Culture of Kaizen Overview

Welcome to the Course!

Hi there, my name is Ron Pereira and I’d like to welcome you to this course focused on how to go about creating and leading a culture of kaizen.

Now, as long time Gemba Academy customers know... we’ve covered many aspects of the kaizen topic before... in fact, we have a course called the Kaizen Way. And while there will naturally be some overlap between these two courses... we’re very excited to share many new aspects on the topic.

Specifically, during this course we’re going to spend most of our time focusing on how to best collaborate and influence others towards engaging in continuous improvement. You see, the tools of continuous improvement are obviously important... that’s why we’ve created more than 650 videos focused various lean and six sigma tools, and we’re constantly working on creating others that may add value.

But, here’s the thing, if you neglect the human side of continuous improvement, it really doesn’t matter how good you, or your organization, are with tools like 5S or Value Stream Mapping since you’ll almost certainly fail to build a rock solid culture of kaizen.

As such, in this course, we hope to convince you that a culture of kaizen is indeed essential to achieving and sustaining improvements long-term.

So, throughout this course, we’re going to explore many different topics including how habits – both good and bad - are developed and, if needed, can be changed or modified in order to achieve a high performance culture.

We’re also going to explore how our brains work, which admittedly, may sound a bit strange... but, you’d be amazed at how subtle changes to the way we interact and collaborate with people can radically impact not only our individual behavior but overall organizational success.
With this said, in this first module we’re going to get things started by offering an overview of what we mean when we speak of a culture of kaizen and why any company or organization, no matter the industry, may want to adopt such a strategy in order to sustain excellent performance.

**Module Objectives**

Specifically, by the end of this module you’ll know what we mean when we speak of a companies culture.

We’ll also review something we’ve spent a lot of time exploring in other Gemba Academy courses... and that’s kaizen. We’ll review what it is and what it isn’t. And, as a hint, it’s far more than a 3 to 5 day rapid improvement event.

Next, we’ll spend some time contrasting the difference between so-called adaptive and non-adaptive organizational cultures, while also sharing ways to recognize the warning signs of non-adaptive behaviors in your own organization.

And, finally, by the end of this module you’ll know what the ABCs of Organizational Culture are all about and how to use that model to help guide your effort to build a culture of kaizen.

**Definition of Culture**

Now then, to get things started I’d like to spend some time talking about what a culture is. We hear a lot about culture... but what does it really mean? Well, at it’s most basic level one might say that culture is what a group of people or society would recognize as the “way we do things around here.”

For example, in the context of business, we may say a company has a culture of teamwork, or a culture of competition, or even a culture of corruption. Herb Kellerher, Chairman of Southwest Airlines may have summed it best when he said, “Culture is what people do when no one is looking.”

And while these descriptions of an organizational culture may be true... we need to dive deeper before we can gain a better understanding of what a culture of kaizen is.

Specifically, it’s important to understand that our beliefs and values ultimately create behaviors and actions that result in either good or bad organizational performance. Along these lines, in order to create a strong, successful, culture of kaizen we can’t simply look at how we do things.
**ABCs of Organization Culture**

Instead, we also need to understand what we do and why we do them. To help us accomplish this I’d like to introduce the ABCs of Organizational Culture which have been adapted from the work of Professor Edgar Schein.

At the top of the diagram we have artifacts, which are things we can see with our eyes. Artifacts can range from the uniforms employees wear to the new lines recently laid down on the floor as a result of last week’s 5S event. You can think of artifacts as what we do and what other people see us doing.

In the middle we have behaviors, which represent the conscious and unconscious habits and routines that all of us follow within the organization. We’ll dedicate an entire module on the topic of habits later in the course.

And, lastly, at the base of the diagram, we have convictions. These mostly invisible characteristics explain why we do what we do. And, as we’ll explore later in the course understanding our why, or our purpose, or our cause just may be one the single biggest breakthrough of our personal and professional lives.

Well, when thoughtfully combined, artifacts, behaviors, and convictions provide the framework that allows us to create cultures of kaizen.

**Adaptive vs. Non Adaptive Culture**

Next, another topic we’d like to explore in this module is what John Kotter and James Heskett refer to as adaptive and nonadaptive cultures since understanding the difference is key to creating a high performance culture.

First, **nonadaptive cultures** are ones where arrogance, selfish motivations, and high levels of bureaucracy exist within organizations. This creates companies that may perform well in the short-term while conditions are favorable, but are totally inflexible and unable to adapt to change over the long term. Studies have shown that non-adaptive organizations grow much slower and are far less profitable due to this.

Conversely, **adaptive cultures** support an organization’s immediate needs while also supporting longer-term strategies. This is done by respecting people and giving them the autonomy and trust they deserve to make the changes needed into order to meet new challenges. This results in improvements to all aspects of their lives, both personally and professionally.

As such, throughout the rest of this course it’s our intention to demonstrate how our convictions, or deeply held beliefs about kaizen actually encourage adaptive cultures through the practice of cooperative, customer-focused, problem solving routines.

We also intend to show how the way we interact and treat one another ultimately determines our cultural destiny.
Kaizen Review

OK, to wrap up this first overview module, I’d like to spend some time talking about the word kaizen. As we learned in the Kaizen Way course, loosely translated the word kaizen means to change for the better.

We also learned that with kaizen there's actually a sense of breaking down the current process, removing the unnecessary parts, and putting it back together in an improved manner. We also learned that kaizen is far more than 3 to 5 day rapid improvement events even though kaizen events can be extremely powerful.

Now, in this course, we’d like to expand on the definition of kaizen by broadly defining it as people-centered, scientific problem solving, directed towards to the benefit of society.

And, as we hope to do throughout this course, we want to place special emphasis on the phrase people-centered, because more than anything else it's the convictions people carry in their heads and how we interact with one another that creates culture.

You see, in the end, our success with kaizen, or really any sort of continuous improvement, ultimately lies in our ability to work with, and positively influence, people.

Like we mentioned earlier, the many tools of continuous improvement are, obviously, very important... but if the hearts and minds of your associates aren’t behind your efforts you will almost certainly fail to create any sort of sustainable culture of kaizen.

Up Next

OK, and that wraps up this first overview module. In our next lesson we’re going to turn our attention to the topic of respect. Specifically, we plan to talk about why respecting humanity is arguably the most important aspect to creating a culture of kaizen... so, we’ll speak to you soon!
Respect for Humanity

Module Objectives

In this module we’re going to explore the topic of respect.

Specifically, by the end of this module you’ll know what’s meant when we speak about respecting humanity.

You’ll also begin to understand what it means to respect others in the broadest sense of all humanity. And, as a hint, it doesn’t mean we have to stand in a circle humming beautiful hymns with one another.

And, finally, by the end of this module you’ll know some ways you can practice respect for humanity in all aspects of your life as we prepare to explore some specific human behavioral models.

Respect for Humanity

OK, as long time lean thinkers likely know, the phrase “Respect for People” is used a lot when describing key aspects of a lean thinking organization.

In fact, respect for people is one of the pillars of the vaunted Toyota Way... with the other pillar being continuous improvement. But what many people may not know is that Toyota, and other strong lean thinking companies, take the concept of respect to another level as they speak about the importance of respecting human rights.

Here’s a snippet from Toyota’s website on this very topic. “Respect for People refers to respect for all stakeholders as well as respect for the character and abilities of employees as individuals and facilitating personal achievement by linking the personal growth of employees to company performance. Thus, putting the Toyota Way into practice means respecting human rights.”

Now, another interesting point I’d like share comes to us from Jon Miller, one of the co-founders of Gemba Academy. Jon was born and raised in Japan and speaks Japanese fluently. Jon shared that, in his opinion, the phrase respect for people
which, in Japanese, is “ningensei sonchou” would have been better translated as respect for humanity since ningensei actually means “humanness” or “humanity.” But, no matter what we call it… the fact of the matter is that in order to create and sustain a culture of kaizen we must respect everyone we come into contact with no matter who they are.

