Lean Manufacturing Leadership

The Case for Leadership
Leadership is often the most important factor in a Lean Manufacturing implementation. The paradigm shift of Lean Manufacturing demands visionary leadership.

Leadership is quite different from management. The necessary qualities for it may lie deep inside the human psyche. Nevertheless, even visionary leadership can be learned.

Managers Versus Leaders
Managing and leading are quite different. Very few people can play both roles with distinction. This is why many visionary military leaders developed a strong supporting staff. MacArthur, Patton and Rommel, for example, had exceptionally good staff officers to detail and support their rather fuzzy, visionary plans.

Leaders establish new and radical visions. They bring vision to reality with shared values that gain commitment.

In contrast, managers work within a system to maintain existing goals and direction. They generally use reward and punishment to gain compliance.

Successful organizations need both managers and leaders. Firms with long periods of past success, such as the American automobile industry, have special problems.

During periods of success, management is highly valued and true leadership is often discouraged. When the external environment (markets, technology, social structure) changes the organization cannot adapt new visions to cope. This is why large firms with successful histories have the most difficulty with Lean Manufacturing.

Leadership Style
Much is often made of leadership style. Note the wide range of styles in these successful military leaders.

One would find an equally wide range of styles in failed leaders. The conclusion is that style does not determine success or failure for leaders with formal authority.

Peer leadership is another matter. Peer leaders have no official authority. They lead through casual mechanisms such as respect, knowledge, charisma and rapport. Peer leadership is increasingly important in today's informal, fluid organizations.

For peer leadership, the quiet style of a Robert E. Lee is far more effective than the bombastic style of a Patton. Try walking into a process improvement meeting with a pearl-handled revolver and riding crop. Your next stop will be the psycho ward.

If style does not matter, what does? The U.S. Army's Charismatic Leadership model provides some answers.

The Charismatic Model
Successful leaders in all fields and situations exhibit a common behavior pattern. They:

- Challenge The Status Quo
- Create A Compelling Vision
- Establish Shared Values
- Enable Others To Act
- Model The Way
- Encourage The Heart

Charismatic leaders do these things constantly in large and small ways. Cumulatively, these actions change attitudes, responses and methodologies within the organization.
Learning From The Movies

Movies are a great way to learn about leadership. Just watching, however, will add little insight. This learning requires structure and active reflection.

Why is Charismatic Leadership so important for the transition to Lean Manufacturing? The answers have to do with paradigms, empowerment and motivation.

The Paradigm Problem

We all view the world through the lens of experience (our paradigm). This lens may distort reality to fit our paradigm. Alternatively, the lens ignores or rejects information that does not fit the paradigm.

This is not a personality defect, it is the way brains work-- they are self-organizing pattern recognition systems. New information that does not fit an established pattern throws the brain into confusion-- hence, the distortion or rejection.

The power of charisma overcomes this. Emotional commitment to the Charismatic Leader allows followers to accept the leader's paradigm in spite of the brain's confusion. Gradually, the brain develops a new paradigm based on new evidence and experience.

Empowerment, Efficacy and Self-Correction

Successful Lean Manufacturing requires high levels of empowerment for people and work teams. Taiichi Ohno and Shigeo Shingo must have understood this implicitly, but they did not write about it very much.

This empowerment is necessary for the system to self-correct at the lowest levels. Highly directive, bureaucratic systems that attempt to correct at high levels are inherently unstable.

The diagram illustrates how self-efficacy and empowerment lead to self-correction and system stability. Self-efficacy also leads to increasing self-confidence that leads to more empowerment.

Motivation

All of this ties in to motivation. People and teams who believe they have control of their situation work harder and perform better. They take pride in their efforts. Pride gives meaning to their work and their lives.

You may see this cycle at work in the classic film "Twelve O'Clock High." Our download of Major Attila Bognar's article on this film clearly illustrates the role of the charismatic leader.
What Is Leadership?

Leadership is about influencing others to take actions and adopt behaviors that accomplish a goal or a mission.

This is a complex topic. It may be viewed from many perspectives. In this series of articles, we give a view of leadership synthesized from several established perspectives.

Issues and Problems

For most organizations, problems prevent the direct, linear achievement of a goal. The tasks for accomplishment may be murky and solutions to problems may be unclear. Moreover, the goal itself may be unclear, unknown or controversial.

