

## **Inquiry into leadership styles in the process of implementing lean**

# SUMMARY

## Why this inquiry?

This research was done at the request of the authority ultimately responsible for the processes of educational assistance and support within Fontys School of Fine and Performing Arts (FHK) for increasing the know-how with regard to the way executive managers may contribute to the implementation of lean, considering their personal styles of leadership.

All educational assistance and support processes within FHK have been assembled in one department: FHK Ondersteunende Diensten (FHK-OD) [*FHK Support Services*]. Lean applies perfectly to the FHK-OD'S philosophy of formalized structural improvement and operating in a more competent fashion. It is the elaboration of a FHK-OD' s component with respect to vision: *FHK-OD provides art education by offering Partnership, Excellent Educational Support and Pleasure (among other things)*.

Lean management is about launching a more competent way of implementing human capacities within a department by executives, in order to create as much excellence as possible for the client, while providing a formalized structural improvement in the process. The successful use of lean management will generate a more efficient organizational structure of a consistent high quality. Every executive possesses a natural (preferential) style of leadership. The inquiry aims at discovering which particular styles of leadership are significant in the process of implementing lean.

## History of lean

Lean originates from a development in the car industry and was implemented elsewhere from around 1984. Around eight years later, it was introduced in the tertiary sector, starting with the health services, followed by the transport industry, the civil service and (more recently) the educational branch with the emphasis on higher education. College business schools lead the way. At the start, applying the lean method in educational institutions was predominantly initiated in America. The reason for that was that, in America, institutions of higher education operate within a competitive market and are, as a consequence, more open-minded towards managerial principles originating from the private sector. Implementations of the lean method in higher education are ways of cutting costs and enhancing sustainability and efficiency.

## Lean leadership

Traditional organizations are vertically-focused, a process in which executives are inclined towards augmentation of their own department. Lean managers on the other hand, think horizontally, leading the way into a direction in which (client) values are flooding throughout the entire organization. Employees, departments and enterprises seem to have significant difficulties in co-operating in a horizontal fashion with each other and their clients in order to find a real solution for their problems.

Implementing lean presupposes transition (the creation of new systems) and, as a result, a change of leadership. The executive's role is characterized by his readiness to listen and to learn from others, an eagerness for a perpetual enhancement, being at ease while operating as a team, the ability to act quickly in order to solve a problem, modesty and tenacity, showing a keen interest in the process, as well as in coaching other co-workers.

Lean leadership implies an interpretation of the reverse pyramid in which the executive plays a facilitating role. The core of the matter is to operate in such a way that the hard objectives ('to measure is to know') are achieved, and that considerable attention is paid to the co-worker. The reverse pyramid's symbolism is significant : it combines a distinct system of control and support by the management, an important stipulation for the Lean approach in order to be successful. The top management and the middle management, the engineers and the supervisors provide the necessary support to the workplace. A gap between blue collar (workplace)

and white collar (management) is no longer an option. By establishing Lean, the workplace, the shop floor, becomes assembly point of all information and the introduction of improvements.

An important characteristic of a Lean leader is that he is a manager and a leader, simultaneously. The *management* focuses on the hard side when running the operation, while *leadership* appeals to the social skills domain. As far as social skills are concerned, the Lean leader must be a source of inspiration and a coach. He must lead, direct, a continuous process of development. The leader, however, should not adopt an attitude of being mr. know-it-all; he challenges, he encourages people to experiment and allows them to make mistakes, provided that they learn from them.

The leader wears three hats: apart from being a leader, he is a manager and a coach.

When wearing the *leader hat*, he investigates the views on the organization, his own department or team; he establishes a link between his own team's vision and the organizational framework. He propagates these views in the day-to-day routine.

The *manager hat* focuses on matters of an operational and organizational character. A clear management framework and playground are essential to facilitate the transition from leader to coach. The manager hat requires control and responsibility in order to achieve an effective operational management.

The *coach hat* focuses on the evolvment of teams and individuals. The transition from steering away from content towards process is of paramount importance. A considerable number of managers claims to operate as a coach, while employees report that this is not the case, as far as they can tell.

Though Lean is a standardized process for improvement, as well as a standardized method of improvement, the right approach to implementation varies per organization. The proper approach is organization-specific, depending on objectives, culture and the history of alterations within that particular organization. Above everything else, Lean is a bottom-up approach for improvement. This means that Lean is implemented together *with* the employees' and *by* the employees' involvement. Transparency and management commitment, ample support and sufficient time and capability for improvement, are crucial for Lean in order to be successful. It is of the utmost importance that executives believe in their people, give them a vote of confidence, set a good example, solve issues as a collective, make decisions on the basis of facts, dare to speak out, be patient and are aware of what is going on in the workplace. By doing so, employees feel appreciated and are involved. What constitutes the success of Lean are not so much the hard techniques for improvement, but, above all, leadership, dedication and involvement, together with a learning culture, as well as an infrastructure of continuous enhancement. Implementation of the Lean tools takes up a maximum of 20% of the total effort; the remaining 80% must be attributed to changing the applications, conduct and, eventually, the mindset of the co-workers.

