

# Lean Leadership - Organizational Buy - Ins

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**Abstract:** Great organizations have become leaders due to their leadership and sustainable initiatives. One such initiative is adoption of lean leadership to align core strategies with all functional areas of business. Leadership is likely to take place in a lean environment because improvements that happen are continual and can only be supported by leadership which understands this important aspect. The topic of lean leadership organizational buy ins speaks on how lean leadership could affect organizations that adopt lean and other quality tools. **Purpose of the study:** This study has been undertaken to understand "When leadership more of is likely to take place in lean ". Leadership plays a very important role while adopting lean processes and how lean leadership can address the process problem. Application of leadership lenses to lean processes needs great foresight thought and creativity. It has been also observed that lean management and lean processes can happen only if leadership is able to effectively communicate the thought of continual improvement to bring in a lean organization and a future state of processes where everything of a firm, process and procedure is continually improving and the best strategies to manage this change becomes a philosophy. Lean leadership is associated with such a change. This enables leadership vision to be clear as it paves the way for "current state" and is clear to everyone. It is this leadership vision which enables employees to think and act in a way that perpetrates continual improvement. Hence leadership buys ins for lean are very necessary. The purpose of the study is also to understand how leaders can not only use cost reduction ,but also reducing time-to-market improving service quality and reducing risk exposure by adopting lean methods . it has been also seen that there is overall productivity and efficiency in organizations holistically when leadership endorses lean methodology. (Radnor, Z. and Bucci, G. 2007) Leadership is a constant activity and evolves into a cohesive force towards transformation. Unless leadership is driven into the philosophy of the organization by major improvements not only in productivity, but also in speed, quality, customer loyalty, employee engagement and, most importantly, growth there can be no effective buy INS. Hence if lean management and lean thinking have to be a part of organization philosophy then leadership will be able to identify that all dimensions of a transformation at once and that recognizing that each provides crucial support to the others. (Radnor, Z. and Bucci, G. 2007). lean leadership attempts to bring the voice of the customer at the heart of the business. Leadership in lean is geared to helping employees to work together more effectively to deliver exactly what customers value. Lean leadership should also be able to strengthen performance systems. Lean leadership supports and identifies those nodes and inputs to ensure that targets and performances are pinned down to respective processes and resources are deployed to the necessary inputs. Lean also encourages root-cause problem solving lean leadership allows for high levels of organization skills and shifts lean responsibility towards the front line, and demands new styles of leadership. These new frontiers of leadership are what channelizes growth and make a good lean leader. (Pearce, C. L. & Conger, J. A. (2003

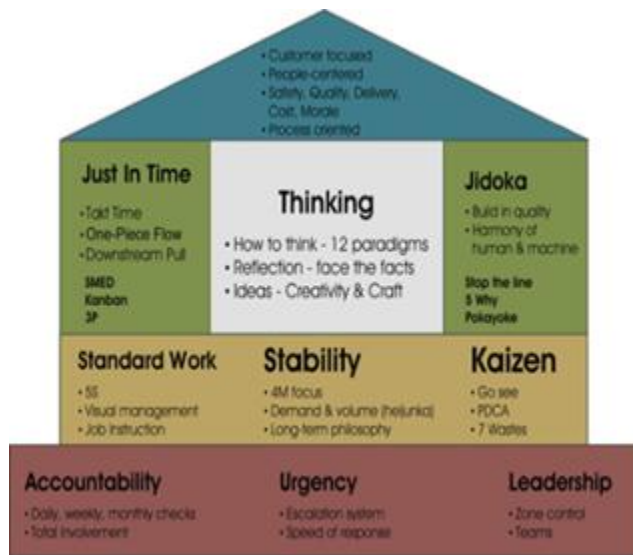
## Introduction:

The highly competitive business segment and sector where business model innovations are the key to growth add continual improvement is the philosophy and the mantras, leadership challenges acquire a new paradigm. The purpose of leadership

- a. Is to provide the highly customer centric focus so that businesses can grow
- b. Identify processes that can led to accruing value add to business for people and for designs
- c. To engage employees by looking at both upstream and downstream value streams

