

Leadership Awareness

The Role of a Lean Leader

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www.honsha.org



Automakers Over **150** **Banks** certified Honsha Academy

Kaizen Culture

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Military

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Humanitarian missions

Entertainment

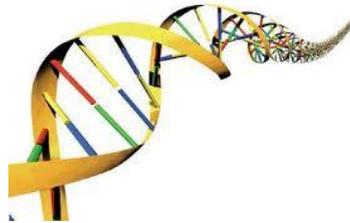
Aeronautics

Over **80,000** people trained





The DNA of the Toyota Production System



The Four Rules

The tacit knowledge that underlies the Toyota Production System can be captured in four basic rules. These rules guide the design, operation, and improvement of every activity, connection, and pathway for every product and service. The rules are as follows:

Rule 1: All work shall be highly specified as to content, sequence, timing, and outcome.

Rule 2: Every customer-supplier connection must be direct, and there must be an unambiguous yes-or-no way to send requests and receive responses.

Rule 3: The pathway for every product and service must be simple and direct.

Rule 4: Any improvement must be made in accordance with the scientific method, under the guidance of a teacher, at the lowest possible level in the organization.

All the rules require that activities, connections, and flow paths have built-in tests to signal problems automatically. It is the continual response to problems that makes this seemingly rigid system so flexible and adaptable to changing circumstances.

4 capabilities of a leader

The DNA of TPS

4 capabilities of a leader

The DNA of TPS



Design work such that problems are immediately visible



Swarm problems when they occur



Share learning laterally



Take responsibility to develop others

**\$16,965,108
,670,496**



7:50PM on Sunday

7:51PM on Sunday



What can we learn from past
leaders?



1991



2001



2013



2014..2015...2016..

What can we learn from current
leaders?

FORTUNE

THE WORLD'S MOST ADMIRABLE COMPANIES



1. General Electric
2. Toyota
3. Procter & Gamble
4. FedEx
5. Johnson & Johnson
6. Microsoft
7. Dell
8. Berkshire Hathaway
9. Apple Computer
10. Wal-Mart

■ Toyota hopes its full-sized truck, the Tundra, will lead a category dominated by Detroit.

No surprise here: General Electric is the World's Most Admired Company—for the sixth time in eight years. But the breakout performer on our global list is Toyota. By rising three spots to replace Wal-Mart as No. 2, Toyota became the highest-ranking non-U.S. company in the nine-year history of the international Most Admired list. Japan's top carmaker is churning out profits in a tough industry, earning \$11.4 billion in 2005—more than the next 12 carmakers combined. By the end of 2006, Toyota is set to overtake GM as the world's biggest producer of cars and trucks.

As in past years, the global list was dominated by American companies, which took 16 out of the top 20 positions and 32 of 50 overall. The survey's 8,645 executives, directors, and analysts in 23 countries and at 351 companies (211 outside the U.S.) rewarded companies that delivered results. Europe's top company, BMW (No. 13), is the world's luxury-car leader—overall sales volume grew 5.5% to set a new record. Singapore Airlines (No. 19) jumped nine spots. Nokia hung in there at No. 20, making it the highest-ranking telecom company. And South Korean consumer electronics leader Samsung (No. 27) jumped 12 spots. For the first time that put it ahead of archrival Sony, which fell 19 places to No. 34. — *Telis Demos*