**What Does Respect for Humanity Mean?**

But, with this said, what exactly does it mean to respect people or humanity?

Does it means always being nice or never correcting or punishing bad behavior? The short answer to both of these questions is no. Instead, it’s our humble opinion that respecting humanity comes down to a few key points.

First of all, respect for humanity is a mindset and a set of behaviors that result from it. It also means that we do all we can to foster a corporate culture that enhances individual creativity and teamwork while also honoring mutual trust and respect between all associates no matter their position.

Additionally, at its core, respecting humanity centers around the development of people. Specifically, building things starts by building people. Another way to say this is that it’s necessary to develop good people in order to make good products and provide excellent service.

Sure, automation and technology may surpass the capabilities of human workers, but, in the end, it’s still people who advance technology, and people who develop such technologists.

Next, we believe that people development should primarily occur on the gemba, or the place the work is done. Workplace-centered, or on the job training, should be the primary means of people development.

This is why, as an aside, we do our very best to keep all our training videos short, and to the point, so you can learn and then immediately apply what you've learned at your gemba, or the place your work is done.

We also believe there should be mutual development by both superiors and subordinates. In other words, superiors should teach, and learn from, subordinates since we can all learn from one another.

Along these same lines we believe that in order to truly respect humanity we should all do our very best to repay the debt of being taught by teaching, and sharing our talents, with others both professionally and personally.

An amazing example of this is how our friends at Toyota partnered with the Food Bank For New York City to optimize virtually every aspect of its food donation
system. You can go to [http://mealsperhour.com](http://mealsperhour.com) to learn more about this powerful example of lean thinking can add value anywhere and anytime.

And, last, but certainly not least, we believe respecting humanity may be best summarized by the first things first principle.

In other words, when we value something, we put it first... we place it in a position of reverence, esteem or honor. The things we hold precious are the things we put first. In kaizen when we clearly understand what the customer values we put that value first by seeking to eliminate all waste. Stephen Covey’s seven habits of highly effective people also advises us to put first things first.

It’s this habit of venerating all things and placing others first out of humility that is the essence of what we believe "respect for humanity" is all about.

With this said, it’s next to impossible to summarize all there is to the idea of respecting humanity... and we don’t want anyone feeling that what we’ve covered is all there is to it.

Put another way, as each of us continue to navigate our way through the continuous improvement journey we’ll no doubt find new nuggets of wisdom that help us gain a deeper, more thorough, understanding of what respecting humanity is all about.

**Up Next**

Along these lines, in our next module we’d like to transition to what we feel to be an extremely interesting, and important, topic of discussion... namely how our brains and emotions play an important role in how we collaborate with, and influence others.... so, we’ll speak to you soon!
Brain Chemistry & Its Impact on Human Performance

Module Objectives

As we mentioned in earlier modules... the primary emphasis of this course is going to be focused on the people side of continuous improvement.

As such, in this module we’re going to focus on what makes human beings behave and act as they do with particular focus on our emotions and how some important chemicals inside our brains work.

Specifically, by the end of this module you’ll understand how 5 specific chemicals within our brains strongly influence just about every emotional aspect of our lives... and you’ll also understand how to make these same chemicals work to your advantage as well as what to do when these same chemicals seem to be working against us.

With this said, all this talk of brain chemicals may seem a little bit too scientific for a lean thinking related course... but, as you’ll see, the things we talk about during this module are indeed foundational for any person, or company, wanting to develop a strong culture of kaizen since, in the end, it’s all about people.

OK, in order to better understand how we humans work we need to discuss 5 specific brain chemicals.

Endorphins

First we have endorphins. Basically, endorphins exist to mask physical pain. It’s because of endorphins that athletes often achieve a so-called runner’s high when they really push themselves.

Endorphins are also released when we have a good belly laugh or eat certain foods like chocolate. And, believe it or not, endorphins often interact with the opiate receptors in the brain and mimic drugs like morphine and codeine.
Dopamine

Next we have **dopamine** which functions as a neurotransmitter within the brain. This basically means it helps send signals throughout the brain. At its most basic level, dopamine is released when we accomplish things.

So, for example, when you cross items off your to-do list a small amount of dopamine is released which is why many people love the hand written to-do list because it allows us to physically cross things off our list, which then provides a feeling of accomplishment.

We also receive a dopamine rush when we experience any sort of victory. For example, when you win at a hand of cards you’ll receive a burst of dopamine... that’s why it feels good. And, if you’ve ever watched your child succeed at anything... well, chances are very good you also received a healthy shot of dopamine like I did when I watched my daughter score this goal (refer to video for context).

And, as odd as it may sound, many of us receive a small burst of dopamine when the picture or post we just shared on Facebook gets a new like.

Dopamine Risks

With this said, while dopamine can make us feel good it doesn’t come without risks since it can become highly addicting.

A good example of this is our smart phones. If you find yourself grabbing your mobile phone the second your eyes open each morning... or if you find yourself clutching your phone as you walk through your office or home chances are good you’re addicted to the dopamine rush you feel when your phone buzzes or alerts you of an incoming message or call.

And, as it turns out, Parkinson’s disease is thought to be caused when people are no longer able to generate dopamine.

Dopamine Advantages

Now, from a lean thinking perspective, there are many ways to leverage dopamine in a positive manner.

First, as we mentioned, things like to-do lists or hour by hour production boards can be highly effective as associates feel a sense of accomplishment as goal are met. And when they do achieve these goals small amounts of dopamine are released inside those that made it happen.

Second, done correctly, well-crafted vision statements can be highly effective if they allow employees to feel a sense of accomplishment when they achieve company goals. But, on the flip side, poorly written, vague vision statements full of nothing
but buzz words and meaningless statements like we hope to exceed customer expectations, are usually worth less than the poster board they’re printed on.

But, like anything, dopamine can also lead to trouble if care isn’t taken. Again, from a personal perspective hungering for a dopamine fix often results in bad behaviors like spending far too much time on social media websites since we’re desperate to see how many new likes our recent post got.

Dopamine can also create problems for companies who are fixated on short-term performance metrics and will do just about anything in order to hit that operational goal no matter the long-term consequence.

This is why dopamine is often classified as a selfish chemical since the success of others isn’t all that important for those seeking dopamine... instead; it’s normally all about us!

**Serotonin**

OK, the third chemical we’d like to explore is serotonin, often referred to as the leadership chemical.

There are many ways serotonin is released... but, one of the most powerful is when we get public recognition. So, for example, when the entire leadership team applauds the kaizen event team’s hard work during the end of week report out, those team members will all experience a rush of serotonin which, in turn, makes them feel fantastic!

But, the interesting thing about serotonin is that it’s at its best when it’s shared with others.

In other words, let's say the Plant Manager was instrumental to the success of that kaizen event but she decides to stand in the back during the report out so the team members get all the praise... well, while the team members will definitely experience a rush of serotonin so will the Plant Manager... especially when the team thanks her for all the support, and active involvement, she showed them.

Additionally, research shows that a person’s serotonin levels typically increase when they’re promoted or moved into some sort of leadership position while serotonin levels often crash when a person is demoted or moved out of a leadership position.

Research also shows athletes with higher serotonin levels often perform better in pressure packed situations since they’re better able to relax and concentrate on the challenge before them.

Now, in addition to things like public recognition and some dietary supplements, exercise and sunlight go a long ways to increasing serotonin levels. This is why
buildings like the new Fastcap facility are such a joy to visit and work in since there’s natural sunlight flooding the entire building... even the bathrooms!