Lean leadership identifies that a business model is one on which the business works to attain that singular competitive advantage. Business models have been replicated as they are easy to follow. This leads to carry forward of ideas and continual improvement is absent. In order to march ahead and look at superior strategies and growth there has to be innovation in the business model and design. This makes way for change to be permanent aspect of business evolution and also paves the way for continual improvement of model, design and processes Lean leaders should try to answer three questions of why what and how so that they sustain in a competitive environment Business model innovation transfers the firm from cost inefficiencies to cost efficiencies lessening the hurdle rate. It also transforms the under performers to achievers through a very realistic and viable business model. In order to fuel the growth engine, there has to be business model innovations. Innovation has to be a corporate agenda and a philosophy which has to be painstakingly adhered to. The challenges to business model innovation are the adaptation to technology, value network and the financial hurdle. The value network is the greatest challenge because it is a very complex system of relationship between Customers, suppliers, and competitors. The value network is a tightly connected,

complex system of. The value network dimension is encompassing, embracing the unique relationships that a company builds with both its upstream which are the supplier and downstream distributor and customer channels. How it is able to build this is the greatest challenge. The hurdle rate dimension describes the relationship of a given project's financial projections to the minimal expected return. The hurdle rate is a key factor in traditional disruptive innovation that relies on a low-cost business model. (Arnheiter, E. and Maleyeff, J. 2005). Technology adaptations in the form of design and process and sustaining technology improvements or even radical new technologies implemented within the companies' existing should complement the network and value and financial systems and hence identification of such a technology becomes another challenge. In order to meet these challenges very successfully lean leadership brings out those processes and challenges in decision making that allow for lean thinking transformation. (Arnheiter, E. and Maleyeff, J. (2005). It is said that leadership which is lean always incorporates thinking into its system. As a very comprehensive approach it is seen that lean leadership aims at bringing in continual improvement into its processes, products and organization changes. This enables organization and all internal stakeholders to understand the leadership direction. Lean leadership is said to possess some of the following skills which make success of not only organizational performances but also look at the most effective use of resources.

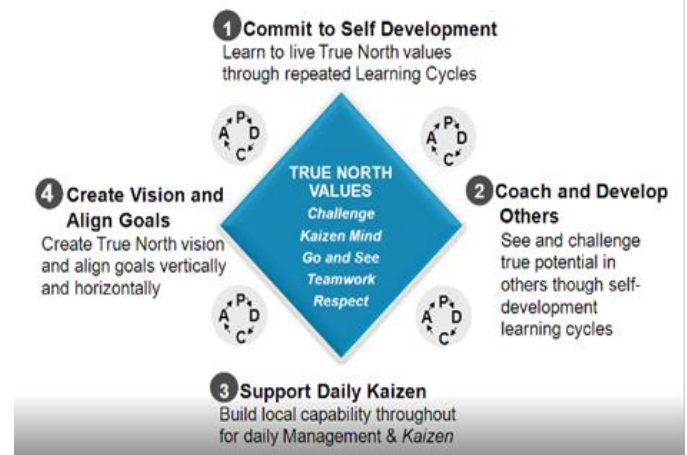


Lean leadership enables employees to think lean never look at delegation but look out in front and work with hands on issues. This means that employees together with leadership have to involve themselves in all work. Another leadership in lean is that leaders change metrics and set stretch goals. The most important aspect that leadership practices is that they create an environment where people failing in their work is quite normal and accepted and it is this failure that makes employees to set right their mistakes themselves and move forward with lean thinking. This environment can be created only when employees feel participatory in owning processes and have and share workplace dynamics. (Liker and Convis, 2011) In order buy lean in leadership an organization has to uses its resource to bring in quality advantages is called the resource based theory .The two tools of lean manufacturing and management make use of very important resources of a firm and bring in high-level of quality and use resources in the most resourceful manner. Leadership has to identify the resources and tap in all necessary resources capital manpower and materials including the very important resource management to ensure that there is coordination of quality tools and processes are directed towards cost advantages and efficiencies. The use of resources in a very timely and good manner leads to good leadership and direction. the resource based theory can be successful only there are success buy ins from leadership which not only identifies strategies and processes for bringing quality which can then generate profits but identification of these resources is not only a difficult task because of the complexity of resources and management of these resources. (Achanga, P., Shehab, E., Roy, R. & Nelder, G. 2006) The leadership direction which is given is said to be the intellectual capital which not only has to allocate resources of the firm but also ensuring that processes are carried out in a very beneficial manner.