World Rank - Automakers

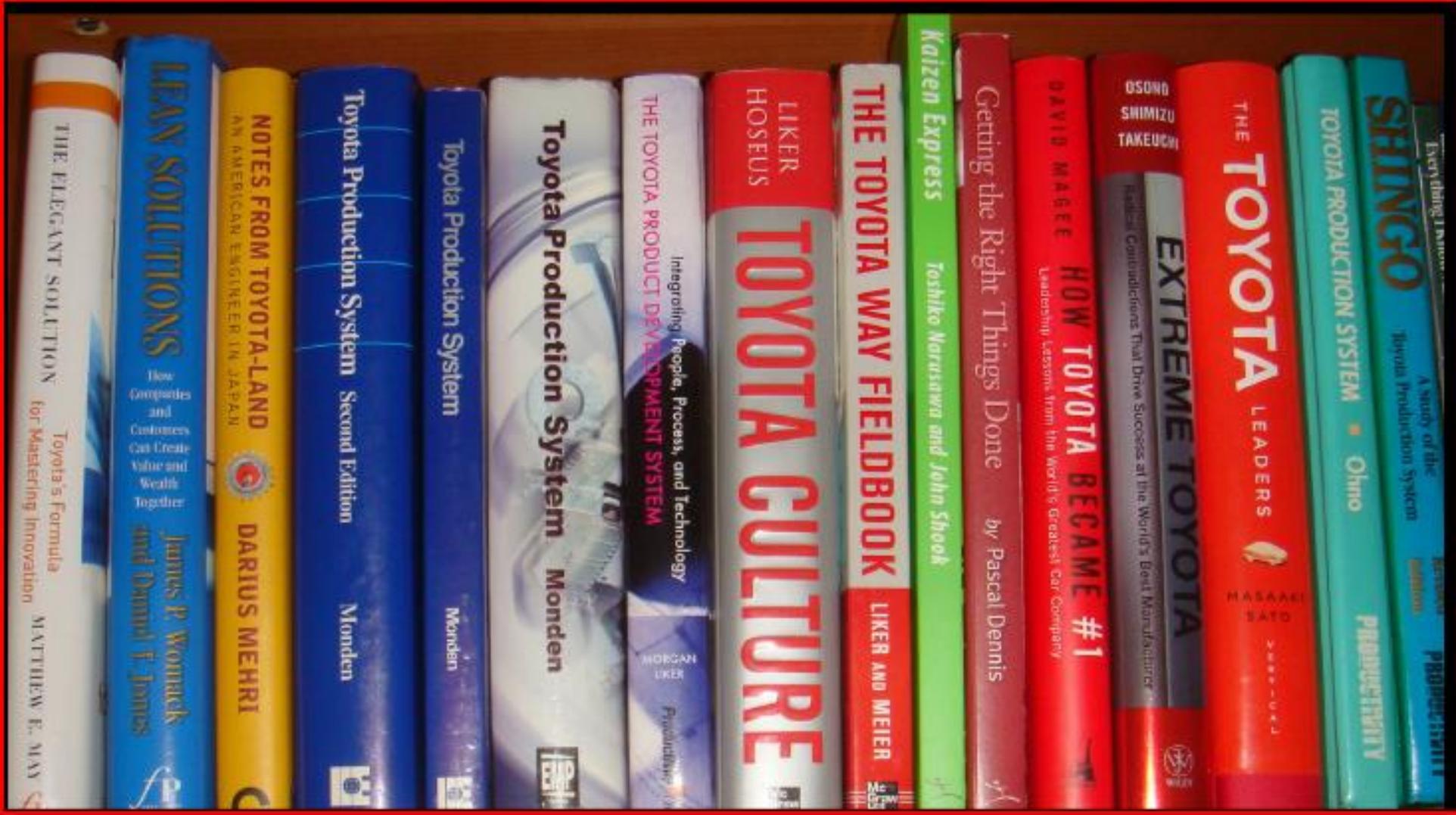
2006

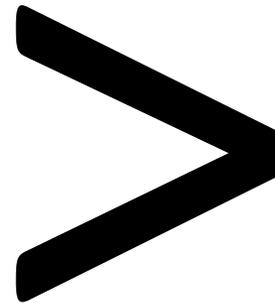
Profit
U\$12B

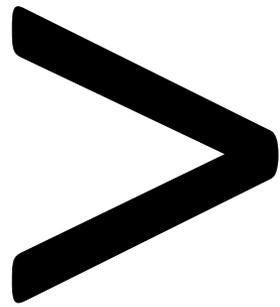
Rank	GROUP	Total
	Total	68,096,390
1	GM	8,965,305
2	Toyota	8,036,010
3	Volkswagen	5,684,603
4	Ford	6,506,847
5	Honda	3,669,514
6	PSA	3,356,859
7	Nissan	3,223,372
8	Chrysler	2,544,590
9	Renault	2,543,649
10	Hyundai	2,505,027
11	Fiat	2,319,642
12	Suzuki	2,297,277

