

Interview with *Lead With Respect* Co-author Michael Ballé

Q) Why have you chosen a novel format for this book (and the trilogy)? What is it about lean that calls for a fictional framework as a way of teaching a body of knowledge?

A) From our very first book *The Gold Mine*, my father and I felt that the novel format would best convey that feeling of practicing lean on the gemba, with a sensei. I've been told that the engineers who designed the Prius had to find out the hard way that silence (the absence of noise) is not the same thing as the *feeling* of silence. Similarly, Freddy and I believe that lean theory is not the same thing as the feeling of doing lean. There is a strong affective component to practicing lean. One faces several types of problems simultaneously: problems that, on the face of it, one doesn't know how to solve—while working with people who don't think the problem should be solved in the first place, or who don't believe that the lean approach is any good. Lean issues are hardly ever simply technical: the political dimension of encouraging kaizen is a huge part of its success. We felt that fiction spoke to this truth most powerfully.

The second reason for writing the learning experience as a novel is that we wanted to capture the system dynamics dimension of lean. At first we tried to write up what we knew as a manual, but we could never agree on a straight sequence. All the principles echo each other and any one sequence felt artificial or inadequate. We found that story and dialogue enabled us to make connections between the essential principles and show the links between, say, JIT and Jidoka, or between standardized work and 5S and so on. Picking one story helped share our experience with lean, which is that there are no final solutions. You resolve one problem after another, slowly rolling back waste, and learn from the process. Every time you try a countermeasure, the chances are you will succeed by only so much: performance improvement is real, but never exactly what you had in mind. Usually, at that point, the problem takes a different shape and as you tackle it you become exposed to a different, relevant principle of the lean system. Sharing a story allowed us to show that people grapple with business situations, express them as performance challenges, think hard, try something, succeed to a certain extent and... are now faced with a new problem (albeit at a higher level of performance).

Q) Jane Delaney, the lead character, learns *Lead With Respect* by trying things out and learning as she goes. Is there, however, one specific model, one specific sequence that applies to all situations? Can you reconcile the experience of learning this type of system with the notion of teaching it conceptually?

A) Well, if you look at it from high enough, there is, kind of, a general model to implementing lean tools, which goes something like:

1. Safeguard your employees
2. Protect your customers
3. Control lead-time
4. Reduce lead-time
5. Reduce costs

But once you've said that, anything goes.

When you actually *do* lean you learn by facing and solving your problems. And for this to work, people have to work through one problem at a time. You never know what a management team will latch on to first. Sometimes it's safety. Sometimes delivery. Often inventory. Rarely quality. People must focus on one challenge at a time in order to learn from the work. For instance, I know some guys who have decided to tackle their delivery and inventory levels. They're measuring inventory precisely at finished goods, WIP and bought-out-parts. They've settled on installing a pull system to understand the issues better and are coming around to the fact they need to learn to better level production scheduling. So: goal, tool, skill gaps are clear. They will learn. But at the same time, they have safety issues, quality issues, cost issues and so on. They can't stop the world in order to fix their inventory problem. And lean is a system. Kanban cards won't help much if 10 per cent of the parts come out defective from the production cells. On the one hand, focusing on the challenge they've picked is a sure way to make them progress, and on the other hand, they need to address the other aspects of the system to fully understand what happens.

And, of course, all of this depends on how the people involved feel about it. For instance, the logistics director who used to see himself as the MRP master and a hero of delivering on time is now finding himself the most change resistant person in the team. To the plant manager, the issue of whether parts are scheduled through the MRP or through kanban cards doesn't really matter. But the Logistics manager sees this as a complete revolution of his role and a huge challenge to his competence. Never easy. People don't learn at the same rate, and you never know what issues they will find easy and what issues will stump you. Real businesses evolve in real competitive markets and you never know how either day-to-day events or the "full catastrophe of living" will affect the company.

The overall learning journey is profoundly contingent upon specific people and events. And so while the guidelines are always the same (see *Pirates of the Caribbean* for a good definition of "guidelines" by the way), no two journeys are exactly alike, because they are deeply contingent on what problems the teams decide to tackle in what order; and, what issues they find easy or hard. Coaching progresses at the speed of the coached. Leading with respect is about one, leading, which is trying to get the teams to focus on challenges according to the lean way, and with respect, which means hearing their point of views, respecting their experience and understanding (not necessarily agreeing with) their reservations and how the lean experience challenges the existing status quo.