#### Literature review:

Lean methodology and technology requires leaders who have a high risk appetite and are not averse to trying out new procurement and production processes in their business especially in the energy sector as managers are not familiar with methods of lean manufacturing in energy deployment. There are so many variables that go into the

lean Manufacturing techniques that lack of familiarity and training on the same may lead to very bad results. Hence leaders are unwilling to look into these techniques especially in the energy sector. (Frazier, 2007, pp. 24--45) Buy-ins into lean manufacturing is possible only if there are some dedicated processes and personnel who have handled lean techniques. Without support of these lean can never be successful. (Power, 2001).



Lean and it associate processes are two very highly resourceful insights on how total quality management can be brought into practice in a business. These two tools use the resources of a business to bring in cost efficiencies and cost advantages to a firm. In order to achieve and sustain in a hyper cyclical competitive environment and get the upper hand there are certain very important conditions that have to be undertaken by the business. Womack and Jones (1996) say that there are five principles on which lean works and these have to be implemented in a sequence. They said that leaders following lean should identify those that create value and those which do not create value from the perspective of the customer. Lean leadership also identifies those steps that collaborate design, production techniques and orders that enable a product to be produced encompassing the value stream thereby identifying those wasteful processes which arise and do not add value to further process upstream. Lean leadership identifies those energized flows to occur simultaneously interwoven into production design with taking detours, bringing in very little wait time or resulting in waste and scrap. The lean leadership enables production sources to identify customer needs and just in time processes which work on continual improvement as" successive layers of waste are found removed, eliminated and then totally avoided" (Womack and Jones (1996). Spear and Bowen (1999) define lean leadership as that crucial directive process where every person is identified as a person of lean and every process as process of lean and best specification "content, sequence, timing and output". The leadership so ordained looks at the continual relationship between customer and supplier as the most important aspect. Leadership in lean recognizes that the path to build relationship which is direct and simple and at the lowest level possible. Achanga et al. (2006) state that for firms which are planning to slant and align towards lean, leadership should have very strong traits of very successful project management capabilities. Majority of leadership identifies only short term gains and

successful initiatives. These short term gains as concluded by the authors is not based on strategies but market capabilities and if lean methodology is adopted the long term initiatives and growth rates could be visualized and capitalized. A leadership that is supported by lean implementation looks at the vision and initiatives of management towards continual improvement, learning and education opportunities for all involved and the necessary support to leadership to promote and improve lean initiatives. Here the key performance indicators as defined by lean leadership bring out totally different perspectives. Lean leadership and shared leadership in lean is cohesively called Authentic leadership. Pearce and Conger (2003) "a dynamic, interactive influence process among individuals in groups for which the objective is to lead one another to the achievement of group or organizational goals or both. This influence process often involves peer, or lateral, and at other times involves upward or downward hierarchical influence". This is a very important value in lean leadership which is dynamic with inputs, processes and goals of the team. Carson et al. (2007) suggest that a purpose which is shared support from society and voice will definitely bring out great exerts in lean leadership. One of the most important ways in which the advantage of lean leadership can be realized by companies is by addressing the needs of the customers and bringing out the products according to the demand specifications of the customers. While trying to redress this very important concern a firm has to take care of three dimensions which are cost, quality of goods supplied and delivery schedules. In order to meet these very important dimensions, firms have to continually strive and bring improvement in business processes. Business process realization primarily results when an ideal use of available resources along with the requisite capability are efficiently used. In order that resources and capabilities are fine-tuned, effective and efficient management in the form of lean methods should not only identify the inherent capabilities but in continuous availability of resources. (Emiliani, 1998) The way a firm uses its resource to bring in quality advantages is called the resource based theory. The two tools of lean manufacturing and management make use of very important resources of a firm and bring in high-level of quality and use resources in the most resourceful manner. Leadership has to identify the resources and tap in all necessary resources capital manpower and materials including the very important resource management to ensure that there is coordination of quality tools and processes are directed towards cost advantages and efficiencies. The use of resources in a very timely and good manner leads to good leadership and direction. The resource based theory can be successful only there are success buy ins from leadership which not only identifies strategies and processes for bringing quality which can then generate profits but identification of these resources is not only a difficult task because of the complexity of resources and management of these resources. (Emiliani, 1998) The leadership direction which is given is said to be the intellectual capital which not only has to allocate resources of the firm but also ensuring that processes are carried out in a very beneficial manner. The fact that leadership has to associate with Lean manufacturing along with the resource based needs of an organization makes this a challenge. Leadership can promote lean if