Ref.: International Organization of Motor Vehicle Manufacturers

The Most Studied Company in The World



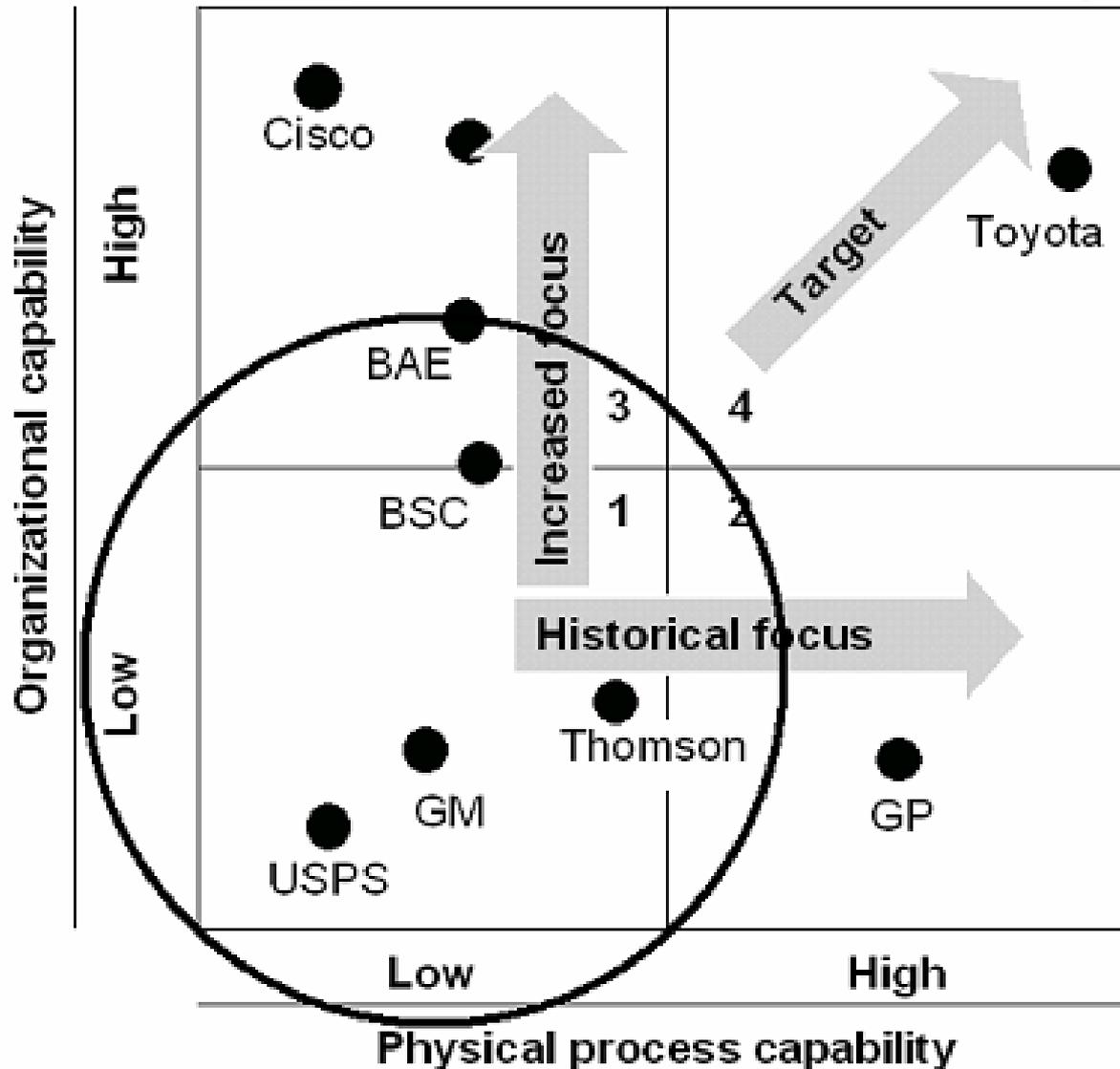




“If things seem under
control, **you are**
just not going fast enough”

Tom Peters

June/2000



GM posts record 2Q profit



July 18, 2000: 11:54 a.m. ET

Automaker beats forecasts despite drop in North American share, profits

NEW YORK (CNNfn) - General Motors Corp. reported a record second-quarter profit Tuesday, beating Wall Street forecasts despite some loss of market share in its home market.

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Company officials say that, despite some softness in North American sales, it is on target to meet forecasts of a record profit for the year -- and that it is eyeing additional share repurchases as a way of continuing to improve earnings per share.

The world's largest automaker reported second-quarter net income of \$1.8 billion, or \$2.93 a diluted share -- above consensus forecasts of \$2.82 a share, according to First Call, which tracks analysts' estimates. A year earlier, earnings were \$1.7 billion, or \$2.66 a share.

Revenue rose to a record \$48.7 billion in the quarter from \$45.1 billion as the number of vehicles sold rose to 2.36 million worldwide from 2.33 million.

But GM actually had lower



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Y & THE ECONOMY

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PESO ↑ +0.094 10.792
YEN ↓ -2.09 112.63
EURO ↓ -0.0037 0.6832
INSIDE: Market roundup C2

THURSDAY
November 8, 2007



THE SAN DIEGO
UNION-TRIBUNE

Virgin America, praised for its low-cost, high-tech flights



GM sets company record for worst loss in quarter

Shares fall more than 6%; S&P lowers rating

By Tom Krisher
ASSOCIATED PRESS

DETROIT — General Motors posted a company-record \$39 billion loss yesterday for the third quarter, as a charge involving unused tax credits brought an abrupt end to a string of three profitable quarters for the na-

Moneyline

Tuesday markets



Index	Close	Change
Nasdaq composite	1528.79	▲ 20.79
Standard & Poor's 500	767.87	▲ 10.34
Energy index, 10-year yield	2.87%	▼ 0.05
USA 10-year interest rate	0.18%	▲ 1.86
Oil, light sweet crude, barrel	\$49.56	▲ 1.25
Euro (dollars per euro)	\$1.318	▲ 0.0122
100 yen per dollar	99.07	▲ 1.9500

GM's new CEO open to bankruptcy

Henderson's plan will go 'deeper, harder and faster'

By Sharon Gilio Carr
USA TODAY

DETROIT — General Motors CEO Frederick Henderson said Tuesday GM will do whatever it takes to meet the government's restructuring goals, even if it means a Chapter 11 bankruptcy filing.