It is said that no battle plan survives contact with the enemy. Similarly, the lean plan is rather straightforward and can be written up in a manual (and indeed, has been), but contact with reality is key to lean practice. The novels present, necessarily, only one narrative, but we hope to convey how characters feel when they are exploring, finding their way in the fog of what happens, and handling this uncertainty—and indeed learning to handle it with less trepidation and even, on good days, fun.

Q) Please share, as simply as you can, what respect--or Lead With Respect--means.

A) Improvement can only occur within a relationship. If I had to sum up success in one formula it would be sharp minds and warm hearts. Kaizen is a method to sharpen

hearts. Respect in the way we mean it here is about growing warmer hearts. There are two aspects to respect, in this sense. The first is acknowledging that everyone has their own experience and their own reasons for thinking what they think, feeling what they feel and doing what they do. Respect means making the best effort to understand each other's perspectives—to stand in their shoes, see through their eyes. Managerially, it means adjusting from trying to get team members to share our problems to the different tack of becoming interested in how they see the world from the value-adding cell. To see what kind of problems they encounter, and what obstacles the system creates that prevent them from doing good work.

The second aspect of respect is about creating teamwork and defining shared success. Again, this is counterintuitive. The leader's role is to help every person to meaningfully contribute to the shared success of the team. There is no greater motivation than we've had a hand in success, with our teammates, and being recognized for it. But this doesn't happen simply by saying it or making tokens of appreciation: respecting people means helping them to develop the technical skills and the leadership skills to contribute to the fullest of their abilities. Seen this way, teamwork is not about a vague "team spirit", but the very specific skill of solving problems with our own team and with others across functional – or enterprise – boundaries. Respect is therefore about bootstrapping people's natural talents and developing their technical and political abilities so that they fully contribute and share in the team's success.

Lead With Respect challenges conventional thinking about leadership. In today's turbulent business environment leadership's main role is to grasp the adaptive challenges the company faces, to formulate them in terms of goals and directions and to work with everyone every day in going there step by step, by continuously improving processes. The inherent challenge of the Lead With Respect model is to simultaneously develop the results (by focusing on the right challenges and leading people to resolve them) and the relationships (by sharing people's outlooks on the gemba and supporting their efforts and initiative). The model is therefore one of both challenging and listening, teaching and supporting, developing teamwork and learning from the teams in order to develop mutual trust. Ultimately, morale makes the difference, and Lead With Respect aims to support each person's self-confidence and confidence in management's competence, so that they will actively participate to facing adaptive challenges, even when this challenges the status quo and when answers are not immediately clear.

Customer satisfaction is ultimately based on employees' satisfaction. Customer satisfaction comes with the understanding of customer specific quality (not all customers want the same thing, there is no longer one-size-fits-all). Delivering to customers according to their specific preferences at a reasonable cost requires great flexibility in delivery processes, which can't be obtained without employees' full attention and initiative. People's satisfaction comes from their engagement in solving interesting problems and contributing to how their jobs are organised, as well as their feeling of involvement with their co-workers and managers. Lean tools are essential to solving the technical aspects of delivering customer specific quality at a good price. However tools alone are insufficient: they are demanding to use properly and require a deep managerial involvement in employees' satisfaction to succeed fully.

Q) How does LWR align with traditional lean practice? Can one do elements of lean such as VSM, root-cause analysis, standard work, etc. without explicitly tending to respect? Conversely, can one apply the LWR model without practicing lean fundamentals?

A) Oh, absolutely. But for how long? When Freddy and I wrote our first lean novel, *The Gold Mine*, it was clear that operator engagement and involvement were essential to practicing lean successfully—indeed the book makes it very clear that “it’s all about people.” Nonetheless, we felt at the time it was important to first clarify the tools. In *The Lean Manager*, respect is once more described fully throughout the book, and indeed, is the key driver of the narrative, but again, following a learner’s path, the second book is about moving on from the basic tools to presenting the full lean management system. As we finished *The Lean Manager*, we thought that at some point in the future, we had to write a more reflexive book specifically about the involvement side of lean, which is how we came to write *Lead With Respect*, and which is why the book is about Andy Ward’s continuing learning journey as well as Jane Delaney’s.