1. Leadership understands the concept of lean
2. There is sufficient literature that provides an insight of how to manage lean
3. Pursue improvement opportunities within the value stream they are involved in. However, even employees who have been extensively trained in the tools of Lean may feel like they lack the support or the resources to make those improvements.
4. To truly realize the value of Lean in an organization requires clear leadership, a defined plan, coordination of resources, and robust support systems through strategic planning initiatives.
5. Lean Leadership is both a commitment to support the systems that allow the tools to work effectively and to the people who will create the change
6. Resources based theory says that if leadership understands that resources can be used to channelize the processes very optimally through six sigma and lean then the structural capital becomes intellectual capital
7. Lean methodology and leadership enables to build a value stream that can booth identify changes and mange changes and invest on people who have the ability to initiate and manage. It is very clearly seen that lean leadership identifies the internal resources and skills that an enterprise has and matches it with the opportunities and risk of the external environment. (Grant, R.M, p.114-133).

Resources could both be internal and external. The use of internal resources brings in quality and less defects and controls cost. Managers have the onerous responsibility of studying customer orders and resource availability and then matching these two ensure that customer orders are met in the best manner. Hence resources and capabilities of the system are very important in lean methodology. Leadership which enables the best use of resource through direction of lean methodology makes it a strategy leading to elimination of waste and continual improvement of processes and resource functionality considerations in formulating its strategy. A lean leader aligns a generic strategy to pick out a specific strategy to use resources According to Penrose, "it is never resources themselves that are the 'inputs' in the production process, but only the services that the resources can render. The resources which are given by services are defined by the way it is used and when put to different uses molds itself differently. This is identified by lean leadership and so resources are used optimally. these permutations and combination of resources which are intelligently used is brought about by lean leadership. [Penrose, E 1995, p. 24-25]. Lean leaders have been successfully being able to use the resource based theory as:

1. Leaders are themselves quite efficient in understanding how lean can be used strategically as manpower has to be trained on the same. This will lead to efficient resource use.
2. These concepts are quite inclusive and can be easily understood when implemented on a trial basis. This is quite expensive both in terms of resources, finances and manpower. Leadership is reluctant to waste valuable time and money on testing the same.
3. lean methodology ably supported by lean



leadership looks at competitiveness which is based on explicit resources based inputs and the use of specific capabilities that can convert these resources into competing strengths. These then become those competitive strengths that are sustainable. In order to cash in on these capabilities, it is very important that resources and capabilities are continuously improved so that they can meet the needs of improvement and changing designs. This is done by lean leadership. It is for this that changes have to be introduced continuously and in a phased manner so that the theory of resource based capability can be suitably shaped to lean methods.

4. For change to be sustained leadership has to accept the fact that change management through technology is one of the best ways to bring in change. To weave and collaborate the tools of technology with change is the gap that needs to be filled by leadership.
5. The resource based theory does speak on how intelligent use of resources by minimizing inventory and cost of holding can lead to great advantages. This can be created only by the competitive environment has to be decided by leadership. If not intelligently used, it could have led to wastes. Leadership has to absorb this wastage. hence buy ins from leadership is the only way to accept these tools. (Carson, J. B., Tesluk, P.E. & Marrone, J. A. 2007),

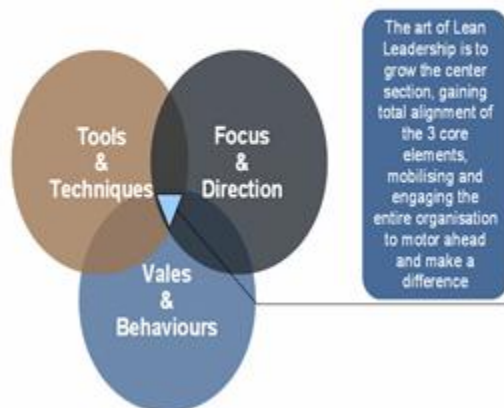
Lean Leadership Behaviour	Lean Leadership Actions
<ul style="list-style-type: none"> <li>• Teach and engage teams</li> <li>• Respect people</li> <li>• Be process focused</li> <li>• Support and recognize</li> <li>• Guide and lead understanding of objectives</li> <li>• Commit to standards</li> <li>• Understand long term vision and principles</li> <li>• Support the change process</li> <li>• Lead by example</li> </ul>	<ul style="list-style-type: none"> <li>• Continuously ask for improvements</li> <li>• Challenge the status quo</li> <li>• Control status towards objectives</li> <li>• Ask what went wrong – not who made the mistake</li> <li>• Ask 5 x why</li> <li>• Always practice Go-Look-See</li> <li>• Be effective and consistent in communicating</li> <li>• Do what you preach – Walk the Talk</li> <li>• Don't accept deviation from agreed standards – react immediately</li> <li>• Take the right containment actions and control their effectiveness</li> <li>• Inspire people and motivate creativity</li> <li>• Praise and recognize good work</li> </ul>