Table 1-- Organizational Issues

<table>
<thead>
<tr>
<th>Problem/Issue Types</th>
<th>Solutions Available</th>
<th>People Involved</th>
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</thead>
<tbody>
<tr>
<td>Adaptive, Non-Technical &amp; Unclear</td>
<td>Unknown and Unclear; Requires Evolution of Values and Innovation</td>
<td>All Stakeholders</td>
</tr>
<tr>
<td>Non-Technical but Clear</td>
<td>Partly Known -Some Adaptive Learning Required</td>
<td>Experts Aid Diagnosis; Group Solves Problem</td>
</tr>
<tr>
<td>Technical &amp; Clear</td>
<td>Technical, Solutions Exist</td>
<td>Expert-Leader Solves Problem</td>
</tr>
</tbody>
</table>

Levels of Leadership

Table 2 summarizes our perspective on leadership. It views leadership at different levels: Transactional, Relational, Transformational and Charismatic.

If we map the leadership levels of table 2 to the issue types of table 1, we see that lower levels of leadership can cope with technical and non-adaptive problems. Murky, adaptive issues require higher levels of leadership.

Different writers and researchers attach different meaning to these terms. For example, some writers view charismatic leaders as any leader possessing charisma and include people such as David Koresh and Jim Jones in this category.

Others view charismatic leaders as transformational leaders with the added characteristic of charisma. When viewing these pages and the other literature, you must infer from the context whether the discussion is about the pure Charismatic or Transformational- Charismatic Leader.

Transactional Leaders

Activities & Competencies

Transactional leaders use conventional reward and punishment to gain compliance from their followers. They have continuing, often unspoken interaction that take such forms as:

"Do as I say and you will get a raise."
"Meet this quota or you will get fired."

These extrinsic motivators bring only minimal compliance from followers. Some followers will supply their own internal (intrinsic) motivation such as pride in their work, but this is a matter of chance.

Transactional leaders accept the goals, structure and culture of the existing organization. They must do so because this type of leadership is ineffective at bringing significant change.
Table 2-- Levels of Leadership

<table>
<thead>
<tr>
<th>Level</th>
<th>Activities &amp; Competencies</th>
<th>Personal Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>IV Charismatic-Transformational</td>
<td>All of Level III +...&lt;br&gt;Personal Charisma</td>
<td>All of Level III +...&lt;br&gt;Self-Confident&lt;br&gt;Knows Him/Herself&lt;br&gt;Eloquent&lt;br&gt;Free of Internal Conflict&lt;br&gt;Expressive Emotionally</td>
</tr>
<tr>
<td>III Transformational</td>
<td>All of Level II +...&lt;br&gt;Frames Holistic Issues&lt;br&gt;Sets New Goals &amp; Direction&lt;br&gt;Creates Meaning&lt;br&gt;Manages Creative Conflict&lt;br&gt;Promotes Organizational Learning&lt;br&gt;Creates A Context for Dialogue&lt;br&gt;Manages Paradigms&lt;br&gt;Creates Commitment Through Shared Values</td>
<td>Assertive&lt;br&gt;Seizes Opportunities&lt;br&gt;Tolerates Risk&lt;br&gt;Uses Systems Thinking</td>
</tr>
<tr>
<td>II Relational</td>
<td>Creates Commitment Through Participation&lt;br&gt;Motivates Intrinsically&lt;br&gt;Promotes Teamwork&lt;br&gt;Manages Politics&lt;br&gt;Works Within Existing System</td>
<td>Participative &amp; Consultative</td>
</tr>
<tr>
<td>I Transactional</td>
<td>Accepts Organizational Goals&lt;br&gt;Uses Extrinsic Motivators&lt;br&gt;Works Within Existing System&lt;br&gt;Takes Action</td>
<td>Directive&lt;br&gt;Dominating&lt;br&gt;Action-Oriented</td>
</tr>
</tbody>
</table>

Personal Characteristics
Transactional leaders tend to be directive and sometimes dominating. They tend to be action oriented.

Some transactional leaders adopt this approach because they are unaware of the effect it has on followers. Others, I suspect, have a more sinister motivation: they are fully aware of the negative impact on others and take pleasure in it.

Application Level
Transactional Leadership is the lowest level. It works only where the organizational problems are simple, clear and technical in nature.

Transactional leadership has often been associated with the military. However, successful militaries have long known that it is ineffective.

Of course, every formal leader uses transactional leadership at times. In certain situations, it is necessary and effective.

Relational Leaders
Activities & Competencies
Relational Leaders create commitment through participation in work and problem-solving processes. This contrasts with the Transactional Leader who gains only compliance.

Teams and teamwork play a key role for the Relational Leader. Belonging to a team is powerful motivation for most people. In addition, teams are better at solving difficult, unclear and non-technical problems.

