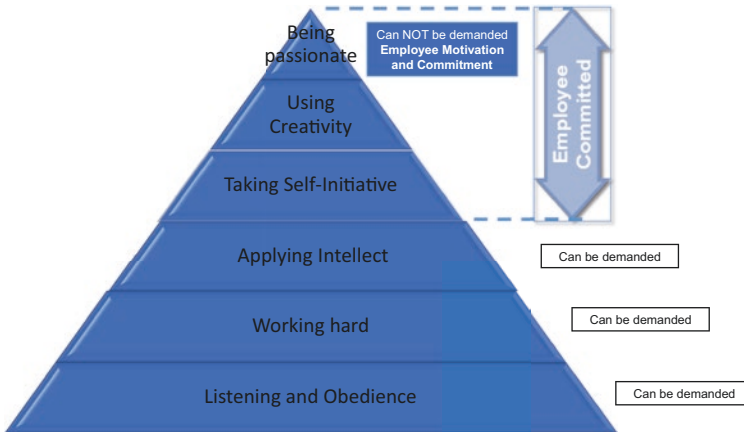


Fig. 6.1 Leadership in lean management focuses on employee motivation and commitment. (Source: Author's source)

of another leadership style to use with an individual within your team. Other times you might completely change your style if the situation requires it. Tannenbaum and Schmidt argued that there are certain questions to be considered when selecting a leadership style (Figs. 6.1 and 6.2):

- What is your preferred style?
- What are your values?
- What is your relationship with your team?
- Are they ready and enthusiastic to take responsibility?
- How important is the work being undertaken?
- How important or tight are deadlines?
- What is the organizational culture?

6.1.1 Tells

The leader that tells is an authoritarian leader. They tell their team what to do and expect them to do the work and job. This style is useful when you urgently need to turn around a department or business and also in situations where deadlines are critical. However, this extreme style can be frustrating for experienced subordinates as it takes no account of team members' welfare. Because of this, make sure you only use this style when the situation calls for it.

6.1.2 Sells

The leader that sells makes their decision and then explains the logic behind the decision to their team. The leader isn't looking for team input, but they are looking to ensure the team understands the rationale behind the decision. A key aspect of

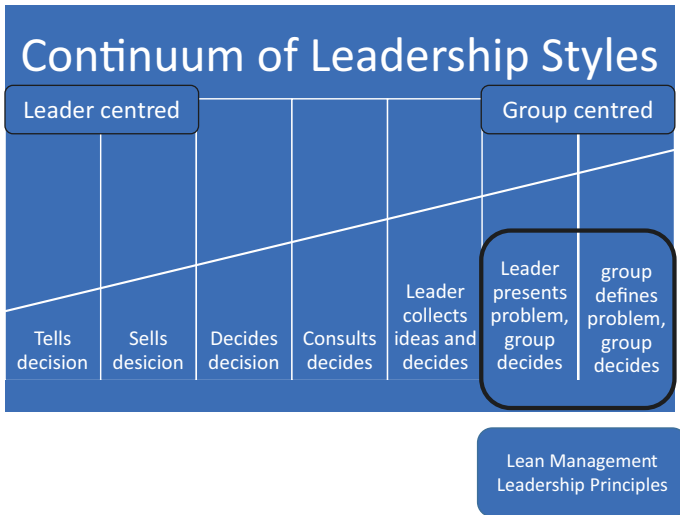


Fig. 6.2 Leadership styles. (Source: Author’s source (adapted from Tannenbaum & Schmidt))

this approach is for the leader to explain how the decision will benefit the team. In this way, the team will see the manager as recognizing their importance.

6.1.3 Suggests

The leader that suggests makes their decision, explains the logic behind the decision, and then asks team members if they have any questions.

Through asking questions, the team can more fully understand the rationale behind the decision than the previous approaches. The leader isn’t going to change their decision, but they do want the team to fully understand the rationale behind it.

6.1.4 Consults

The leader that consults presents their provisional decision to their team and invites comments, suggestions, and opinions. This is the first point on the continuum where the team’s opinion can influence or even change the decision. The leader is still in control and the ultimate decision-maker, but open to any good ideas the team may have. With this style, the team feels they can influence the decision-making process. Once the leader has finished consulting with their team, their decision is finalized.