Standing on the same stage at GM headquarters where just six weeks ago then-CEO Rick Wagoner laid out what he called a "significantly more aggressive" restructuring plan, Henderson said GM will do more. More plants could close. Dealers could shut down faster than expected. More jobs could be lost. Henderson said the new plan would go "deeper, harder and faster" to meet the goals. And, he added, a bankruptcy filing is starting to seem more probable. "If I was op-

posed to bankruptcy," he said, "I would have said so" to becoming GM's CEO.

Wagoner's Feb. 17 plan called for closing five more plants in the United States than previously announced, bringing total plant closures over the next three years to 14, eliminating 47,000 jobs worldwide this year and shedding 20,000 in the U.S. by 2012.

Wagoner, ousted over the weekend by President Obama's automotive task force, had long opposed filing for bankruptcy protection as a strategy for cutting GM's debt load and forcing more competitive labor contracts on union workers. He feared a bankruptcy filing would dry up GM's customer base if people fearing the company was going out of business avoided buying its vehicles.

Obama's plan, laid out Monday, calls for the government to backstop GM and Chrysler warranties, which might allay those concerns. The companies



Henderson: New CEO of GM session.

have gotten a combined \$17.4 billion in federal loans, which have kept them afloat during the sales collapse and have added for \$21.6 billion more.

The auto task force judged the automakers' plans to become viable independent, however, and Obama on Monday gave GM 60 days to meet more rigorous targets before it could qualify. Chrysler, judged not able to stand alone, got 30 days to complete its proposed partnership with Fiat.

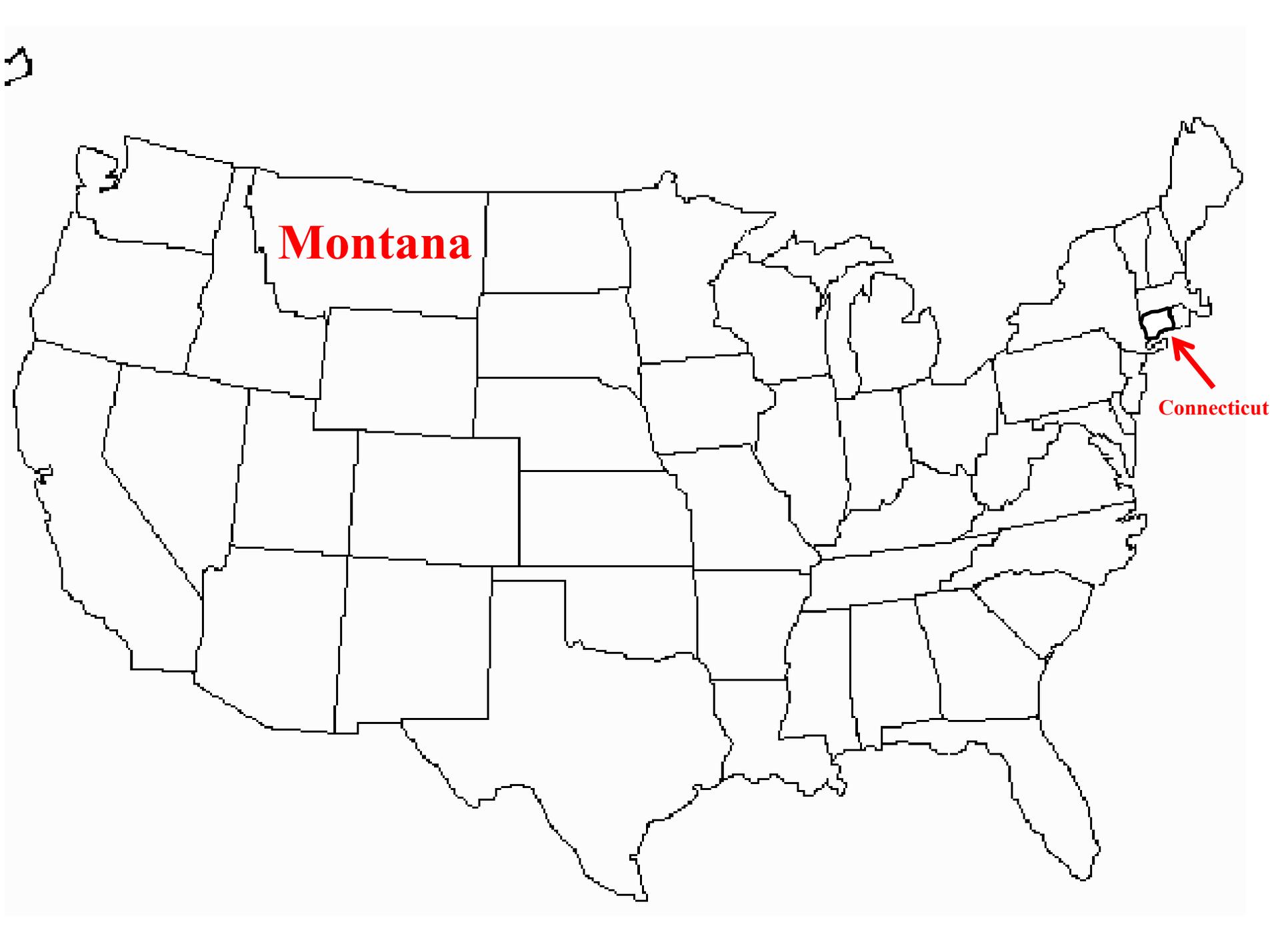
Some GM watchers doubt Henderson, a Detroit native who worked so closely with Wagoner he said he knew what Wagoner was thinking after a few words, can make the changes.