Lean management is not a guarantee for success in every organization. Very often, this is attributed to an inaccurate combination of Lean methodologies. The application of (Lean) methodologies in an effective manner, however, is done by people.

### Lean in educational institutions

In many countries, the environment of institutions for higher education met with a fundamental transition, during the last two decades: since 1980, student numbers have risen constantly, and higher education has altered from being an exclusive facility for the elite to a mass-produced commodity with clients who are increasingly more emancipated. This means that institutions for higher education are confronted with capacity planning and efficiency items. On top of that, society demands an expansion of educational achievements; there is an increasing focus on lecture quality ratings and demographic alterations with regard to student population; the costs are higher whereas, in most cases, a reduction of state-funding for higher education has become a reality.

So far, little research has been done to the effects of Lean in education. In general, the results of the research that was done, are restricted to the administrative processes within the educational branch. The primary process has hardly been subject to research; introducing Lean into the primary process is under a taboo, higher

education is one of “the most immutable of institutions”. Education is characterized by a high individualistic culture (professional autonomy). Although the administrative and supporting staff are engaged in the Lean process, the day-to-day worries prevent them from implementing the methodology.

Various inquiries focused on the removal of misallocations in higher education. They indicate that applying Lean principles is feasible. The advantages of implementing Lean in higher education are:

1. Prevention of errors and incorrect use of information;
2. Scheduling tasks in the right order for an increase in efficiency and efficacy, and an enhancement of the quality of services rendered to students, teachers and staff;
3. Minimizing of data filed in various places, prevention of a shadow administration, and a physical inventory resulting in lower costs and rising quality (less mistakes, less incorrect decisions);
4. Better communication by sharing best practices;
5. Rise of productivity, problem solving skills and employee satisfaction.

For a successful implementation of Lean in higher education, seven factors are conclusive: the need for change, leadership, culture, empowerment of employees, training, communication and measurement. Causes for failure of Lean transitions are (among other things): the absence of leadership, the lack of an effective communication strategy and leaving out of consideration employee engagement.

Literature clearly shows the importance of leadership in the process of implementing Lean.

### **Definition of the problem and conceptual model**

To answer the research question (*‘Which styles of leadership contribute to a successful implementation of Lean’*), the implementation of Lean management is faced with the Life Orientations model. LIFO® is focused on optimizing people’s achievements and stimulating the strong characteristics of individuals who have to collaborate, creating a better climate for cooperation and effective solution of problems. For many years now, the model has been used successfully within FHK.

LIFO® is not about a correct or incorrect style, but about influencing the interaction with others in a positive way. As far as LIFO® is concerned, there is not one single correct or best way of managing an organization. Any LIFO®-style provides a manager with the tools to perform his tasks, but each style has his own challenge in order to be successful. Having an understanding of this can make a manager more effective. The research question is whether a particular LIFO®-leadership style is more significant than an other, when implementing Lean.

### **Life Orientations (LIFO®)**

In 1967, LIFO® was implemented for the first time; it helped people to understand their behavioural styles and preferences, how to improve themselves and their relationships by studying each others’ interaction of personal styles and strong qualities. With the help of Dr. Elias Porter, Dr. Stuart Atkins and Dr. Allan Katcher developed the instrument that is based on the work of Erich Fromm (productive and inproductive characteristic orientations and the realization that a strength can turn into a weakness when overused), Carl Rogers (congruence between what people think, feel and say) and Abraham Maslow (self-actualization theory).

In 1977, the LIFO®-method was further developed with specific questionnaires applicable to sale, leadership, executive coaching, team building and organizational development. Now, in 2016, a series of LIFO®-material is available, varying from personal styles of conduct to negotiating skills, types of change and time management. In the meantime, there is a worldwide network of LIFO®-practitioners in over 30 countries. In the United States of America LIFO® is used among many of the Fortune 500-companies, small firms, government institutions, religious organizations, universities and medical centres. Up to the end of 2014, over nine million people from 20.000 organizations made use of the LIFO®-method.