6.1.5 Joins

The leader who joins presents the problem to their team and then works with the team in a collaborative manner to make the decision as to how the problem is going

to be solved. This point on the continuum differs from the previous four, as it is the first point the leader isn't presenting their decision. Instead, they are simply presenting the problem to be solved. This obviously will require plenty of input from the team, making this approach suitable when the team is very experienced or has specialist knowledge. Because this style involves greater input and influence from the team, it can lead to enhanced feelings of motivation and freedom.

6.1.6 Delegates

The leader that delegates asks their team to make the decision, within limits that the leader sets.

Although the team makes the decision, it is still the leader that is accountable for the outcome of the decision. It might seem very risky to let your team make a decision even though you'll be held accountable for the outcome. However, you can limit the risk by specifying constraints.

You should use this style only with very experienced teams.

6.1.7 Abdicates

The leader who abdicates lets the team decide what problems to solve and how to solve them.

Abdication is the total opposite of telling the team what to do using an autocratic style. Here the team must shape and identify the problem and analyse all the options available, before making a decision as to how to proceed. They will then implement the course of action without necessarily even running it by the leader. This style can be the most motivating but can be disastrous if it goes wrong. Because of this, you should only use this approach with very experienced and senior people. This style is often the way the executive boards of companies will run. Under the CEO, each of the division heads will have complete autonomy as to how they choose to execute the company's strategy.

6.2 Empowerment and Jidoka

A team is defined as group of people with common goals. A work or project team is a group of persons who are grouped according to process and/or geographical location who support each other. In the lean concept, it is important to empower teams as shown in Fig. 6.3. Whereas the conventional approach focuses on top-down decisions, the empowerment-focused approach utilizes the creativity and inputs from the team. Ideas are generated and collected from the team members, which independently decide which options to implement. The basis of this concept is that empowerment will promote ideas, creativity, and innovations from all team or project members. Employee empowerment must be implemented through organizational

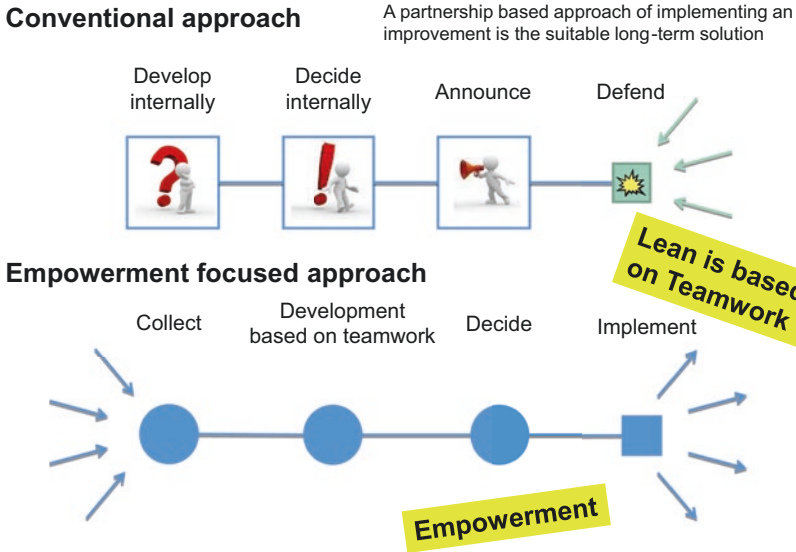


Fig. 6.3 Empowerment focused versus conventional approach. (Source: Author’s source)

and cultural changes. This change must be starting with a top management, who is willing to trust employees with decisions regarding their work. When it comes to production, many modern companies still operate as they did in the early twentieth century, where the production employees are merely “the workers.”

The lean concept of empowerment and stopping production to fix a problem found in production is called “jidoka” which means “getting it right the first time” rather than passing it on to the customer (next work station). Jidoka is a prime example of the lean philosophy of “quality at the source” which emphasizes that every production worker (and supplier) is responsible and empowered for providing quality material to their customer.

6.3 Autonomous Work Groups

Similar to an individual with autonomy at work, an autonomous work group is a team of employees granted autonomy or independence over the work they do within an organization.

6.4 Job Rotation

Job rotation is a management approach where employees are shifted between two or more assignments or jobs at regular intervals of time in order to expose them to all verticals of an organization. The process serves the purpose of both the management and the employees. Advantages and disadvantages of job rotation are given below.