So, indeed, mastering the lean tools is definitely the first step on the lean journey. But as you progress you will discover that these tools are NOT operational improvement tools per se; but exploration tools such as a telescope or a microscope. They are designed with the observer in mind and can’t be fully understood without the respect dimension. In practice, using the lean tools without worrying about people involvement will shake the low hanging fruits from the tree (experience shows this lasts for about two years), but if you continue in this manner, you’ll paint yourself in the same corner that so many improvement programs have done in the past. Understanding the dynamics of leadership and respect are essential to enter the true spirit of developing a lean culture.

Can *Lead With Respect* be useful without practicing with the lean tools? Once again: absolutely, but the long-term results will be disappointing. The leadership and motivational concepts developed in *Lead With Respect* are based on current research on human sources of motivation: engagement, initiative, recognition. *Lead With Respect* presents these aspects in a systemic way as opposed to the usual laundry lists of Dos and Don’ts, but there are no big surprises and revelations there. The spectacular leverage from these concepts is realized when you apply the Lead With Respect attitudes to the lean tools. Precisely because the human being is always in charge in the lean perspective, and the tool is but a tool, how the person interprets the tool makes all the difference: the attitudes, the feeling, the empathy. *Lead With Respect* is hopefully a fun and instructive read for any one with questions about motivation and leadership in a business setting. We believe that the full value of the book is about looking at the lean tools through the leadership and respect *angle of view*.

Q) One takeaway from LWR is that practicing respect is neither pretty nor polite. There's a lot of conflict, self-doubt, tension, and messiness involved. Why is it so hard, so heavy, so challenging?

A) Win-win doesn’t mean nice-nice, let’s get that clear. Win-win is about getting the business to face its adaptive challenges and sharing the results fairly. Doing so, in this day and age, typically involves addressing difficult changes and disturbing the status

quo, which means that key individuals – not to say all – will have to re-learn some or all of their jobs. This is not going to happen without a fight.

People will challenge whether the new direction is the best one, and rightly so. Adaptive challenges are messy and dicey, and no one has a crystal ball. Leading people through an adaptive challenge entails offering vague and unproven solutions, which will change both their jobs and how they interact with each other. No wonder this will get political and key persons will resist, either passively or by actively fighting back. And, even when the new direction is accepted, win-win hinges on individual learning. Leadership means taking people in a given situation and taking them through the struggles of actually learning.

I'm not sure there is that much conflict, self-doubt or messiness described in the book. Some, yes, we're talking real-life here. Tension certainly, because where does creativity stem from if not creative tension? My argument would be that the messiness and doubt appears from the mechanistic perspective we've been brought up with. Market shifts are to be met with a clear strategy, operationalized by the right organizational chart, with clear goals, clear action plans, clear progress and so on, as if a business was a Swiss watch. The lean outlook is far more organic than mechanistic. Every person is both a deshi to his or her sensei, and a mentor to another mentee. Every process grows from the previous one. Successful ideas are pursued and developed, less successful ones are abandoned. Lineages matter as much as hierarchical lines. Much of history is explained by unexpected meetings of like minds, as happens in the book.

Self-reflectiveness is messy by nature. Addressing the elephant in the room is never easy. Developing individual leadership on the shop floor is messy. Getting a team to share objectives (and bonuses?) is certainly dicey. And expecting small steps kaizen to solve large issues is outright strange. No wonder *Lead With Respect* is challenging. But on the other side there are no boring days, and there is no greater satisfaction (for people attuned to it) to see someone take initiative on an issue and lead their peers. Solving problems no one has solved before remains the best fun one can have at work! Nothing good comes easy and lean is about gaining sustainable competitive advantage – why on earth expect it to be easy? But beyond the struggle, nothing can beat the deep satisfaction of beating the odds and creating high-performance organizations, together. Enough with the “this is so hard.” After more than twenty years at it, I find lean more exciting than ever, and this is indeed what *Lead With Respect* is about!