The Relational Leader manages politics within his/her own team and with the outside world. This further promotes team effectiveness.

Relational Leaders generally work within the existing organization structure and culture. They adopt existing values, goals and processes.

Personal Characteristics
Relational leaders are usually personable. They welcome participation and consultation and will tolerate opposing views.
Application Level
Relational Leadership works well with technical and non-technical problems where the issues are clear. It is insufficient for adaptive problems.

Transformational Leaders
Activities & Competencies
Visionary, inspiring and daring are words that describe the Transformational Leader. These are the people that revive failing companies. They lead other firms into a future that is very different than their past. Transformational Leaders have lofty goals and high ideals. They are seen as people of high integrity.

While relational Leaders gain commitment through participative problem-solving, Transformational Leaders creates even greater commitment through shared values in addition to participation.

This sort of transformation requires a wide-ranging re-examination of the organization's purpose, structure and culture by many individuals and groups within. Such re-examination requires discussion and serious debate. People do not accept new values just because the leader tells them to do so.

The Transformational Leader guides this debate. He/she establishes the context and rules for constructive conflict and dialogue. In hundreds of places and thousands of meetings, people begin to operationalize new values.

Personal Characteristics
Transformational Leaders are assertive risk-takers who seize opportunities. They are also systems thinkers who understand the interactions of people, technology and culture.

Such leaders may have an additional trait that we consider separately: personal charisma.

Charismatic Leaders
What Is Charisma?
Charisma (defined in the box) is an elusive, personal quality that gives an individual influence or authority over large numbers of people.

Random House Unabridged Dictionary

Charisma - a spiritual power or personal quality that gives an individual influence or authority over large numbers of people.

Application Level
Charismatic-Transformational Leadership applies to the most difficult and complex organizational problems. These problems involve culture, values and paradigms in addition to the more technical problems.
Character, Charisma & Chemistry

What Charismatic Leaders Do
We have all seen them. Those electrifying few who cast a spell, stay with us, and move us. They are the Charismatic Leaders. In all fields and situations, they have a common behavior pattern. These people:

- Challenge The Status Quo
- Create A Compelling Vision
- Establish Shared Values
- Enable Others To Act
- Model The Way
- Encourage The Heart

Charismatic leaders do these things constantly in large and small ways. Cumulatively, these actions change attitudes, responses and methodologies within the organization. In the present context, charismatic refers to the Charismatic-Transformational Leader.

Challenge The Status Quo
Charismatic Leaders are visionaries. They want to transform, not merely maintain. They revive failing companies, develop new products and revolutionize processes.

These people see opportunity everywhere and believe that sacred cows make the best hamburger.

In the film, "Twelve O'clock High", sloppy navigation has cost the lives of 53 men and 10 aircraft. Sloppy security has given the enemy insight into the workings of the 918th Bomb Group. General Savage (Gregory Peck) takes command and begins a series of reprimands, demotions and reassignments. He also stands down the unit and schedules practice missions. This is General Savage’s way of questioning the process and challenging the status quo.

Create A Compelling Vision
Vision is all about what could be and should be. It is not about what is likely if the organization proceeds on the present course. The Charismatic Leader envisions an uplifting future. He/she appeals to values, interests, hopes and dreams.

To be compelling, a vision must be simple; the details will fill in later as people operationalize it. A vision should paint a picture and appeal to emotion. It needs poetry and power. It should be written in the present tense as though the future were today.

Charismatic Leaders never lose an opportunity to repeat and share their vision. They bring it to life with metaphors, stories, symbols, slogans and examples.

Followers must buy into this vision. This means that the leader must listen, know the constituents and adapt the vision to constituent needs. This process is more dialogue than monologue.

Establish Shared Values
Shared values build strong teams. Charismatic Leaders verbalize organizational and personal values that bind together the organization and the leader. They appeal to the nobler aspects of human nature.

Enable Others To Act
Charismatic-Transformational Leaders give away power. They place the responsibility for decisions and management on their followers and teams. They rarely second-guess.

The Charismatic Leader reduces perceived risk by focusing on success rather than failure. They provide necessary support and resources.

Developing competence is an important part of enabling others to act. If the skills are unavailable, followers cannot act effectively. Training is an
important part of Charismatic Leadership. Competency leads to pride and pride leads to superior performance.

Model The Way
Charismatic Leaders demonstrate their vision through action. In the film, “Patton” there is a wonderful example. Patton (George C. Scott) comes across a traffic jam. Climbing out of his jeep, Patton begins to break up the jam. As vehicles start to move, Patton turns the job back to a Military Policeman.