He "seems to have a very similar background to Wagoner," says Stephen Spivey, senior auto industry analyst for Frost & Sullivan. "I'm not sure it's going to make a difference."

W. Edwards Deming



“40% of everything we do is pure waste!”



Montana

Connecticut

Lead Time

*“The only thing we are doing is reducing the
“lead time line.”*

Taiichi Ohno

90%

Ohno

The Need to Eliminate Waste



INVENTORY



OVER-PRODUCTION



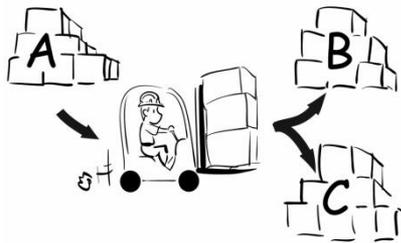
MOTION



CORRECTION



WAITING



TRANSPORT



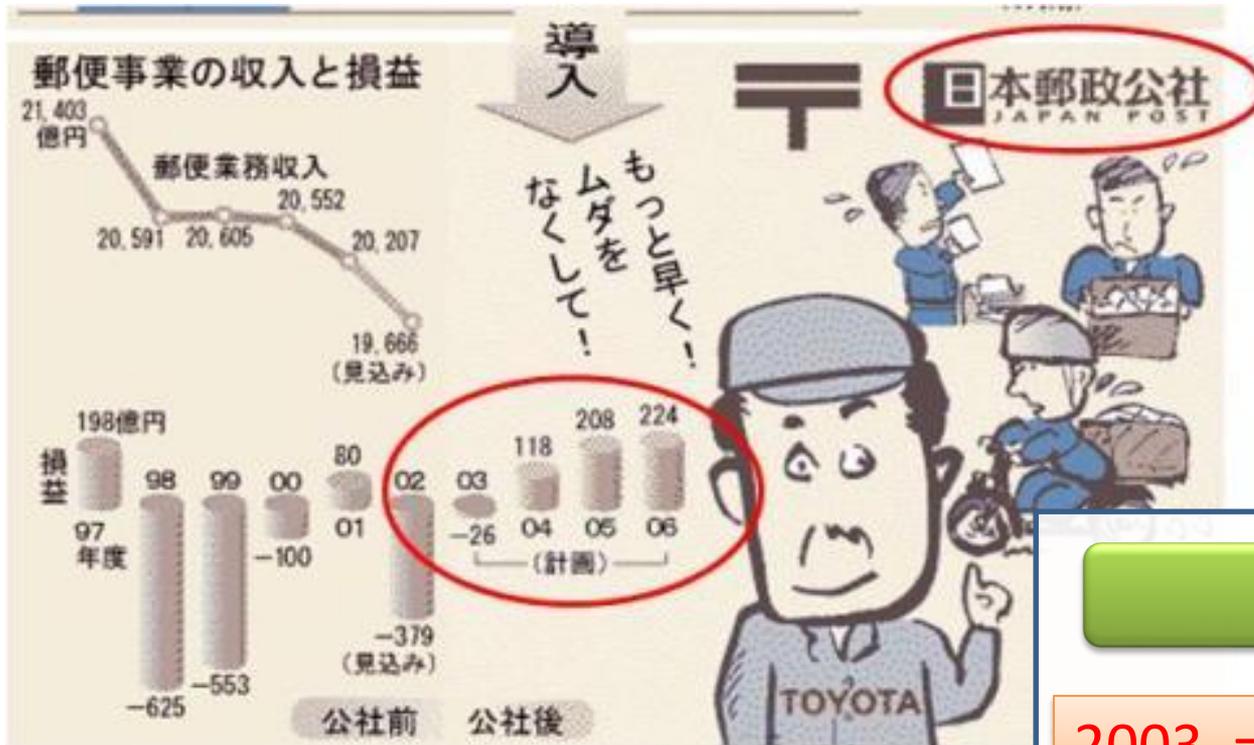
WASTE



OVER-PROCESSING

The Need to Eliminate Waste

What if there is no need?



Japan Post Office has been increasing the profitability after implementing TPS in 2003.

Eliminate waste!

=

Fast response to Customers!!
Shorter Lead Time!

PROFIT

2003 = -US\$25 Million

2004 = +US\$115 Million

2005 = +US\$ 200 Million

2006 = +US\$220 Million

The Need to Eliminate Waste

What if there is no need?

Leadership must create the need

4 capabilities of a leader

The DNA of TPS



Design work such that problems are immediately visible



Swarm problems when they occur



Share learning laterally



Take responsibility to develop others

4 capabilities of a leader

The DNA of TPS



Design work such that problems are immediately visible



Swarm problems when they occur



Share learning laterally



Take responsibility to develop others

Design work such that problems are immediately visible

How do you bring problems to
surface?