Lastly, getting sufficient sleep is very important as it pertains to serotonin. If you don’t get enough sleep your body will struggle to create serotonin no matter the situation.

**Oxytocin**

OK, after serotonin we arrive at what many believe to be the most powerful chemical of all - oxytocin.

And while you can receive oxytocin synthetically which, incidentally some women do during childbirth, oxytocin is typically released as a result of physical touch. This is why parents often hug their children when they’re consoling them.

Oxytocin is also called "the trust hormone” since researchers say it affects everything from the way we interact with strangers to how we feel about our government.

For example, if a stranger opens the door for you chances are good your oxytocin levels will temporarily spike and, at least for the next few seconds, your trust level of that stranger likely improved.

And while I’m not 100% certain about this... I’m fairly confident oxytocin is released inside a Texas Rangers pitcher after Mike Maddux, their pitching coach, places his hand on their shoulder as he attempts to calm them down during a bad stretch of the game.

And, as it pertains to lean thinking... research shows that high levels of oxytocin actually makes us better problem solvers since we’re more relaxed and feel safe to experiment. This only makes sense if you think about... if you trust your manager and co-workers, and actually enjoy being around them, chances are good you’re more likely to want to make improvements.

And last, but certainly not least, oxytocin even makes us healthier since it can boost our immune system. In other words, it’s definitely some powerful stuff.

**How to Increase Oxytocin Levels**

So, the question is what can be done to increase oxytocin levels? First, like we talked about, any sort of physical touch definitely helps. So, if a hug is appropriate, definitely give them!

But, when hugging someone isn’t appropriate a simple handshake can help release oxytocin levels... and, if appropriate, using both hands during a handshake can be even more powerful since you’ll have even more physical contact with the person.
Research also shows looking at people when they talk to you can increase oxytocin levels. In other words, when someone wants to talk put your smart phone away and really focus on that person. Not only is this more respectful... you just may give that person an oxytocin boost... especially if you follow it up with a big hug or sincere handshake.

Next, simply being kind and respectful to others can increase oxytocin, as can random acts of kindness. If you don’t believe me... the next time you’re buying food or coffee in a drive through... ask to pay for the people behind you! I can almost guarantee if you do this your heart will be racing and you'll feel incredible due to the flood of oxytocin and serotonin your body releases.

And, odds are, this random act of kindness will likely make the person on the receiving end feel incredible as well since they too will experience a burst of these same chemicals.

This is why oxytocin and serotonin are usually referred to as the selfless chemicals since they’re at their best when we help others in some way.

Lastly, believe it or not, scientists have found that people’s oxytocin levels almost always increase after that person spends some time on their favorite social media website.

In other words, following Gemba Academy on LinkedIn just may give you that oxytocin boost you’ve been looking for! But, as we discussed earlier, doing this will also release dopamine when you start counting all your likes and followers, which can lead to selfish behaviors so be careful with this last piece of advice.

**Cortisol**

All right, so those are all the feel good chemicals... the last one we’d like to talk about in this module is the big C – cortisol.

Now, we saved this one for last since it’s the most dangerous chemical of all. You see, cortisol, which is a particular type of hormone, is released when we feel stress, or anxiety, or we’re scared, nervous, or paranoid.

So, if people don’t feel safe, or valued, cortisol is usually released... and the worst part is cortisol is an oxytocin inhibitor meaning if enough cortisol is released our immune systems can actually be compromised.

Put another way, and this is some serious stuff, bad leaders of people who aren’t trusted could potentially cause their employees to become physically sick or worse.
**Battling Cortisol**

With this said, when you feel stressed or worried – meaning your cortisol levels are likely high – there are a few things you can do.

First, listening to music can lower cortisol levels since it’s been found to have a calming effect on the brain.

Getting sufficient sleep is also very important. For example, researchers discovered a 50% increase in cortisol levels, which is a bad thing, when people only slept 6 hours versus 8 hours.

And, lastly, meditation and prayer have been known to also lower cortisol levels. And if these aren’t things you personally do a quiet walk will also help.

**Brain Chemicals Summary**

So, let’s wrap things up with a short review of all these chemicals. Endorphins exist to mask physical pain... dopamine makes us feel good when we accomplish something or achieve some sort of personal victory... serotonin is the leadership chemical and is released when we’re acknowledged in a positive way... oxytocin makes us feel safe and appreciated... and cortisol does its best to tear us down by making us feel stressed and defeated.

So, now that we have a better understanding of what these chemicals do, our challenge is to be aware of how our behaviors can impact others.

In other words, the next time you praise a colleague in front of a group of people realize that you’ve likely made their day by flooding their system with serotonin. But, on the flipside, if you see others who seemed stressed out, or worried, you now know that cortisol may be overwhelming them causing them to underperform and, in severe cases, making them ill.

You see, in order to truly create a culture of kaizen we must understand that, in the end, the most important thing we can do is respect one another and help one another perform at our highest levels.

Put another way, it really comes back to the concept of treating others the way you’d prefer to be treated. If we can do this, or at least attempt to become better at doing this, the world will be a far better place.
Up Next

OK, that wraps up this module... in our next lesson we’re going to build on what we just learned by exploring what’s known as the SCARF model which focuses on how to best collaborate with others.... so, we'll speak to you soon!
Reducing Social Threats

Module Objectives

In this module we’re going to build on what we’ve already learned by discussing a specific, brain-based, model.

Specifically, by the end of this module you’ll understand how our brains and emotions play an important role in how we work, collaborate, and influence others.

To accomplish this we’re going to explore something called the SCARF model, which focuses on how to work with others in the most effective manner.

Brain Wiring

OK, the first thing to know is that when we deal with any situation our brains are wired to immediately tag that situation as either good or bad. If the situation is good – like it would be when we’re about to pet or play with a cute puppy - we’ll likely want to engage, or approach, the situation or stimulus.

But, if our brains sense something bad, or negative, about the situation our brain will tag that situation, or stimulus, as bad and want to avoid it.

So, obviously, the tendency to approach or avoid things like dangerous animals is pretty easy to understand… but what’s less obvious is how these same tendencies are at play as we work and collaborate with others each and every day.

SCARF Model

Well, to better understand how this works, a gentleman named David Rock defined 5 domains that can help us remember and act upon social triggers that may lead us to either approach - or avoid - a situation.

He calls it the SCARF model. And, no, it doesn’t actually have anything to do with the sort of scarf you wear … but it’s an easy way to remember the acronym!
**Status**

First we have **status**. Put simply, status is all about pecking order, seniority, and how you rank yourself against others. For example, let’s say you’re playing cards with a friend and lady luck is on your side and you win the game… chances are very good your sense of status will increase.

Or imagine one of your children scores the winning basket in the big game… believe it or not this will also boost your sense of status which subsequently increases dopamine levels in your brain.

Now, as we learned in the last module, dopamine makes us feel good when we accomplish something.

Conversely, it’s very easy to negatively impact someone’s sense of status… all that’s needed is telling someone they’re ineffective or doing a bad job at a task.

Or, sticking with the same example… imagine your child’s team lost the big game and, during the drive home, you were critical of how your son or daughter played… well, doing this would be a direct blow to your child’s sense of status which, believe it or not, activates the same brain circuitry as physical pain.

So, obviously, if we hope to cultivate a strong culture of kaizen we’ll want to do our very best to authentically increase people’s status.

We can do this by offering praise for a job well done and celebrating successes which, if done in a group setting will also trigger a release of the feel good chemical serotonin. And, if constructive feedback is required, an effective approach could be to allow the people in question to review themselves since, chances are, they’ll be harder on themselves then you would be.

**Certainty**

So that’s status... now let’s move onto the next domain of human social experience, **certainty**.