A Major General directing traffic is an enduring image from this film. It captures the essence of "Modeling The Way."

Encourage The Heart
Effective leaders do not assume that their followers know when they have done well. People need constant encouragement, rewards and praise. Much of this can be simple and intrinsic. A simple "Well done" goes a long way. Other rewards can take the form of public recognition.

The Dark Side of Charisma
Ethical Issues
Charismatic Leadership is ethically neutral. Leaders may use it for good or evil. For example, Stalin, Churchill, Roosevelt and Hitler were all Charismatic Leaders.

It is also necessary to distinguish between the pure Charismatic and the Charismatic-Transformational Leader. When viewing these pages and the other literature, you must infer from the context whether the discussion is about the pure Charismatic or Transformational-Charismatic Leader.

Checks & Balances
Charisma does not confer wisdom or even knowledge on the leader who possesses it. Such leaders are free from internal conflict and have high confidence in their own ability. Their disciples also have high, sometimes misplaced, confidence in their leader.

If the Charismatic Leader is wrong about the direction and goals set for the organization, there is little to question or correct that direction. There are many examples of Charismatic Leaders who take their firms down the wrong path.

Corporate Culture
Charisma rarely sways everyone in the organization. Charisma to one follower may be arrogance to another. Those who do not fall under the spell often work against the Charismatic Leader.

Charismatic Leaders often have trouble in the middle-management ranks of stable organizations. People in other areas view them as threatening and dangerous. For this reason, those with charismatic qualities should pay extra attention to the sensibilities of their peers and superiors.
King Henry V and Charismatic Leadership

Several attempts to bring Shakespeare’s Henry V to the screen have been made. Only the 1989 version, starring and directed by Kenneth Branagh has been successful. It is a marvelous and stirring film with a strong anti-war sentiment.

This synopsis focuses on parts of the story related to leadership. It omits various sub-plots and minor themes.

Leadership Synopsis

In the opening scenes, a young King Henry has recently ascended to the throne of England. He has reason to believe there is a lawful reason to unite England and France under one ruler, himself.

Henry’s youthful escapades have brought him a reputation as a lightweight playboy. The Dauphin of France sends a scornful joke-gift in the form of tennis balls. Henry responds:

When we have march’d our rackets to these balls,
We will, in France, by God’s grace, play a set
Shall strike his father’s crown into the hazard...

...So get you hence in peace; and tell the Dauphin
His jest will savour but of shallow wit,
When thousands weep more than did laugh at it.

A plan is conceived to invade France. After a minor sub-plot involving traitors, action proceeds to the small town of Harfleur in France.

Henry leads his forces “from the front” and takes the town. He orders his men to treat the residents as English—there is to be no pillaging or stealing. A boyhood friend is caught stealing and Henry hangs him for the offense.

Dysentery plagues the town and Henry marches his main force towards Calais with the intent of returning to England.

The French forces intercept Henry at Agincourt. The English are heavily outnumbered, sick, tired and despondent. The French call for a surrender and ransom. Henry responds:

We are but warriors for the working-day;...
...But, by the mass, our hearts are in the trim.

...We would not seek a battle, as we are;
Nor, as we are, we say we will not shun it:

Westmoreland laments that “If we had just 10,000 of those men who do no work in England.” Henry responds: “... the fewer the men the greater the share of honor.” Truly the greatest inspirational speech in any medium ensues.

The battle engages and English archers, mud and their own indiscipline defeat the French. After the battle, the French and English carry their dead and wounded to the nearby castle of Agincourt.

KING HENRY V

Come, go we in procession to the village.
And be it death proclaimed through our host
To boast of this or take the praise from God
Which is his only.

FLUELLEN

Is it not lawful, an please your majesty, to tell
how many is killed?

KING HENRY V

Yes, captain; but with this acknowledgement,
That God fought for us.

For a more complete analysis, see the following pages that have specific examples taken from Shakespeare’s play.
This summary shows how King Henry V uses the five practices and commitments of the Charismatic Leadership paradigm. The text does not do justice to Shakespeare's work. We urge you to see the 1989 film version with Kenneth Branagh.