...or not?

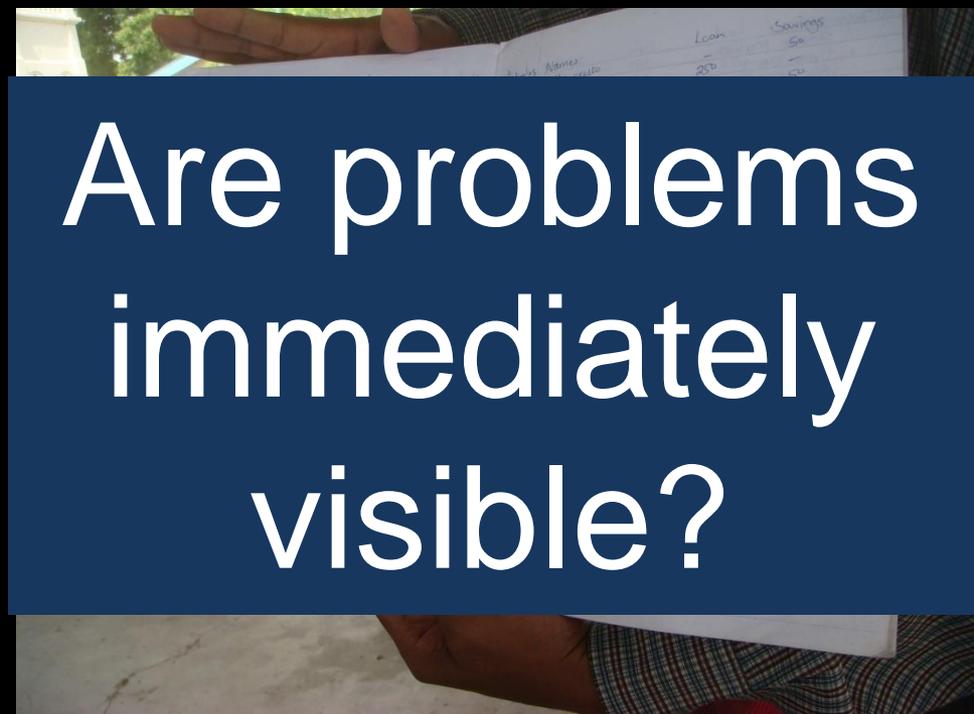
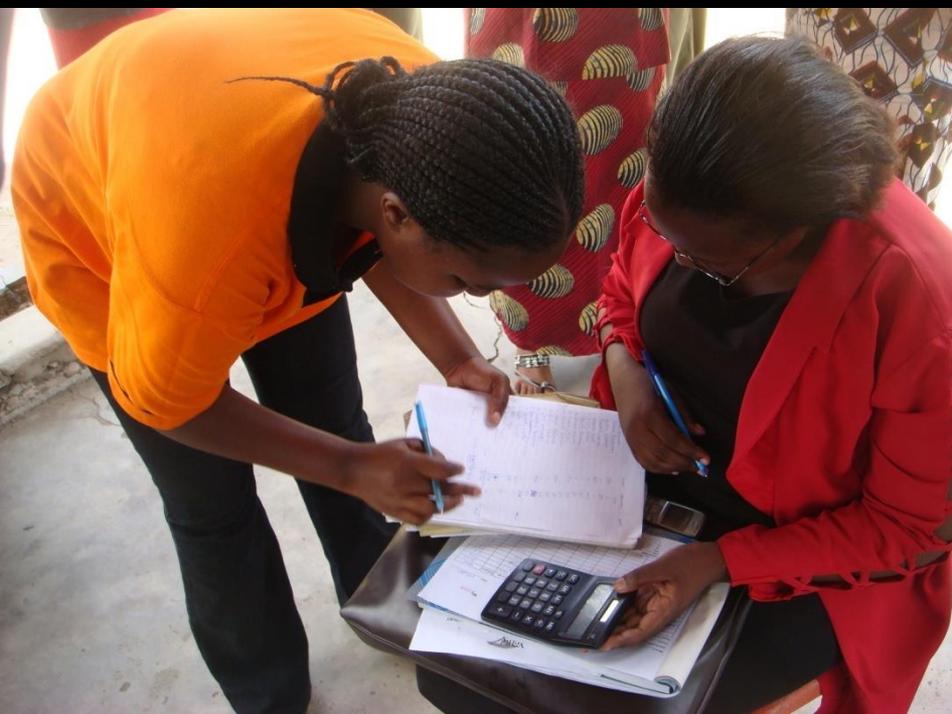
Design work such that problems are immediately visible