The human brain is wired to continuously predict the near future. In fact, we humans crave the ability to know what’s about to happen… for example, when we pull out of our driveway every morning, or perform any other activity like boarding a train or bus, we draw on past experiences and couple that with what’s going on around us in order to predict whether it’s safe to pull onto the road or step over the gap.

Now, there are many other examples of how certainty can impact us positively in our daily life. For example, most of us like a good tune that has a catchy and repeatable beat since our brains can predict what’s about to happen.
And just like status, increases in certainty also result in increased dopamine levels, which, in turn, make us happier, more confident, and better able to learn.

What’s especially interesting about certainty is how the lean thinking practice of standard work works in perfect harmony with it. You see, while there are many advantages to having standards in place one of the most significant may be the clarity standard work brings to associates. Once an associate is trained to the standard there’s little to no uncertainty as to how the work should be done.

**Autonomy**

Of course, since standards are meant to be improved associates also feel the freedom and empowerment to make things better which leads us to our next mental model - *autonomy*.

Put simply, we humans seek and appreciate control over all aspects of our lives. No one likes to be micro-managed or told what to do. Additionally, as Steve Kane shared during a past Gemba Academy webinar focused on Autonomous Teams, empowering associates to have far more say and control in how a business is run can have incredible long term impact.

Now, if you missed Steve’s presentation you can find this Autonomous Teams webinar in the Gemba Live section of our website. And even if you’re not ready to turn the day to day operations over to your front line associates simply allowing them to have a say in how decisions are made can have an extremely positive impact on autonomy.

**Relatedness**

OK, the next model we’d like to explore is *relatedness*, which involves deciding whether people we interact with are friend or foe or whether a person is “in” or “out” of a social group.

People naturally want to feel as though they belong to a tribe or group which may explain why cliques are formed. And, as you likely know, anyone – no matter their age – that doesn’t find a way to relate to others can feel extremely isolated which often triggers a strong threat response.

As such, one of keys to increasing the rewards of relatedness is to help people find safe connections with others… this may be done through mentoring or buddy systems.

Additionally, things like well run kaizen events can also increase relatedness since they bring people together to work towards a common goal. And, obviously, when an entire organization totally adopts continuous improvement as a way of working and thinking relatedness amongst all associates will most definitely increase.
Fairness

Finally, the last model we’d like to share is fairness. Simply put when people sense unfairness the part of the brain involved in the emotion of disgust is triggered.

The threat of unfairness can come in many flavors... for example; associates may make comments on how their manager has different rules for certain people, or how some associates make far more money than they do even though they perform similar jobs.

No matter the reason, the threat of unfairness can be devastatingly hazardous to creating a strong culture of kaizen. Some practical ways to combat the threat of unfairness is to increase transparency while being sure to over communicate regarding important business decisions.

Also, many of the things we learned about during the Respect for Humanity module are directly applicable to the idea of fairness.

SCARF Model Summary

And that’s the SCARF model. Let’s review each model since understanding what they are and how they impact others will allow each of us to better work and collaborate with others.

First we talked about status, which is all about pecking order, seniority, and how you rank yourself against others.

Next we have certainty which is so important since we humans crave the ability to know what’s about to happen next.

After this we have autonomy, which is all about empowering associates to think for themselves while also having a say in how their work is done.

This then leads us to relatedness. People naturally want to feel as though they belong to a tribe or group... if they don’t they’ll feel isolated and will struggle to reach their full potential.

Finally, we discussed fairness. Simply put when people sense unfairness the part of the brain involved in the emotion of disgust is triggered leading to an unhappy and, most likely, totally unengaged team member.

So, in conclusion, we’d really encourage you to take some time to reflect on how you’re personally doing when it comes to these 5 models. You see, if you’re not able to positively influence those around you chances are very good your continuous improvement efforts will be short lived at best no matter how good you are at tools like 5S or Design of Experiments.
In the end, as we’ve said many times throughout this course, our continuous improvement success ultimately comes down to how well we can work with others.

**Up Next**

OK, that wraps up this module. In our next module we’re going to switch gears a bit as we turn our attention to how habits – both good and bad – are formed… so, we’ll speak to you soon!
Habits and How They Shape Organizational Performance

Module Objectives

In this module we’re going to talk about how powerful, and life changing, developing strong habits can be.

Specifically, by the end of this module you’ll know what a habit is and how it’s formed at both a personal and organizational level.

And, you’ll also understand how so-called keystone habits can assist individuals and organizations as they strive to create strong cultures of kaizen.

Later in the course we’re going to recommend several books and resources for further study... one of these books is The Power of Habit by Charles Duhigg.

This is, without doubt, one of the best books on the topic of habits and we highly recommend reading it. In fact, we’ve used many of the lessons from this book to create this module.

What are Habits?

OK, so let’s start things off by talking about what a habit is.

If you think back to this morning... I’m confident most of us knew to put the toothpaste on our toothbrush before brushing our teeth. I also think it’s safe to say none of us really had to think this process through... it was pretty much automatic.

Well, the reason this was automatic, was because – for most of us – the process of putting toothpaste onto the toothbrush is a well-defined, solidified, habit.

Now I’d like you to think about your morning routine once you arrive at your workplace. Many of us have our own personal routine once we get to work. Here’s mine... I come into our studio and get my computer started up. While it’s starting up I head to our break room and prepare a cup of extra hot coffee creamer with some
coffee mixed in! By the time my coffee’s ready, and I walk back to my work area where my computer’s ready to be logged into. I pretty much follow this exact routine every morning. It’s most definitely a well-defined habit.

Obviously, I could go on and on with how so many aspects of our lives are nothing more than habits – both good and bad – repeated over and over.

William James, an American philosopher and psychologist, may have summed this up best when he said, “All our life, so far as it has a definite form, is but a mass of habits.”

**Why Do Habits Form?**

So, the question is, why do habits form? To answer this we need to understand how our brains work. You see, our brains are naturally lean... they’re constantly trying to find ways to save time and effort... so, left to their own devices, our brains will do their very best to turn any routine into a habit.

But how does it do this? Are there triggers? And, if so, how do we make this habit forming process work to our advantage?

Well, as it turns out, researchers at MIT have done a tremendous amount of research on this topic and discovered a mysterious area of the brain called the basal ganglia.

Now I say mysterious, since, before this research was done, little was known about this area of our brain aside from the suspicions that it may play an important role in diseases such as Parkinson’s disease.

To summarize, the basal ganglia plays an important role in how habits are created and how they can stick with us for the rest of our lives. The process our brains use to do this is actually quite straightforward.

First, our brains receive a cue or trigger. This basically alerts our brains to transition into automatic mode while also telling the brain what habit to call upon and use. Cues can consist of many things including a certain time of day, a place, the presence of certain people, an emotion, or some sort of preceding action.

Next, once the cue, or trigger, has been set there’s a routine, which is the second step of the habit loop. Now, this routine can be physical like smoking a cigarette, or mental like doing addition or subtraction in our minds, or even emotional like how many of us react when we hear the voice of someone we like or dislike since we associate good or bad memories of that person.

And, last, but certainly not least there’s a reward at the end of the habit loop, which basically tells our brains whether this particular habit loop is worth remembering.
Now, with this all said, it’s important to realize that habits don’t necessarily control our destiny since they can be modified, resisted, and even replaced which we’ll definitely explore as this course continues.

But, what is important to realize is that once a habit takes root, our brains essentially move to autopilot which can be positive when we’re talking about good habits... like brushing our teeth or backing out of the driveway... but this can also be very bad when habits we’re not so fond of are triggered.

**Keystone Habits**

So, the question you may be asking yourself is what habits have to do with creating strong cultures of kaizen? Well, to answer this we need to explore what are known as “keystone habits.”

