



**Enabling people to lead  
and contribute to their  
fullest potential**

Helping people develop to their full potential is at the heart of a lean organization. When people are not empowered to contribute, enabled to develop, or given proper support, the effects are profound. Motivation flags, intellectual capacity is wasted, talent is lost, and value is forfeited.

We believe that lean organizations share three key principles in the way they treat their people:

- creating a culture that respects and empowers people
- cultivating leaders and managers who are committed to developing others
- managing people through a transparent and fair process

These principles are reflected in the articles and interviews throughout this section. To see what they look like in action, we share another day in the life of Mary—this time, a particularly difficult day when half of her claims-processing team is out sick. Thanks to her thoughtful approach, the systems she has put in place with her team and her colleagues, and the trust she has encouraged, she manages to avert a crisis through a series of well-judged actions.

By using lean-management tools and the behaviors associated with them, Mary is able to keep her team working together effectively and her department running smoothly. Her story also demonstrates how the three principles above can help lean companies operate seamlessly while building a strong culture based on mutual respect, collaboration, and common purpose. Lean companies are adept at creating an expectation of continuous improvement and fostering an environment where people bring the best of themselves to work.

## Building skills to manage temporary shortages

### Lean tools and behaviors



As soon as she arrives at the office, Mary knows it won't be a normal Friday. Half of her department is out sick. She must determine who **has the skills** to take on absent colleagues' work and must be there to support all of her teams. She begins her **morning meeting** with team leaders by outlining the day's tasks, agreeing on expectations, and asking if anyone has questions or concerns.

Matching skills to tasks

Daily huddle



Mary then **sits down with** Eric and Jan to watch them process claims and is pleased to see they follow the **current standard operating procedures** step by step. Eric evidently knows the process inside and out, so Mary decides to update his skills profile. He also notes **a couple of changes** that might be helpful, which Mary suggests he bring to the next problem-solving session. On the other hand, Jan seems to be struggling, so Mary arranges for a peer to **spend an hour observing and coaching her** later in the week.

Process confirmation

Standard work

Standards developed by the team

Peer-to-peer coaching



As she walks around her department, Mary realizes that a backlog is developing in a particular type of claim that always reaches high volumes on Fridays. In light of the day's distractions, she quickly **calls her team back together** to remind them of the importance of clearing these claims. She asks Phil, a team member with **wide-ranging experience**, to help out with any queries.

Constant communication

Cross-training



Later that morning, Mary **meets with fellow managers in a tier-three huddle** to make sure her staff shortage isn't creating problems elsewhere. Her colleague **Sophia** volunteers that her team is ahead of schedule and could spare some time to **help Mary's team with its workload**.

Daily huddle

Shared ownership

Load balancing



Toward the end of the day, Phil comes to see Mary. The constant Friday battle with high-volume claims started him **thinking about changes in customers' needs**. He has ideas for improving the claims-handling process and offers to raise them at the next team meeting. Impressed, Mary decides to consider **offering Phil a deputy manager's role** on her team.

Root-cause problem solving

Clear career path



As the office empties and Mary prepares to leave, she reflects on the day's events. **Phil was emerging as a leader, Eric was consolidating his technical expertise, and Jan needed support but was eager to improve.** Mary is proud of how her team had risen to the challenge of a difficult day.

Building team members' skills

In working with her colleagues, Mary shows how a respectful culture fosters transparency, enabling everyone to see how they and others are performing from day to day. It creates clear expectations about what it is fair to ask people to do—and provides them with the tools, systems, and training to fulfill these objectives. Mary, for example, conducts process confirmations with Eric and Jan—side-by-side meetings in which the leader and team member evaluate how a standard operating procedure (SOP) is going for the team member. She also understands that because the team members use the SOPs every day, they are best positioned to make changes. She therefore suggests that Eric bring his ideas to the next problem-solving discussion.

Leaders and managers in a respectful culture make sure they follow up on expectations and provide regular coaching and fact-based feedback. When Mary realizes Jan is struggling to follow the best-practice guidelines, she sets up a private meeting with her to find a way to help Jan learn—in this case, through side-by-side coaching from a peer who has demonstrated mastery.

To enable people to contribute their best, companies need to nurture leaders and managers who are committed to making others shine—leaders who can win hearts and minds and create an emotional bond that is hard to break. Such leaders set expectations that are motivating but realistic, as Mary does by briefing her team at the beginning of the day, communicating constantly with them and with her fellow managers, and acting as a role model. In nominating Phil to help with colleagues' queries, she exemplifies another lean leadership skill: knowing how to step back and act as an enabler, not an executor.

Phil's suggestions for process changes illustrate another hallmark of a lean organization: when leaders build a sense of ownership, people feel problems are theirs to solve. Being empowered to raise issues, challenge objectives, and come up with solutions dramatically increases not just their motivation but also the value they deliver.

Creating the right culture and nurturing the right leaders are major steps toward enabling people to contribute to their fullest potential. However, organizations also need to get the basics right. That means attracting and retaining the right people—and redeploying them to more suitable roles if necessary—so as to deliver the greatest value to customers in the most efficient way. People's skills must also be matched to the most appropriate tasks, as when Mary arranges coverage for absent team members. Having observed daily huddles, performed process confirmations, and engaged in constant coaching and feedback, Mary is well equipped to make these decisions. And the fact that the entire organization follows the same system gives her more confidence that when colleagues from other teams fill in, they will be able to do so productively.

Managing talent also involves promoting and rewarding the right capabilities. When Mary recognizes Phil's leadership potential and Eric's deep expertise, she updates their skills profiles and starts to think about building their capabilities and shaping their career paths. Leaders need to define an individual career path for each employee, one that provides customized opportunities for promotion and development.

The articles and interviews that follow give a flavor of how the principles of enabling people to lead and contribute to their fullest potential are put into practice in the day-to-day work of real-life lean organizations.

Naturally, achieving this level of engagement is far from easy. Bryan Robertson, the former director of lean transformation at British insurer Direct Line, describes the profound shift needed in people development, observing that “lean management is very much about changing the way leaders think, lead, and behave.” He explains that his organization defines a leader not as someone who tells people what to do but as “someone who coaches others to be successful and achieve their true potential.”

For this to happen, performance management needs to become a transparent and routine part of everyone’s working day. As “Guiding the people transformation: The role of HR in lean management” notes, structures “must evolve to support ordinary, casual conversations about how work is progressing and where it could improve.”

Respect is central to managing people. In “Lean management from the ground up in the Middle East,” Tanfeeth CEO Suhail Bin Tarraf explains, “It means developing [our own] skills to their fullest potential and helping colleagues develop theirs as well. . . . No one person can do it alone, so we empower our people.”

The last article in this section, “Lessons from emerging markets,” looks at how companies can use the “human factor” to overcome organizational and cultural barriers to change, enabling them to make major strides in revamping how they work with customers and maximizing value from limited resources.