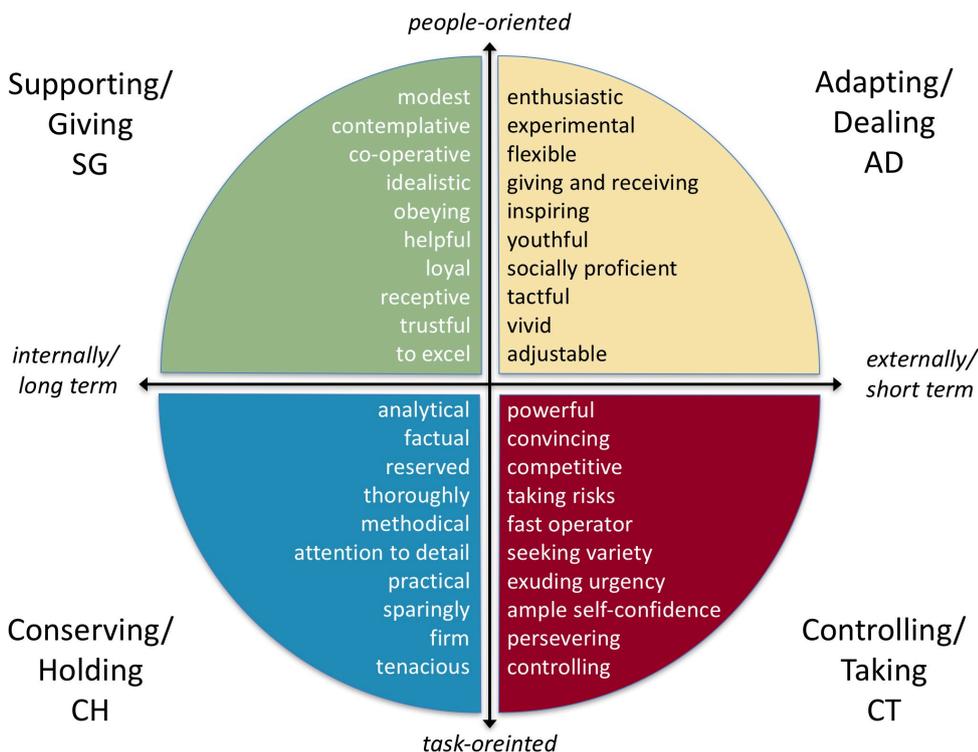
The LIFO®-method’s point of departure is that every individual learns to adapt an orientation on life, starting from a number of standards, values and objectives as direction indicators. Thus, each person develops a behavioral preference (style of conduct), modifying the interactual and communicative performing and operating

style towards others. First of all, a person's strong characteristics will emanate from this style of conduct (preference). It is about recognizing these characteristics in oneself and in others, and, if necessary, continue to develop them further. LIFO® provides a framework and a 'language' to investigate and have a positive effect on the interaction with another person (without value judgements). The LIFO®-method's intention is to raise the awareness of how the personal style is used in the various situations and roles, of the styles other people use, of the possibilities other styles have to offer, and the perception of strategies with regard to the use of different styles.

LIFO® has been constructed around intention, behavior and impact ("intention-behavior-impact") under favourable conditions ('when things go well'), as well as under unfavourable conditions ('under stress/conflict'). Experiential evidence proves that the simplicity of the model enhances its employability when used in practice. LIFO® is not normative but, on the contrary, ipsative (ipse=I): it can only be projected onto a single person and is unsuited for a normative group. Each person possesses a unique mix of strengths and styles. That is why the LIFO® results must always be interpreted as a complete profile.

The LIFO®-model contains four different orientations/styles presenting a productive use of style, on the one hand, but also the possibility of a counterproductive use of style, on the other. These are:

- SG: supporting and giving-in;
- CT: controlling and taking-over;
- CH: conserving and holding-on;
- AD: adapting and dealing-away.



SG and AD are more people-oriented, and CH and CT are more task-oriented. People with a strong SG or CH style of behaviour will be more internally inclined (What do I want? What do I think is important? Is it in accordance with my own vision/planning?); a stronger AD or CT style is more aimed at what is going on outside. Apart from that, SG and CT have a more long term focus, whereas AD and CT have a short term focus.

## Approach of the inquiry

To portray the characteristics of each of the four LIFO®-leadership styles, the LIFO®-Leadership Strength Feedback Charts is applied. In each leadership style one can distinguish twelve characteristics: how does a leader cope with objectives, errors, delegation, decision-making, feedback, communication, motivation, team spirit, development, progress of the process, coaching, and, finally, where does the executive's emphasis lie? On the basis of these twelve characteristics, a questionnaire has been compiled; in each question the respondents are asked to give an order of ranking in four (LIFO®) leadership styles (according to a greater or lesser degree of importance). Thus, the results of the questionnaire reveal how respondents look upon aspects of behaviour of leadership in the process of implementing Lean. The results of the questionnaires, filled in by the respondents, are used to investigate whether there is a connection between the implementation of Lean and a LIFO®-leadership style.