Simply put, keystone habits are small changes, or habits, that people introduce into their routines that unintentionally carry over into other aspects of their daily lives at home or work. Put another way, keystone habits have a ripple effect into other aspects of our lives that, in many cases, create positive change unexpectedly.

For example, research has shown that people attempting to lose weight are typically more successful when they maintain a hand written food journal of everything they eat. As people form the habit, and discipline, of writing down what they eat, and what they plan to eat, their willpower actually increases as they begin to see results.

And, in many cases, these same people soon begin to exercise which often acts as another keystone habit that further impacts other aspects of their lives... in fact, did you know that regular exercisers tend to use their credit cards less since they often times have far more willpower than non exercisers? Well this is exactly what research has shown.

So, what starts as the simple practice of writing down what you eat, and plan to eat, actually begins to permeate throughout many other aspects of that person’s life. And while this is all well and good for us individuals... how can keystone habits impact entire organizations?

**Keystone Habits Impact on Culture**

Perhaps the easiest way to explain this is by summarizing the story of how Paul O’Neill approached his first days as CEO of Alcoa back in 1987.

To the surprise of all in attendance at his opening press conference, Mr. O’Neil didn’t begin his tenure as CEO by talking about complicated profit and loss topics or waxing poetic about how he was going to begin focus groups to better understand the challenges they faced... instead he talked about how he, and all Alcoa associates, were going to focus on one thing and one thing only – employee safety.
Now, as you might imagine, many of the reporters in attendance thought Mr. O’Neill was a little crazy. After all, what CEO starts his reign of a major corporation by talking about safety.

Well, as it turns out, what Mr. O’Neill actually began to form that day was an incredibly powerful keystone habit.

You see, in order to achieve world-class safety performance, Alcoa would have to address all aspects of their business. In other words, the relentless focus on improving safety performance ultimately rippled throughout all aspects of Alcoa’s business.

In fact, within a year of Mr. O’Neill’s strong safety comments, Alcoa had transformed themselves into one of the most profitable companies within the Dow Jones Industrial Average. And, when he stepped down in 1999, O’Neill had helped push Alcoa’s annual earnings from 20 cents per share in 1994 to One Dollar and Forty-One cents in 1999.

And if you’re curious about their safety performance... during O’Neill’s tenure, Alcoa went from 1.86 lost workdays to injury per 100 workers to 0.2.

So, to summarize, keystone habits are small changes, or habits, that people introduce into their routines that unintentionally carry over into other aspects of their daily lives or work.

**Keystone Habits Characteristics**

Now, what I’d like to do is talk about a few characteristics all keystone habits share.

First, keystone habits **enable small wins**. Perhaps the best example of a company practicing the concept of small wins is Fastcap, a company in Bellingham, Washington that produces products for woodworkers around the world. Paul Akers, the founder and President of Fastcap, encourages every associate, including himself, to make a small, 2-second, improvement each and every day.

This is, without question, one of their strongest keystone habits that has subsequently created an extremely powerful ripple effect throughout their entire company.

Now, if you’d like to learn more about Fastcap be sure to check out the two Gemba Live episodes we did with them over in the Gemba Live section of your subscription.

OK, the next characteristic of a keystone habit is that they **create new platforms from which other habits can emerge**.

In the book The Power of Habit Charles Duhigg shares the fascinating example of how Olympic champion swimmer, Michael Phelps, was taught to visualize the
perfect race. In fact, his coach, Bob Bowmann, used to tell Michael to “put in the video tape” every night before he went to sleep and every morning he woke up.

Here’s the coolest part of the story... the video tape wasn’t real... instead it was Bowmann’s way of training Phelp’s to visualize what victory looked like in his mind. He wanted Michael to visualize his strokes, the wake behind him, the way the water felt as his body sliced through it, and even how Michael would rip his swim cap off once he touched the wall.

Then when Bowmann wanted Phelps to swim at racing speed – either while training or during an actual competition - he’d yell, “put in the video tape” and Phelps would settle down and calmly commence to crush his competition.

So, by establishing the keystone habit of visualizing victory every morning and night, Phelps created a platform from which another habit—relaxing and performing during an important race—became nearly automatic.

Put another way, this visualization keystone habit had laid the foundation from which other habits could grow.

Finally, the last characteristic of an organization wide keystone habit is that it helps establish a culture where excellence is contagious, which is exactly why keystone habits are such an important part of creating a strong culture of kaizen.

Perhaps the best example of this, from a lean thinking perspective, is how a small kaizen, or improvement, can easily lead to other improvements that, eventually, transforms all company associates into relentless problem solvers just like we witnessed when we visited NFI Industries... what started as one simple kaizen improvement eventually lead to a wall full of other improvements. See the NFI Gemba Live episode for more details.

**Up Next**

So, now that we have a better idea of what habits are, our next challenge is to identify any less than ideal habits that may be holding us back as individuals, and organizations.

Then, once we've identified them we need to work to eliminate, or radically alter, them... which is exactly what we’ll explore in our next module... so, we’ll speak to you soon!
Continuously Improving Habits

Module Objectives

In this module we’re going to continue our discussion of habits by focusing on how we might go about attacking bad habits from an individual and organizational perspective.

Specifically, by the end of this module you’ll understand the best way to modify habits at both the personal and organizational levels.

OK, in our last module we learned how habits consist of a cue, routine, and reward.

We also learned about keystone habits, which, as a review, are small changes, or habits, that people introduce into their routines that unintentionally carry over into other aspects of their daily lives or work.

From there we learned how Alcoa’s keystone habit of improving employee safety managed to help transform all aspects of their business in less than a year. This is because the only way to get to zero safety incidents was to make a radical change to all aspects of their business.

In other words, focusing everyone on safety so intensely created a ripple effect into just about every other Alcoa process which, in turn, helped turn the company around.

And while these success stories are always nice to hear… many of us are left wondering what to do about those bad habits we may not be so proud of.

Now, these bad habits may be at the personal level, but there’s a good chance that the organization you work for may have some bad habits of their own to deal with.

That’s the bad news… the good news is there’s hope. You see, while it’s unlikely any of us will ever be able to totally eliminate our own bad habits there are ways to modify or change them.
Modifying Bad Habits

You see, neuroscientists have found the most powerful aspects of the habit loop are actually the cue and reward.

So, for example, let’s say you have a bad habit of eating sugary junk food in the afternoon while you chat with colleagues.

Let’s also say this occurs around 3:30 PM since that’s when you and your work friends take your afternoon break.

So, in this example, the time of day and meeting coworkers in the break area near the candy likely acts as the cue.

Let’s then say the reward you believe you receive is the yummy taste, and chemical kick you receive from the junk food. And while the food likely does play an important part in the reward process you decide to run an experiment.

Instead of eating junk food you decide to enjoy a healthy fruit smoothie. You also make it a point to sit down at a table with some of your favorite co-workers for a quick visit like you’ve always done.

What you discover is that it only takes a few days to not miss the junk food since, in the end, the best part of this habit loop seemed to be how you got to visit with your friends.

So, while eating junk food was indeed one aspect of the your old bad habit loop, it was easily replaced with another sweet, but healthy food, since the real reward you had been seeking was fellowship and not just a short term sugar kick.

Modifying Bad Organizational Habits

But what about at the organizational level... can bad, organizational, habits be modified?

Let’s say you feel your leadership team has far too many meetings. In fact, let’s say, upon examination you realize you and your leadership team spend close to 50% of your work week in meetings giving you very little time to do any of the work you talk so much about during these meetings!

My guess is some of you are smiling right now since you feel you have too many meetings yourself or know of people that do!

Well, while every situation is different, let’s say you work to identify the cues and rewards of all these meetings.
The cues may be a certain time of the day, week, month, or year. Or perhaps the cue could be before a certain event, or a problem that triggers worry and anxiety.