<table>
<thead>
<tr>
<th>Practice</th>
<th>Commitment</th>
<th>Examples From The Play</th>
</tr>
</thead>
</table>
| Challenge The Status Quo  | • Search out challenging opportunities for change, growth, innovation, and improvement.  
                              • Experiment & take risks.                                                   | (1.2) Henry makes it clear that his youthful play is over and he intends to take up the challenge of the French Dauphin. The high risks from this course of action are also brought out. |
|                           | (3.1) Henry leads the charge at Harfleur.                                   | (3.1) Henry leads the charge at Harfleur. Once more unto the breach, dear friends, once more; Or close the wall up with our English dead. ...And you, good yeoman, Whose limbs were made in England, show us here The mettle of your pasture; let us swear That you are worth your breeding; which I doubt not; For there is none of you so mean and base, That hath not noble lustre in your eyes. |
|                           | Envision an uplifting future.                                                | (4.3) Just before the battle at Agincourt, Henry paints a picture of the future for his men.  
                              | • Enlist others through appeals to values, interests, hopes, and dreams.       | (4.3) After his “Band of Brothers” speech, Henry commends his officers and then speaks to the French Herald: All things are ready, if our minds be so Let me speak proudly: tell the constable We are but warriors for the working-day; Our gayness and our gilt are all besmirch'd With rainy marching in the painful field; And time hath worn us into slovenry; But, by the mass, our hearts are in the trim; |
|                           | (2.2) Henry establishes that only those whose hearts are with him need come on the venture. | (4.3) Before Agincourt, Bedford says of Henry: He is full of valour as of kindness; Princely in both. |
|                           | We carry not a heart with us from hence                                    | (4.3) In the “Band of Brothers” speech, Henry establishes shared values of family, honor, bravery and heroism. (See speech below) |
|                           | That grows not in a fair consent with ours                                   | (4.3) After the “Band of Brothers” speech, Henry shows confidence in his men: You know your places: God be with you all! |
|                           | Nor leave not one behind that doth not wish Success and conquest to attend on us. | (4.3) York, the youngest of Henry’s nobles asks to lead the attack. Henry says: Take it, brave York. Now, soldiers, march away: And how thou pleasest, God, dispose the day! |
| Establish Shared Values   | • Verbalize organizational and personal values that bind together the organization and the leader.  
                              • Appeal to the nobler aspects of human nature.                             |                                                                                             |
| Enable Others To Act      | • Promote cooperative goals and build trust.                                | (1.2) Henry orders preparation for the venture in France. ...Therefore, my lords, omit no happy hour That may give furtherance to our expedition; For we have now no thought in us but France. Save those to God, that run before our business. Therefore let our proportions for these wars Be soon collected and all things thought upon That may with reasonable swiftness add More feathers to our wings... |
|                           | • Strengthen people by giving power away, providing choice, developing competence, and offering support.  
                              • Ensure that people are technically competent through training and experience. | (4.3) |

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Model The Way

- Set the example through behavior that reflects shared values.

Encourage The Heart

- Use intrinsic rewards to honor those who have served well.

King Henry's

St. Crispin's Day Speech

WESTMORELAND

O that we now had here
But one ten thousand of those men in England
That do no work to-day!

KING HENRY

What's he that wishes so?
My cousin Westmoreland? No, my fair cousin:
If we are mark'd to die, we are enow
To do our country loss; and if to live,
The fewer men, the greater share of honour.
God's will! I pray thee, wish not one man more.

Rather proclaim it, Westmoreland, through my host,
That he which hath no stomach to this fight,
Let him depart; his passport shall be made
And crowns for convoy put into his purse:
We would not die in that man's company
That fears his fellowship to die with us.
This day is called the feast of Crispian:
He that outlives this day, and comes safe home,
Will stand a tip-toe when the day is named,
And rouse him at the name of Crispian.
He that shall live this day, and see old age,
Will yearly on the vigil feast his neighbours,
And say 'To-morrow is Saint Crispian:'
Then will he strip his sleeve and show his scars.
And say 'These wounds I had on Crispin's day.'

Old men forget: yet all shall be forgot,
But he'll remember with advantages
What feats he did that day: then shall our names.
Familiar in his mouth as household words
Harry the king, Bedford and Exeter,
Warwick and Talbot, Salisbury and Gloucester,
Be in their flowing cups freshly remember'd.

This story shall the good man teach his son;
And Crispin Crispian shall ne'er go by,
From this day to the ending of the world,
But we in it shall be remember'd;

We few, we happy few, we band of brothers;
For he to-day that sheds his blood with me
Shall be my brother; be he ne'er so vile,
This day shall gentle his condition:
And gentlemen in England now a-bed
Shall think themselves accursed they were not here,
And hold their manhoods cheap whilst any speaks
That fought with us upon Saint Crispin's day.

--William Shakespeare
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