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### Katie Anderson: In Toyota's Backyard

By Julie Barlow Related category: MANAGEMENT



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While living in Japan in 2014, American leadership consultant Katie Anderson met a Toyota manager, Isao Yoshino, who had worked at the auto giant for over 40 years and is now an associate professor at HEC Montréal. In her book, *Learning to Lead*, *Leading to Learn*, she recounts their discussions on the philosophy behind the Toyota approach.

### The Toyota system is associated with the *Lean* approach . However, your book does not mention this word. Why?

The majority of my clients, which include hospitals, SMEs, large companies, and government departments, want to learn about *Lean management*. But this concept is actually a Western-style simplification of the Toyota system. In fact, there is not even a translation of the English word lean into Japanese! So I wanted to write a book that explains the philosophy behind the <u>Toyota</u> management system through my conversations with Isao Yoshino and the thoughts they inspired in me.

This man spent his life working, understanding, and putting this philosophy into practice. One day, he told me that the success of Toyota's management system was essentially based on the attitude toward learning.

### In Japanese, we use the word *hansei* to refer to this attitude. What does it mean exactly?

<u>Hansei</u> refers to the verbs "to dig" and "to relearn" or, better yet, the verb "to self-reflect," meaning to practice self-reflection. In Japan, there is a cultural practice of reflection, which is considered the beginning of learning and which continues into self-reflection. Since Isao Yoshino has had the opportunity to work as a manager in the United States on several occasions, he has observed real cultural differences on this issue.

Westerners have adopted a culture of action where reflection seems unproductive, even a waste of time. Execution is highly valued. The Japanese, on the other hand, are trained to have the patience to reflect, to learn by adapting, and to try again until they succeed. At Toyota, they emphasize the willingness to experiment and to view failures and bad news as learning opportunities. Managers are therefore encouraged to build a moment of reflection into every project or activity they lead. This is called *hansei*.

#### How do you help managers from other cultures adopt this learning ethic?

According to Isao Yoshino, it doesn't take an hour a day. It can be as simple as taking five minutes to write down your day's events. What was planned? What actually happened? What happened? How, why? To be able to manage like Toyota, you need to cultivate this thinking muscle and ensure this practice is established within your teams.

## This system is based on three principles: setting direction, providing support, and developing oneself as a leader. What's so "Toyota" about these three very common concepts?

Let's start with the first point: direction. The Japanese are fond of quoting the proverb, "He who chases many hares catches none." These days, companies have great difficulty setting priorities: they rush in all directions and pursue too many objectives. The result: energies are scattered. No one has time for anything, and everyone wastes their time. Toyota's management culture advocates that the first thing to do is to clearly define key objectives. To clarify where we need to go as an organization.

#### But Isao Yoshino preaches the virtues of setting near-unattainable goals. Isn't that a bit paradoxical?

It harks back to the notion of lifelong learning. The point isn't that these goals are

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necessarily impossible to achieve. The point is that they seem out of reach. Goals that seem unattainable stimulate our minds and our desire to grow, learn, and improve.

In many Western companies, salaries and bonuses are determined by target achievement. But this practice doesn't foster a learning culture. People should be supported and rewarded when they step out of their comfort zones and learn. And there are many reasons for this.

#### So, what does "supporting people" mean according to Toyota's philosophy?

Toyota has a saying: "We make things by making people." This means helping others learn ever deeper and develop further to solve problems and achieve goals.

The core of my work as a consultant involves helping leaders shift from being implementers to being supporters. To do this, managers must learn not to solve every problem themselves and not to tell everyone what to do. Rather, their goal is to provide the support needed so that others learn how to solve problems on their own and thus contribute to the goals established by management. Leaders must therefore strive to ask more real questions instead of disguising their directives as fake questions—a practice that, incidentally, is very common among those seeking to emulate the Toyota model!

It's essential to stop blaming employees for their mistakes and approach failures as learning opportunities. Blaming workers for failures doesn't accomplish anything: it discourages risk-taking. Around the world, I ask people what prevents them from contributing to problem-solving. And everywhere, they say they do so out of fear of blame and rejection. When a manager knows how to use <u>failures</u> effectively for learning, nothing stands in their way.

### According to Isao Yoshino, the way to promote learning is to go to the *gemba*. What exactly is it?

The Japanese term *gemba* literally means "scene of the crime." It's the place where something is happening or has happened. In the corporate world, the *gemba* is where work gets done, whether it's a factory floor, a hospital floor, or something else. Instead of going out, managers tend to stay in their offices and rely on written or oral reports.