The inquiry was executed by three groups:

1. lean experts (what is needed with respect to leadership behaviour?);
2. lean executives (how do I go about as an executive?);
3. lean co-workers (what are my expectations as far as an executive is concerned?).

By presenting the questionnaire to these three groups, a multiple perspective picture of the connection between management styles in the process of implementing Lean arose.

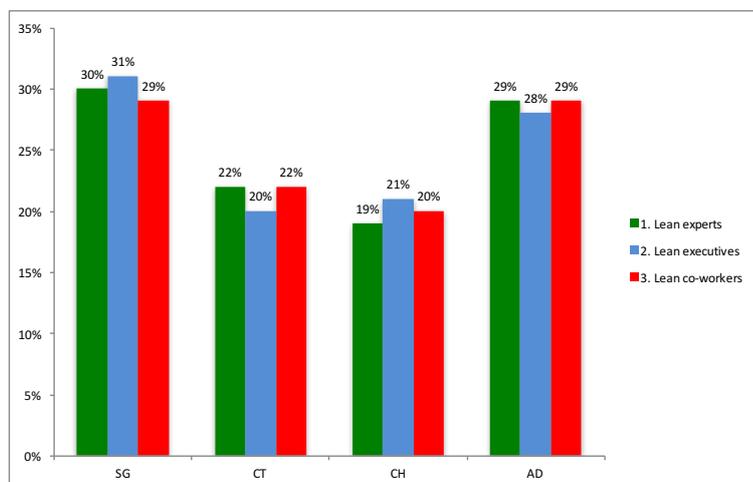
180 individuals received a personal e-mail with the request to fill in a questionnaire via a link (Google Forms). They were also asked to send the link to other parties concerned. The 180 individuals were recruited from the researcher's personal network: participants training course Lean Leadership, connections at Lean Consultancy Group, colleagues Fontys Hogescholen, friends and acquaintances, as well as participants in the Lean in Higher Education Conference 2015, in Waterloo Canada. The questionnaire was also published on LinkedIn.

## Response and results

Per research Group the number of respondents was as follows:

RESEARCH GROUP	NL	ENG	TOTAL
1. I manage organizations in the process of continuous improvement (Lean)	11	10	21
2. I am executive of the process of continuous improvement (Lean) in my own organization	4	6	10
3. I am a co-worker in an organization in the process of implementation of continuous improvement (Lean)	15	5	20
TOTAL	30	21	51

The graphical representation of the results per research group is as follows:



Both the SG-style and the AD-style have the highest final scores (tie). There are no differences in perspectives per research group (Lean experts, Lean executives, Lean co-workers). Conclusion: There is no difference in valuation of managing the implementation of Lean by the respondents. The differences between Dutch-speaking and English-speaking respondents were negligible, also per question comparison.

## Conclusions

At the start, Lean had a (strong) systematic character and, as a consequence, was more CT/CH-oriented (procedures, tasks, results) than SG/AD (humans, collaboration, connections). Among other things, however, Lean is about erasing mistakes (and not about the efficiency used to correct the same mistake over and over again). Accepting that people make mistakes leads to a process of continuous improvement. Usually, when mistakes are being made, one looks for the person who is responsible; the process of continuous improvement is looked upon as a chance to learn, and the focus is on detecting the cause.

The results show a clear connection between the LIFO® people-oriented leadership styles (SG and AD) and the implementation of Lean in the organization. This result fits in with other researches from which the importance of lean management's soft aspects clearly emerge.

Considering the results, executives with a stronger CT or CH LIFO®-profile have to face a challenge:

- The challenge of a CT-profile is to avoid keeping too many matters in one's own hand (is inclined to be a pseudo leader), but to apply one's energy on the basis of the connection with the co-workers, and make room for a qualitative and participative decision-making process. Thus, eventually, obtaining good results (turn the action orientation which is typical of a CT-style into a people orientation);
- The challenge of a CH-profile is to avoid too much control over procedures/facts, but, instead, to make room for self-direction on the basis of the connection with the co-workers, and to take into consideration the co-workers' emotions (to intercept resistance). A CH-profile leader may well present a perfect plan, but it is equally important to get the co-workers on board. A CH-profile is bound to connect to Lean because of the thoroughly systematic search for mistakes that Lean provides; the effect, though, will increase when having an eye for the human being/connections while implementing Lean.

However, for CT and CH the degree of challenge is dependent on the executive's knowledge of the supporting styles in his LIFO®-profile (and their connections). The individual LIFO®-profile provides the executive with the possibility to make a start (perhaps supervised by a LIFO® expert).

*Would you like to receive an unabridged account (in Dutch), including all quotation and citing sources? Please, send an e-mail to [j.vanampting@fontys.nl](mailto:j.vanampting@fontys.nl) or [jan@vanampting.nl](mailto:jan@vanampting.nl)*