FAST COMPANY

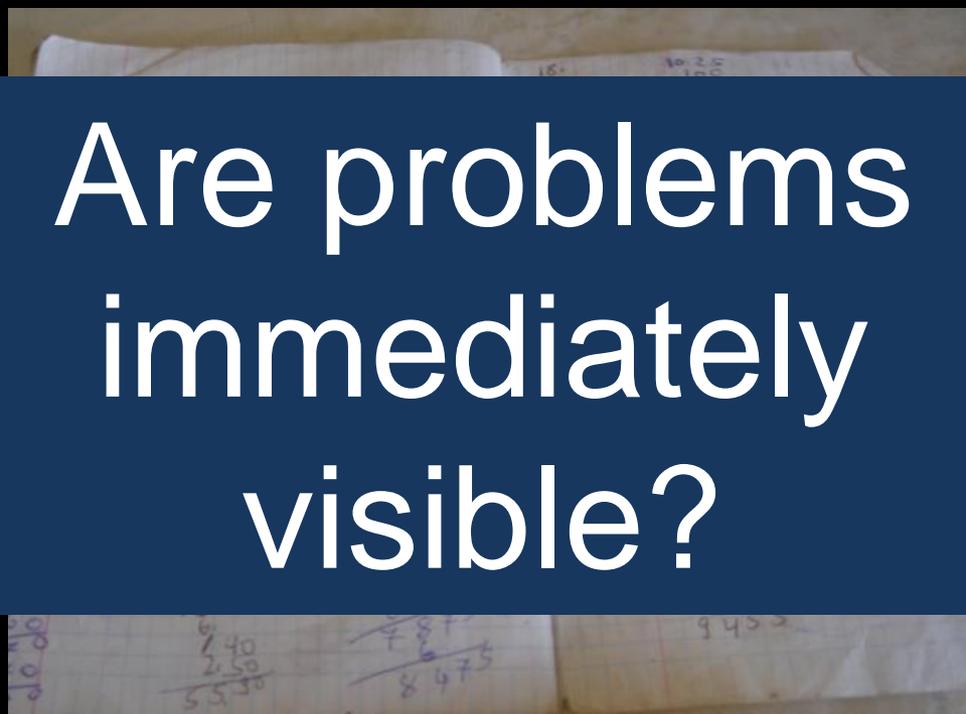


In Wiseman's early days, Georgetown was run by Fujio Cho, now the chairman of Toyota worldwide. Every Friday, there was a senior staff meeting. "I started out going in there and reporting some of my little successes," says Wiseman. "One Friday, I gave a report of an activity we'd been doing"--planning the announcement of a plant expansion--"and I spoke very positively about it, I bragged a little. After two or three minutes, I sat down.

"And Mr. Cho kind of looked at me. I could see he was puzzled. He said, 'Jim-san. We all know you are a good manager, otherwise we would not have hired you. But please talk to us about your problems so we can all work on them together.'"



Are problems immediately visible?



Are problems immediately visible?

HONSHA.ORG AND
WORLD VISION PRESENTS:

LEAN FOR HOPE

SPEND ONE WEEK IN KENYA
LEADING LEAN INITIATIVES
WITH ALL EXPENSES PAID.

+BONUS
3 DAYS IN A WILD
SAFARI

HONSHA.ORG AND WORLD VISION PRESENTS:

LEAN FOR HOPE



SPEND ONE
WEEK IN KENYA
LEADING LEAN
INITIATIVES
WITH ALL
EXPENSES PAID.

+BONUS
3 DAYS IN A WILD
SAFARI

[SIGN UP](#)

TOUR DETAILS



DATE

March 2014, Week 3
(17th)



LOCATION

Kenya, Africa

Design work such that problems are immediately visible

*How to bring problems to
surface?*

4 capabilities of a leader

The DNA of TPS



Design work such that problems are immediately visible



Swarm problems when they occur



Share learning laterally



Take responsibility to develop others

Coaching Kata

形

Coach, develop, shape, ...

4 capabilities of a leader

The DNA of TPS



Design work such that problems are immediately visible



Swarm problems when they occur



Share learning laterally

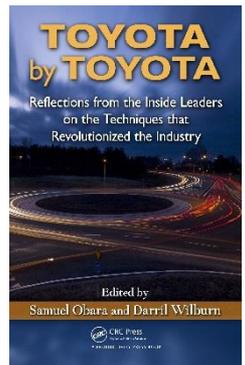


Take responsibility to develop others

Share learning laterally

Yokoten

Share learning laterally.