Let’s then examine what the rewards, or perceived rewards, of these meetings could be. Perhaps the General Manager of the plant feels the need to have this many meetings in order to feel in control of the business. Or perhaps he or she calls these meetings as a way to head off problems before they get out of control. Again, there could be many different cues and rewards for a problem like this.

But, like we mentioned earlier, we don’t need to actually change the cues or rewards. Instead, what we need to do is attempt to recognize what they are so we can then focus on changing the routine aspect of the habit loop.

So, in this example, one potential experiment could be to replace one meeting with a scheduled Gemba walk by each leader throughout the workplace. For those that don’t know, a Gemba walk is a planned walk through the Gemba, or the place the work is done, allowing leaders to find out what’s really going on by observing and asking questions.

If this experiment is successful the leaders of the business can still leverage the same cue while also receiving the same reward they were seeking with the meetings they were having... but, now, instead of being locked away inside a boardroom they’re actually spending more time on the Gemba, or the place the work is done.

With this said, there is one, extremely important, piece of advice we’d like to share as you attempt to modify a bad habit at the personal, or organizational, level... don’t do it alone.

You see, habits are much easier to change in groups. People may know, or feel they know, they can do something... but, emotionally, there’s going to be times that person needs the support of others.

In fact, this is part of the reason the Alcoholics Anonymous 12-step process relies so much on group meetings and personal accountability partners. In the end, the AA process is all about habit modification... but, obviously, it’s not easy, so most of the success stories from AA have one thing in common – they didn’t do it alone.

So, in summary, the key to modifying any habit is to first recognize the cues and rewards of these habits allowing you to experiment with replacing the routine with something better for yourself and/or your organization.

With all of this said, as long time lean thinkers know, and we explore in other Gemba Academy courses, identifying, working to, and attempting to constantly improve standardized work is an important aspect of any culture of kaizen. When strong and consistent standards are in place it’s much easier to develop and reinforce excellent working habits.
Of course, again, since standards are meant to be improved there may be times standards need to be updated. So, when you find people resisting making changes, or improvements to standards, be sure to remember how habits are nothing more than cues, routines, and rewards.

Also, don’t forget that the cue and reward don’t need to change so long as the routine does.

**Up Next**

OK, that wraps up this module... we hope you’ll try continuously improving habits in your life and together with the people in your organization. Now, in our next module we’re going to dive even deeper into some practical ways leaders can positively impact the people around them... so, we'll speak to you soon!
Characteristics of the Kaizen Leader

Module Objectives

In this module we’re going to turn our attention towards the topic of leadership. Specifically, by the end of this module you’ll have been introduced to 8 characteristics of the kaizen leader.

OK, throughout this course, we’ve spent a lot of time learning about what makes humans behave as they do. Knowing what drives people is extremely important information since understanding what motivates and demotivates people not only helps improve organizational performance, it also improves the quality of life of all involved.

Additionally, if we hope to create a strong culture of the kaizen, the importance of leadership cannot be minimized since as we’ve touched on earlier in the course, change of any kind, can create fear and resistance if not handled well.

As such, one of the most important roles of any leader is to maximize the benefit while minimizing the risk associated with that change. So, with this said, let’s explore some characteristics of the kaizen leader.

8 Characteristics of the Kaizen Leader

The first thing we’d like to stress is that job titles have very little to do with whether someone is a leader. Instead, real leaders genuinely care for the people around them and strive to act in ways that make a difference.

And, in the process of striving to help people and organizations grow, these leaders take the following 8 actions, based on what we refer to as the core beliefs of a kaizen culture.

First, excellent kaizen leaders establish a secure, safe, and blame-free environment. As we learned earlier in the course, when people feel safe the happy
brain chemicals of serotonin and oxytocin rise, which in turn, help our brains function better enabling us to be better, more efficient, problem solvers.

The kaizen leader also **cultivates an environment of humility and curiosity**. In other words, they encourage others to experiment and try new ways of working. These leaders encourage people to be curious about people, curious about customer needs, curious about facts, and curious about continual learning.

Next, kaizen leaders not only **communicate the strategy**, they also **align the team toward a shared long-term purpose**. Now, as we covered in the Hoshin Planning course, being able to align objectives and explain why the company is doing what they’re doing is very important. You see, while understanding what and how things are going to be done is nice... knowing why they’re being done is far more important.

Along these same lines, the kaizen leader also **helps everyone around them understand the purpose of their work**, who they serve and what these people value. Again, these leaders help employees understand why they do what they do and not simply what they do and how they do it.

Fifth, as we covered earlier in the course, the kaizen leader **respects humanity and nurtures human potential**, demonstrated by their commitment to investing in the competence of people. When this is paired with a blame-free culture, it creates a powerful problem solving organization.

Sixth, kaizen leaders **help others understand their processes scientifically and through direct observation**. They encourage, even demand when needed, going to Gemba, or the place the work is done in order to see what’s happening with their own eyes. These leaders are also willing to say, “I don’t know, let’s go see and find out.” And when combined with the belief in nurturing human potential, this focus on understanding the process often takes the form of a Gemba Walk or A3 problem solving dialogue.

Seventh, strong leaders of people **act with urgency to correct even the smallest faults** or make the smallest improvements. They also encourage everyone around them to do the same. This intolerance of small deviations from the standard, potential safety hazards and small wastes allows the leader to see things during their gemba walks, begin problem solving conversations, and set the expectations for the whole organization.

When there’s a blame-free environment in which it’s safe to expose problems, problems and mistakes are caught early while they’re still small, making problem solving easier. This creates a positive upward spiral of finding, solving and preventing problems.

And last, but certainly not least, the kaizen leader is **courageous**. Aristotle called courage the first virtue, because it makes all of the other virtues possible. So, in addition to being one of the most important human virtues, we’re of the opinion that
it’s the most important business virtue as well since, in the end, if leaders must have the courage to try new things, empower others, and speak up when unpopular ideas or feedback must be given if the organization hopes to achieve long term continuous improvement success.

So, taken together, these 8 characteristics make up what we believe to be the core beliefs of a kaizen culture and kaizen leader.

**Up Next**

OK, in our next module we’re going to direct our attention towards the topic of motivation... specifically, we’re going to explore how different people are motivated at work and, even outside of work... so, we’ll speak to you soon!
Motivation for Continuous Improvement

Module Objectives

In this module we’re going to discuss the important, and often overlooked, role of motivation in helping organizations sustain high performance.

Specifically, by the end of this module, you'll have a better understanding of what actually motivates people to want to practice kaizen and, perhaps more importantly, what doesn’t.

Now, much of what we discuss in this module has been influenced by the writings of Dr. W. Edwards Deming, the experiences of our customers in motivating people to practice continuous improvement, and one of our favorite books called Drive, The Surprising Truth About What Motivates People which was written by Daniel Pink which, along with the book The Power of Habit, we highly recommend you read.

Sobering Facts

OK, I’d like to start this module off with a sobering fact... according to the 2013 Gallup poll only 30% of the U.S. workforce is engaged in their work meaning 70% of all U.S. workers are disengaged and not reaching their full potential.

And while we don’t have the exact figures we believe its safe to say other countries share similar challenges. Of course this isn’t a new problem... in fact Dr. Deming did his best to bring this issue to everyone’s attention many years ago when he said, “If management stopped demotivating their employees then they wouldn’t have to worry so much about motivating them.”

Extrinsic Motivation

So, with this said, I have a question for you. How does your organization go about trying to motivate people? Do you receive a bonus if certain objectives are hit? What about your compensation? Is your annual raise dependent on running a
certain number of kaizen events or achieving a certain score on your department’s balanced scorecard?

Well, if you answered yes to either of these, chances are good your company is attempting to motivate you with what psychologists refer to as extrinsic motivators, which include things like monetary rewards.