## Discussion:

Leadership at all levels is very strategic and it cannot be denied that successful leaders are those who not only show the path but also share vision. Lean techniques are quite a new concept in manufacturing and lean leadership is even more new. The challenges associated with lean leadership buy ins depend upon the personality traits of the leader along with the tradeoffs that the leader may think of while trying to implement lean. Lean leadership is only direction paving but also shared and authentic leadership that enables not only the leader but also the followers to understand the key performance indicators in a succinct way and try to become productive based on these skills and indicators. (Pearce and Conger 2003) Is lean leadership the right way to lead? Can the Toyota way be imbibed by organization worldwide? Will cultural differences and organization behavior control the way lean methods can be used? Will lean leadership insist on quality management tools or should these be overriding differences in

organization philosophy. There have been quite a lot of leadership debates how leaders can manage firms in the wake of erupting and disruptive innovations and still continue to work on traditions founded by tried and tested methods of leadership (Avolio et al. 2009) The central concept of lean leadership is team building and team working. Team leadership especially the lean way is very much needed in a multicultural workforce and multifunctional teams where constant and continual improvement is task performance is needed. It is also seen that wherever a person who can take the lead for such process improvements and performance improvements by active participation and full utilization of employee capabilities is a lean leader and exhibits shared leadership. The Lean Leader leads a very different way. He is not a manager or a supervisor in the traditional way; he is old command and control dictator. Leadership is successful only if it is evolved out of a long term philosophy which pervades through the top to the bottom involving all. Lean methods need to be used as an organizational philosophy whereby changes can be adapted easily and organizations can translate itself to a learning organization and investments in continuous improvement would be possible. The right process will produce the right result. Firms have to initiate the right process to bring in advantages of lean methodology and lean systems to its leadership process. This has led to strategic initiatives being launched at the right time with least resistance. Lean leadership brings into tangible efforts value add by developing the periphery of people and partners. The lean way is a set of learning instructions that supports personal and professional improvements of employees in a continual basis. This allows support to be given in an evolving environment. Firms which adapt lean leadership have skewed out a one-piece problem identification methodology which can signal problems immediately and sensor solutions to the same. This is the buy in from lean leadership. (Carson, J. B., Tesluk, P.E. & Marrone, J. A. 2007) Learning in an organization happens only when root problems are solved continuously. Lean leadership has identified that it is a learning organization. Firms which follow lean understand that the root cause of all problems is at the basic process itself and so it has to prevent them from occurring. Putting very important identification nodes and superior processes prevent problems from occurring. Lean leadership believes that Tough analysis, reflection, and communication of lessons learned are central to improvement as is the discipline to standardize the best-known practices. (Liker and Convis, 2011) Though lean leadership is closely associated with accepting the Toyota way there could be stiff resistance from employees who neither understand the Toyota way nor the implications of lean leadership. But, the leadership which looks at continuous growth and inspiration will definitely lead to a change process very swiftly and seamlessly. Firms can transform themselves by looking at the Toyota way which is very successful. Leadership can provide inspiration, demonstrate the importance of stability in leadership and values that go beyond short-term profit, and suggest how the right combination of philosophy, process, people, and problem solving can create a learning enterprise. (Liker and Convis, 2011)