Advantages of Job Rotation

- Reduces the monotony of work
- Broadens one's knowledge and skills
- Helps the management to explore the hidden talent of an individual
- Helps an individual to realize his own interest
- Helps in creating the right employee job fit
- Developing a wider range of experience

Disadvantages of Job Rotation

- Reduces uniformity of work
- Fear of performing another task effectively
- Frequent interruptions in the work
- Misunderstanding between the team members or union
- Difficulty in coping with other team members
- Fear of getting more tedious or a hectic work

The job rotation is beneficial for both the employer and the employee. The employer can identify the vertical where the employee is giving his best and can also place him in the position of a person who has left because of the retirement, transfer, termination, or any other reason.

6.5 Job Enlargement and Job Enrichment

Job enlargement is an increase in job tasks and responsibilities to make a position more challenging. It is a horizontal expansion, which means that the tasks added are at the same level as those in the current position. The job enrichment is the job design technique used to increase the satisfaction among the employees by delegating higher authority and responsibility to them and thereby enabling them to use their abilities to the fullest. Job enrichment will affect more the motivation, as the quality of work will be enriched to the employee (Fig. 6.4).

6.6 The Manager as the Coach of Employees

6.6.1 Case Study: BMW Quality Through Job Rotation

The BMW Group has more than 92,000 worldwide and centres them inside the middle of the corporate strategy. The human resource policy is with the Munich automakers firmly integrated in corporate policy and affects all strategic or structural decisions. Already since 1983, the company BMW applies an

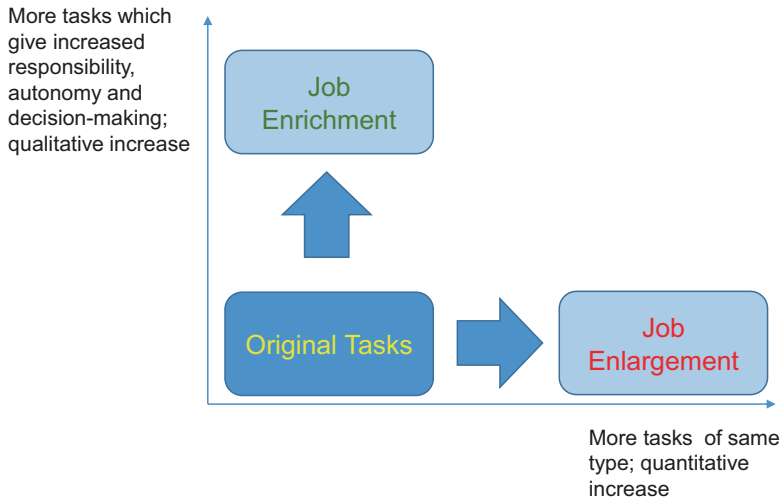


Fig. 6.4 Job enlargement and job enrichment. (Source: Author's source)

employee-oriented personnel policy. Present and future employees are not only a cost factor but a success factor for achieving long-term sustainable competitive advantages (BMW 2019). BMW not only introduced flexible working time models but also created new work structure with more freedom, thus using the employees in an optimal way. This way, the company left the traditional way and methods of the division of labour towards integrated working structures. Integration means in this context that project tasks and all processes are defined, divided, and fulfilled. This is done by leaving the traditional way of specialized functions and departments to a cross-functional project team, in which project teams are responsible for achieving the overall project results. For this change in human resources, it is mandatory to train not only hard skills (technical knowledge, etc.) but also soft and social skills (team skills, leadership, etc.). The acquisition of such new skills provides some variety and enrichment in the daily work and provides for each individual personal development opportunities, so that job rotation is possible. The application shows numerous exchange experiences and insights into a large range of work processes and jobs (BMW 2019). One example is that of Mr. Kroneder, previously trainer in the field of electronics, who rotated his job with Mr. Hillerbrand, maintenance for electronics in the vehicle final assembly and vice versa. The aim is to create a new technical trainer with assembly line experience and to enable a fully qualified trainer to apply the knowledge at the shop floor and to help workers at the assembly line area to develop in this job rotation program. This job rotation was executed for a period of 6 months. Because the exchange between production and training is very positive proves it is planned to train two instructors annually between 6 months and a whole year to offer this opportunity (BMW 2019) (Fig. 6.5).



Fig. 6.5 BMW production. (Source: Author's source)

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