Share learning laterally



Share learning laterally



Share learning laterally



Share learning laterally



4 capabilities of a leader

The DNA of TPS



Design work such that problems are immediately visible



Swarm problems when they occur



Share learning laterally



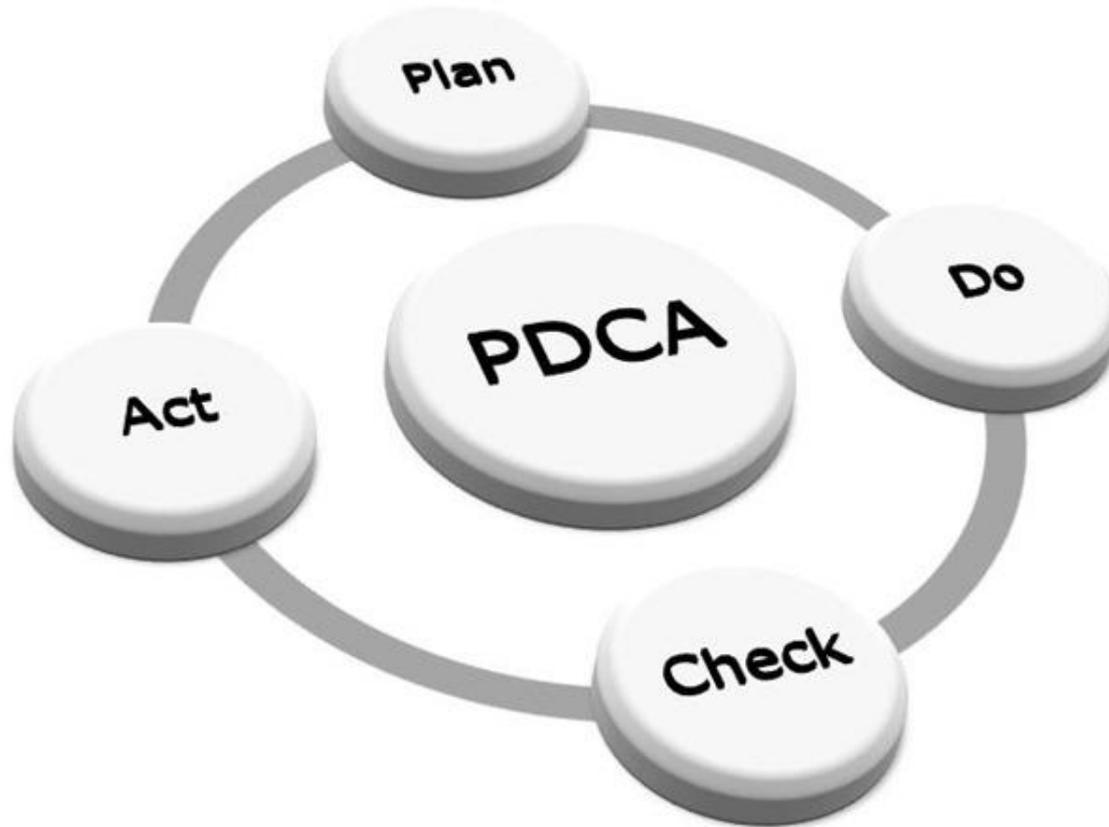
Take responsibility to develop others

Responsibility

*Leaders take responsibility for
developing their people.*

Take responsibility to develop others

How do people solve problems in your organization?



Take *serious*

responsibility to

develop others

Take responsibility to develop others



PDCA - PROBLEMSOLVING FORM



Team Members Names

Center	

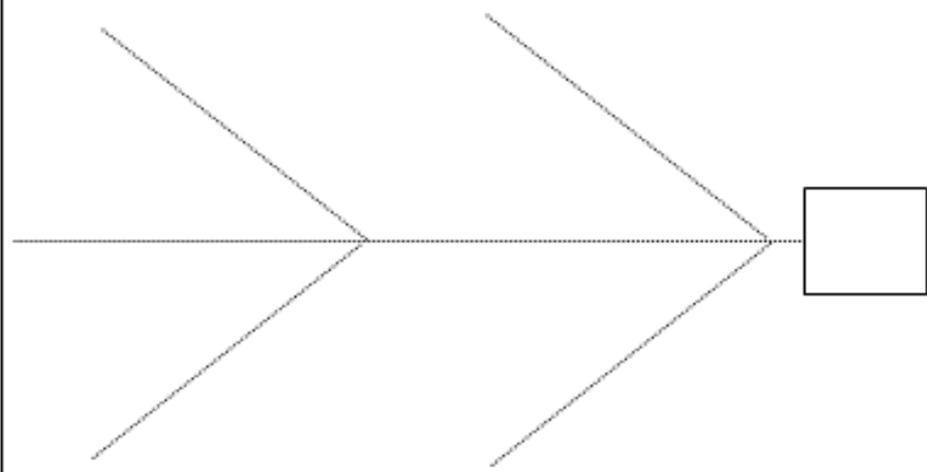
Team Name: _____ Plant: _____
 Topic: _____ Date: ____ / ____ / ____

1 a) Problem Statement :
 Concrete and measurable

b) Understand the Process :

c) Goal Statement:
 Concrete, measurable and completion date

2 Cause-Effect Analysis : Circle Main Cause (Max 2)



Data Collection: Print necessary. Questions and ask in the library. Jigger level

3 Root Causes	4 Selected Countermeasure	5 Who	Start	Target	Finish
			///	///	///
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6 Results: Countermeasure in Effect (Timeline)

7 Standardize and Train Team Members: Make use of standardization

8 Recognize Share Achievement: Good achievement for the project

Copies Distributed: Give all please note number a copy of the project

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Take responsibility to develop others

Be the example

An example from Pacific Surfing School









Leaders must set the culture

Thank You!

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