The expression "going to the *gemba*" therefore means leaving one's office and *visually* verifying what is happening on the ground, in order to gather concrete facts firsthand instead of relying on others. But be careful: you don't go to the *gemba* just to show off.

You need a specific goal. A police officer who goes to the *gemba* wants to solve a crime. A manager will go to the *gemba* to solve a problem, to understand what is wrong with a process, or simply to improve it.

### This expression is therefore closely linked to this other value of Toyota which is continuous improvement...

Yes, but we understand it first in the sense of the continuous improvement of the person. The original concept, in Japanese, is *kaizen*. It is one of the principles of *Lean* management . *Kaizen* is generally translated by the words "continuous improvement". But in Japanese, *kaizen* is composed of two ideograms, one meaning "self-discipline" and the other, "making changes for the good".

As Isao Yoshino explains, at Toyota, this means putting subordinates first and improving ourselves as leaders. As managers, our goal is to create an organization where everyone has this capacity for continuous improvement.

### Isao Yoshino advocates managerial humility, which seems contrary to the leadership qualities generally associated with leadership. Isn't that contradictory?

The idea of the perfect leader who arrives with all the answers serves us well, but it's false. Yes, you have to be both strong and convinced, and know that you can rally people to your cause. But you also have to be aware of your vulnerability: we don't have all the answers, and our learning is always imperfect. According to Toyota's management style, humility is the essential condition for developing a true leader. It's through this quality that we accept that we don't have answers to everything. In fact, this is one of the things I emphasize most to the people who consult me. They must learn to say, "I'm trying to ask better questions because I want to know and hear what you think."

### Concretely, what challenge do leaders face when trying to manage like Toyota, with a learning mindset?

They must break the commanding reflex! Managers are used to being very directive, telling people what to do, and providing ready-made answers. They must resist the urge to act like this. It's really about changing the way people communicate and ask questions. This is the fundamental condition for all other parts of the system to work.

Typically, it takes managers years to successfully achieve this cultural change. It's not easy, but it can be done, sometimes quickly, if you really commit to it. Take the case of NUMMI, the Toyota-GM joint venture created in 1982 from GM's Fremont, California, plant. Fremont had a reputation as the worst plant in the group. Within a year, the company successfully implemented Toyota's management culture, and NUMMI quickly became GM's best plant! Absenteeism dropped from 20 percent to 2 percent, and productivity rose to twice the GM average. Normally, such a process takes a long time, but NUMMI did it so quickly because its management was committed. True learning requires real commitment from management. Unfortunately, I see too many organizations just fumbling.

#### Failure is a very important theme in your book. How do business leaders react when you tell them they have to accept failure?

Isao Yoshino recounts in detail one of his failures: his attempt to launch a motorboat division at Toyota in the 1990s. He reveals two important lessons for managers. First, failure is never total if it provides useful lessons for the group. Second, his superiors didn't blame him at all–quite the opposite! This is key to Toyota's management style. The message was: "You tried very hard and you made mistakes. We made mistakes too, but we all did our best."

#### To encourage continuous improvement, Isao Yoshino talks about learning chains. What are they?

It involves helping others learn, making us all teachers and learners at the same time. Whether through teaching or simple exchanges, we are always learning. It is by creating these connections within the organization, particularly through mutual assistance, that we will continue to strengthen our human capital.

But be careful: there is no strength in a single link. It is the connection between all the links that creates a strong organization. Therefore, I speak of learning as a chain, because we can all learn from each other and acquire this wisdom, this knowledge, and this ability to learn more.

### All of this leads to *hoshin kanri*, another Japanese expression that describes how to set direction for the company. What's so special about this method?

It's Toyota's way of setting strategic direction and then cascading it down and up. Companies that successfully put *hoshin kanri* into practice are those that have internalized the entire Toyota philosophy as explained by Isao Yoshino. In other words, it will work if you have a culture of strong connections and a focus on fostering conversations throughout the organization. The organization must ensure that all employees, at all levels, are able to contribute to any challenges that arise, whether as learners or teachers. *Hoshin kanri* is a way of bringing information to the top not only at the end of the quarter, but also as the situation arises. However, this is only possible if you adhere to the principles that promote learning and true communication. Unfortunately, too many Western companies try to practice *hoshin kanri* in a somewhat artificial way, without having put all the tools in place, but this method cannot work if applied to a pyramid management.

#### Article published in the Fall 2024 edition of Gestion

#### Note

1 - Anderson, K., Learning to lead, leading to learn, Paris, L'Harmattan, 2023, 374 pages.

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