## Lean Leadership



There are so many aspects of leadership that go into making the right tradeoffs and buy ins. Every firm that needs to survive must be sustainable in the long run using concepts of learning organizations. Lean leaders have to understand that lean methods of leadership will help in understanding the work. Learning organizations are the most pervasive and hence this philosophy triggers off to all levels of people also teaches that everyone should think the same. The concept of leader follower is translated into the servant leader where the leader along with the employees learns all the time. This will complete the process of a learning organization. Leadership in firms can exhibit lean thinking and leadership if they are able to make decisions slowly by Consensus and thoroughly looking at all alternatives and then implement this consensus decision quickly so that learning is complete Lean does not mean one shot effort at reducing cost. It is the reduction of cost through continuous improvement to quality and processes. The cost savings is seen and realized because all kinds of waste are totally avoided and eliminated through leadership buy ins and efficiency is promoted by adhering to standards of performance. (Arnheiter and Maleyeff, 2005) Lean management is associated with giving people instruments for bringing in improvement and also educating them on how to use these for continual improvement. This means that they are given those avenues for improvement and challenges using their creativity. Layoffs are seen to be an organizational source to cut cost and inefficiencies. By adopting lean techniques, organization's way of working improves and resistances to lean techniques are totally avoided. Lean leadership and lean organizations which are going to adopt lean methods must necessarily look at collaboration and partnering with internal stakeholders and the same has to be communicated very clearly to all. The maturity of management is very clearly exhibited when lean methods are adopted for improvements and efficiency. Leadership in lean exhibits this message very clearly and succinctly. Every employee is educated in lean philosophy which says that there are dual costs involved in bringing in efficiency. The initial cost of efficiency is much lesser than the cost involved for identifying inefficiency and removing it. If efficiency was made a work habit, then there are no costs involved only performance improvement. (Womack Jones & Ross, 1990) since inefficiency is eliminated, there is a workforce who is highly skilled and talented. Lean

leadership's most important adaptation is agile methods production and technology, management of performance of both people and processes, tracking of waste and the continual improvement mindset and culture. (Hines, Holweg and Rich, 2004). Self-introspection that are done by workers to evaluate their own inefficiencies leads them to set the inefficiency by themselves and this in turn leads to self-improvement which is one of the most important philosophies of lean. When employees are introduced to evaluate their inefficiencies through their own selves they do things differently and this leads to improvement. All lean instruments and philosophy does not mean laying off workers or cutting the size of the workforce, instead it means eliminating wasteful processes and inefficiencies by teaching workers to follow lean methods. When people become skilled they ease out inefficiencies and start working at a pace that will definitely lead to hiring very few people. Lean methods aims at organizational improvement of in totality and so this leads to increments in work quality. Lean working and methodology enable employees to be focused on productive methods to increase their performance abilities performance management, make way for very good feedback loops and formal reward systems get institutionalized, this is called the culture of lean. Hence employees who feel that lean culture is not needed and are resistance to any lean methods need to learn from leadership that the culture of lean is improvement and continual improvement and that there is no state that workers can be happy about. Elimination of inefficiency and waste can happen only when workers understand that lean is managing waste and so leadership in lean should bring out both these important aspects of lean and total quality management. (Carson, J. B., Tesluk, P.E. & Marrone, J. A. 2007) Leadership in lean can be realized only if the lean leader is technically competent. It is very important for the leader to understand the skill and tactics of lean strategies. Lean strategies generally revolve around technical competencies and hence leadership must only equip itself to the necessary tactics and skills but also ensure that leader understands why these skills are very important. Only then can the leader lead by example. Lean leadership can be effective only if competencies in technical skills are exhibited. Lean techniques of just in time can be suitably interwoven into operations and strategic control systems only if the leader has the necessary knowledge on the same. A leader who practices lean must be on the work floor during most of the times. It is said that lean leaders are more like floor managers rather than decision makers. Their presence on the work floor makes way for employees to understand that this is the right way for problem solving the leader in lean is not micro managing but understanding the pulse of the organization. as rightly said lean Leadership is, "neither a long-distance event nor is it a spectator sport". It is on the spot management. (Emiliani, M. L. 1998), Lean leadership is managing not only the self but also others through self-learning and self-teaching. This learning and teaching happen at all levels of the firm hence the leadership is not the leader alone but a follower and the traits are that of a student and a teacher. normally the role of teaching is delegated in regular leadership but in lean leadership it becomes an integral part of development and augmentation. A lean leader has to portray himself as an excellent role model. Lean leaders who practice the 5S's

can ensure that the office and factory adhere to the 5S's. In order to garner support for any initiative leaders generally walk along employee lines. This is a trait in leaders and hence lean leaders eschew this trait in the most harmonious manner. If a lean leader does not practice this, then it becomes ordinary leadership and not lean. Leadership has to be taught by the lean leader. This is what sustains the strengths of personal and personality relationships. In order to sustain the gains of leadership the resources should be aligned must be motivated towards leading and teaching leadership. (Emiliani, M. L. 1998) It is very much desired that everyone should try to be a leader who practices lean methods. Since the motto of lean leadership and lean management is continual improvement, lean should be perceived by everyone. Changes are a definition of growth and continual improvement and hence while change is happening, leadership in the form of lean should imbibe changes in the best possible manner and assimilate it to the different quarters whereby it becomes mutually beneficial to all. . If an organization wishes to change, it needs the skill of leadership to properly execute the changes. (Liker, J. and Convis, G. L. 2011)