Another phrase used to explain this sort of behavior is the carrot and stick... where the carrot, or extrinsic reward, is dangled in front of employees much like a carrot is dangled in front of a hungry horse.

In other words, the bonus, or carrot, is waived in front of you in hopes that you’ll work hard enough to reach it. And, if you do, the theory is you’ll be happy since you got the carrot, or monetary reward, and the company will also be happy since you would have helped the company reach their goals.

And, as it turns out, the carrot and stick approach can be a somewhat effective motivational method for certain types of highly repetitive work that doesn’t require much, if any, innovation, or thinking, on the employee’s part.

But, for those of us that don’t perform highly repetitive work, research has found the carrot and stick approach to be highly ineffective and, in some cases, can actually be damaging to the long-term success and happiness of that particular employee.

So, if the carrot and stick approach isn’t effective what’s the leader attempting to foster a Culture of Kaizen to do? Is there a better way? The short answer is yes, there is.

**Intrinsic Motivation**

The key, as it turns out, is to understand what Daniel Pink refers to as Type I behavior where the “I” stands for “intrinsic.” Type I behavior is a counterbalance to the old school “Type X” behavior that focused on extrinsic, or external rewards.

In other words, what behavioral scientists have found, through many different studies, is that people are typically far more motivated to perform at a high level when they sense there are intrinsic rewards within their grasp. And, when there are intrinsic rewards available, work satisfaction increases, which, as we learned earlier, often results in the release of happy brain chemicals, such dopamine, serotonin, and oxytocin.

And, perhaps more significantly, these satisfied and happy workers are far less likely to battle the effects of the anxiety producing chemical, cortisol, since they’re not as stressed about whether they’re going to ever reach that extrinsic reward, or carrot, being dangled in front of them.
So, with this all said, in order for kaizen leaders to transition from the traditional extrinsic reward system to the, more effective, intrinsic reward system three things must exist – autonomy, mastery, and purpose.

**Autonomy**

First, autonomy, which we learned about when we explored the SCARF model, provides a sense of personal choice that helps people feel good about the work they do. This is why many lean thinking organizations have adopted the autonomous team concept whereby the business is actually managed by the people who do the work enabling the folks that used to manage things – namely front line supervisors and managers – to now act as coaches and mentors to their subordinates.

Additionally, the practice of autonomous maintenance, which we explore in more detail within our Total Productive Maintenance, or TPM course, is another example of how employees can be empowered to manage an extremely important part of the business. Now, the key to making autonomy work comes down to the four T’s – task, time, technique, and team.

First, employees need to have control over what they do which is what we’re talking about with the first T, task. In other words, they should never be explicitly told what to do which, being honest, can be very hard for the manager, or leader, who may be used to micro-managing their team members.

Next, these same employees should also have control over when they do things. In other words, the team leader may decide the best time for their daily huddle is every day before they break for lunch even though this same meeting has traditionally been done in the morning. Put another way, they should be given the autonomy, or freedom, to make these decisions.

Along these same lines employees, in addition to not being told what to do, granting autonomy also means employees have the freedom to choose how they’ll do their job.

This may be why the best run kaizen events are those where the team comes up with their own countermeasures instead of being told how to solve the problems by their leaders. With this all said, it is important to note that autonomy should be constrained by existing standards, clear customer requirements, and agreed laws and work rules.

To be sure, autonomy doesn’t mean everyone gets to do what they want no matter the consequence. And last, but certainly not least, employees should be able to choose the people they work with on projects.

In other words, instead of telling someone who should be part of that same kaizen event, or project, let the team leader assess the situation and select the people they believe are best suited to help them.
Mastery

The second thing needed to transition from an extrinsic reward system to an intrinsic reward system is **mastery**. Put simply, mastery is pursued when people are fully engaged and committed to becoming better at something that truly matters to them.

This will obviously be different for each person. Some people are passionate about helping people, which is why they may be drawn to the healthcare profession while others may be drawn to pushing the limits of technology, which is what draws them to work in the tech sector while others, like you and I, are drawn to continuously improving processes and people which is most likely why you’re reading this!

No matter the profession, if the employee doesn’t believe the work he or she does is important, and valued, they’ll never be able to approach the state of mastery.

Now, one of the keys to recognizing mastery in action is when employees reach that mysterious mental state known as flow, not to be confused with the smooth, and continuous, flow of materials and information. When we’re working in a state of mental flow time seems to disappear and we experience a deep sense of satisfaction since our brains are being flooded with dopamine and the same endorphins athletes experience during strenuous exercise.

With this said, there are three principles that should be in place when attempting to apply mastery to our work.

First, the person must recognize, and **truly believe, that his or her work can be improved**. If they don’t believe this they’ll simply lose hope and become stressed out.

But, along these same lines, in order for mastery to exist the work **must still be challenging** and, at times, require the person to go outside of their comfort zone. To be sure, achieving mastery isn’t easy.

And lastly, the third rule of mastery is to recognize that it can never be fully attained which is why it’s such a perfect fit within the context of continuous improvement since, as we know, the kaizen journey is never complete since we’re never done learning and improving.

Purpose

OK, the third, and final element of the three-part motivation equation is **purpose**.

Earlier in the course we talked about the importance of understanding why things need to be done instead of simply knowing what is to be done and how to go about it. When we understand, and believe in, the “why” of our department and/or the
company our employees are far more likely to fully engage in the process. In fact, this just may be the secret power of kaizen and the idea of respecting humanity.

You see, if we truly buy into the idea that lean is as much about improving people’s lives, as it is processes, we can easily grasp onto the most powerful “why” of all... namely improving the lives of the people we interact with in our workplaces, at our suppliers, and, of course, with our customers.

Additionally, lean thinking tools and concepts such as hoshin kanri, or policy deployment, are excellent at clearly identifying the mission and purpose of the organization. If you’d like to learn more about this please be sure to check out our Hoshin Planning course in the School of Lean.

Summary

OK, to summarize this module, the formula kaizen leaders can use to transition from the traditional extrinsic reward system to the, more effective, intrinsic reward system consists of 3 elements: autonomy, which is our desire to be self-directed; mastery, which is our drive to improve what we do; and purpose, which involves our desire to be part of something larger than ourselves.

And, as Dr. Deming taught us all, it’s so important to remember that it’s far easier to positively impact people when we stop demotivating them in the first place. In other words, we all need to remember that people desperately desire things like status, certainty, autonomy, relatedness, and fairness as we learned about when we explored the SCARF model earlier in the course.

Up Next

All right, and that wraps up this module on motivation... in our next lesson we’re going to get a little philosophical as we talk about the topics of ethos, pathos, and logos... so, we’ll speak to you soon!
Modes of Persuasion

Module Objectives

In this module we’re going to get a little philosophical... but, don’t worry, the information is highly relevant to those of us attempting to build a culture of kaizen.

Specifically, by the end of this module, you'll understand three tools of rhetoric - ethos, logos, and pathos. And you'll also understand how to leverage these three concepts to improve the way you communicate, and attempt to positively influence, those you come into contact with.

Rhetoric

Now, as you may recall from your school days, rhetoric is the art of speaking and writing effectively and, as it turns out, it actually plays an important role for those of us attempting to create cultures of kaizen.

But, in order to understand how this is, we need to reflect on the teachings of one of the greatest philosophers of our time, Aristotle. Aristotle first wrote about ethos, logos, and pathos more than two millennia ago.

Put simply, he hoped to show how our words could influence people in a powerful way. In fact, many regard Aristotle’s treatise called *The Rhetoric* as "the most important single work on persuasion ever written."

So, let’s dig into these three concepts in order to learn how they can help continuous improvement practitioners better communicate with and influence others.