### Conclusion:

Lean leadership is a very easily sustainable process where managers and followers look at mutually inclusive practices of growth. the leadership footprint has to be left back on those places where lean can make visible and viable changes and where it is the pervasive. Leadership momentum automatically adds to the direction and force of change. The expanded footprint concept of lean leadership enables leaders and followers to accept that improvements are very important and have to be accepted by all. Lean leaders are a must in every organization which wants to grow and evolve with vision, innovation and creativity. In order to ensure that lean leadership is pervasive organization wise, the leader has to be very competent, good teachers, led by example, and portray that changes are necessary for growth. Lean leadership is challenging in the sense that it has to be accepted that problems are a recurring feature of any business and hiding problems only increase their magnitude, instead problems should be spoken about and treated like any other activity. Lean teaches you to change perspective from the 5 who's to the 5 whys. Lean leaders never cook up solutions; they first look at the situation and then ask why. This is the greatest buy in and happens in lean leadership This enables them to look at the work and the problem and associate the responsibility to the person who works rather than blaming a person for wrong doing. This is the greatest buy in of lean leadership. This engages and empowers the employees as they learn to handle problems in the right way without trying to find out the who. This puts the question of the why and then changes and improvements happen. With the tremendously changing global scenario in all kinds of work disruptive innovation is the hall mark of great leadership. Innovation balanced with leadership enables the sustenance of leadership. Lean leadership allows for a balanced approach to growth and at every stage of growth there are checks and balances in the form of the PDCA and the DMAIC cycles Organization which are led by leaders who are lean in their approach have always tilted themselves to total quality adherence and standards. the

watchword of quality is lean and leadership is oriented towards popularizing this philosophy.

### Relevance:

Leadership more of is likely to take place in lean when everyone understands the concept of lean and thus is set as an example by leadership. Understanding lean and practicing lean are two different things. Understanding lean prepares employees and supervisors to acclimatize themselves to high levels of responsibility taking and continual learning while practicing lean refers to adapting to high levels of customer centric behavior modes. In the present day scenario where firms have to look at innovative decision making models and try to do things faster than the speed of lightning it is indeed ironical that the Toyota production system has stood the test of time just because of its philosophy on lean methods. The Toyota Production System (TPS) which is based on lean principle extend beyond manufacturing processes as it involves continuous improvement focus on customer and high levels of quality deliverables though waste and defect reduction techniques. The use of a very tight integrated upstream and downstream quality processes as part of a lean value chain. Any technical and service process is focused on customer deliverables and hence the TPS which aims are perfect quality deliverables is what makes lean methods work truly well. The management principles of TPS that can be applied beyond manufacturing to any technical or service process by integrating the triad of people, processes, and technology that can be applied as a systems approach to manage service quality deliverables .( Liker, J. and Convis, G. L. 2011) The TPS is considered to be a way where organizations get the value add by developing people and partnering with them. The TPS way includes a set of tools that are designed to support people continuously improving and continuously developing. TPS is one of the greatest insights into lean leadership learning and methodology. It ascribes to the fact that when basic and founding problems are solved organizational learning takes place. Organizations which are modeled on service attributes are learning continuously as they are able to identify those processes and capabilities which cause the problems, learn from mistakes and then eliminate the problem altogether. (Liker and Convis, 2011) A service organization that looks at accepting the Toyota way may not be possible with the cultural implications that could bring in resistance and conflict from people...But, the leadership which looks at continuous growth and inspiration will definitely lead to a change process very swiftly and seamlessly. Leadership can provide inspiration, demonstrate the importance of stability in leadership and values that go beyond short-term profit, and suggest how the right combination of philosophy, process, people, and problem solving can create a learning enterprise. (Liker and Convis, 2011) A service organization looks at continuous improvement in its service deliverables. The application of TPS allows the firm to understand the following

1. Are the changes leading to new standardized processes that are the basis for further waste reduction?
2. Are the people in the service organization aligned towards the central objective and are engaged in continuous improvement of service delivery



processes?

3. Are all the tools of technology being used to support people improve their delivery to customers and is the focus on customer real time experience?

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