Ethos

First we have ethos. Ethos is all about establishing trust, credibility and authority. We use ethos when we attempt to persuade others by establishing the character and credibility of the speaker.

This is why, incidentally, many writers, and trainers - including Gemba Academy – often quote famous people like Aristotle, Taiichi Ohno and Dr. Deming when we’re
trying to make a point or convince someone to adopt an idea. Put another way, we’re attempting to borrow these people’s authority in order to persuade or make a point.

So, from a continuous improvement perspective a team leader, or kaizen consultant, or really any sort of teacher can use ethos when they attempt to persuade others by establishing their credibility. This can include talking about their background, their experience, and how they’ve been successful in the past.

**Logos**

Next, we have logos, which, incidentally, seemed to have been Aristotle’s favorite. Logos is all about facts and logical reasoning. We use logos when we make a claim and then back it up with real data. Some refer to logos as the academic approach to persuasion.

As it turns out, we used logos during our one piece flow envelope stuffing video since we made the claim one piece flow was superior and then backed it up with real data. Some refer to logos as the academic approach to persuasion.

As it turns out, we used logos during our one piece flow envelope stuffing video since we made the claim one piece flow was superior and then backed it up with real data. We then invited any skeptics, who may have felt we were playing camera tricks, to run the simulation themselves.

We also use logos when we share charts and graphs in order to prove a point or to persuade others. That’s why engineers, scientists, and statisticians are usually pretty good at leveraging logos.

**Pathos**

And finally, we have pathos, which appeals to the emotions, values, and beliefs of an audience. When we attempt to persuade with pathos we do so by triggering an emotional connection of some sort.

For example, how would you feel if I told you this sad little puppy needed to find a new home since it recently lost its owners in a tragic car accident? Or, better yet, what if your son or daughter heard this story? Chances are very good you’d be getting serious pressure to welcome this cute little guy into your home. That’s the power of pathos.

Now, from a continuous improvement perspective, we can use pathos when we speak of the profound impact continuous improvement can have on people’s lives. In fact, I’ve personally leveraged pathos when I’ve told the true story of how a grown man, who was initially against any sort of lean thinking activities, actually broke down and wept at the end of an emotionally charged kaizen event.

This man went on to explain how no one, in the 30+ years he had worked at this company, had ever listened to his ideas like his kaizen event team members did that week. This man was deeply touched by this and, because of pathos, this true story
of mine often gives others hope that continuous improvement can indeed have a powerful impact on anyone and any organization.

**Persuasive Appeals**

So, together ethos, logos, and pathos are called the persuasive appeals, and they apply just as much to creating a culture of kaizen as they do to persuasive speaking. And, while all three appeals are important when shaping a culture of kaizen, it’s our strong opinion that the most neglected, and of greatest importance, is the appeal to pathos, which, again, focuses on triggering an emotional connection.

Maya Angelou may have summed this up best when she said, “People will forget what you said, people will forget what you did, but people will never forget how you made them feel.”

With this said, not all kaizen leaders will be able to connect to every situation in an emotional manner... and in some cases, there may be very few facts available to back up your claim. And, obviously, if you’re just getting started with continuous improvement you may not have a lot of credibility established.

So we don’t want to pretend that this sort of persuasive appeal is easy... because it’s not. But what we are saying is that when you’re in a position to leverage these three tools of rhetoric you should because they can be very powerful... especially when you’re able to establish your credibility before triggering an emotional connection related to your cause or objective followed immediately by a rational, concise, and fact based explanation of why your audience should agree with your way of thinking.

You see, when ethos, logos, and pathos are all used together in an ethical manner powerful change can occur.

Now then, while these three forms of rhetoric can be used for good... they can, unfortunately, also be used unethically. This is why leaders of potentially dangerous groups, or causes, are often experts of these same persuasive appeals so it’s important to recognize when this is happening. Of course, we hope this is never the case when it comes to our work with continuous improvement.

OK, the last thing we’d like to touch on this module is how many of the teachings of Dale Carnegie are strongly associated with these same persuasive appeals... most especially the appeal to pathos. And, as it turns out, we dedicated an entire podcast to a review of Dale Carnegie’s book called “How to Win Friends and Influence People” which you can access at [http://GembaPodcast.com/17](http://GembaPodcast.com/17).
Up Next

All right, that wraps up this module... in our next lesson we're going to wrap up the teaching portion of this course by discussing the important topic of how we, as leaders, must never forget to take care of ourselves... so, we'll speak to you soon!
Leading Yourself

Module Objectives

Throughout this course we’ve spent a lot of time talking about the human person… we’ve explored things like the SCARF model and how the chemicals in our brains impact our daily lives.

We’ve also talked about other things such as how habits – both good and bad – are formed and can, with some work, be modified when needed.

Now, in this final teaching lesson of this course we’re going to continue with this theme of focusing on the human person with one small twist. We’re going to focus on the importance of taking care of ourselves.

Specifically, by the end of this module we’ll share some tips and suggestions for we can better look after ourselves enabling us to better lead others.

Leading Yourself

Now then, as anyone that’s ever flown on an airplane knows, in an emergency, adults are asked to put their oxygen mask on before helping children. If the adult attempts to help the child first, they risk losing consciousness, which could mean the end to them and possibly the child.

So, while this is normally understood, and accepted, it would seem – when it comes to their professional lives – many leaders of people seem to disregard the importance of taking care of themselves.

With this said, what we hope to do in this module, is share some ways each of us can take care of ourselves allowing us to better lead, and positively impact, others.

First, it goes without saying that taking good care of our bodies, including regular exercise and eating a healthy diet, is important.

Additionally, getting sufficient sleep is also critical. As we discussed earlier in the course, lack of sleep can negatively impact many aspects of our lives including how
much of the feel good brain chemical, serotonin, our bodies are able to release. Next, it’s also important to take care of our mental health.

And, it’s our humble opinion, one of the best things we continuous improvement practitioners can do to accomplish this is continue to learn. And since you’re watching this video chances are you understand this and are doing quite well in this area. Now, obviously, there are many other ways to learn and grow, in addition to watching Gemba Academy videos!

Some like to read while others learn best person-to-person. No matter the method, continuing to learn and grow as individuals is one of the most important things we human beings can do if we hope to lead and positively influence others.

Next, in order to lead ourselves it’s important to practice self-reflection. In lean terms we often speak about hansei, which, as we explore in more detail during Gemba Academy courses like Practical Problem Solving, is often translated as reflection or even repentance.

In other words, practicing hansei affords us the opportunity to truly reflect on what went right and more importantly what went wrong allowing us to learn and adapt to these issues. So, while we can, and should, practice hansei at the organizational level we can, and should, also practice hansei at the personal level.

Another powerful lean concept often practiced at the organizational level is Hoshin Kanri, often referred to as policy deployment. Hoshin is a strategic planning process with built-in review, improvement, and learning activities. As we explore in great detail during our Hoshin Planning course, Hoshin Kanri is a management tool that helps keep the organization focused in the right direction. And while Hoshin is very powerful at the organizational level individuals can also benefit from it.

In other words, instead of creating a new years resolution and hoping it goes well... we could easily set a goal and then create a specific plan of attack, which includes how success will be measured in monthly or weekly increments.

And finally, the last suggestion we’d like to leave you with is to do your best to balance your professional and personal life.

At Gemba Academy we decided to not have a formal vacation policy for our employees but we strongly suggest, and when needed demand, our team members take time off in order to rejuvenate themselves and spend time with family and friends.

We also strongly suggest doing your best to be truly present at whatever you’re doing. In other words, if you’re at work, do your best to focus on the task at hand... wasting time on your favorite cat website probably isn’t going to help you move forward professionally.
But, on the flip side, when you’re watching your child play basketball or spending time with friends and family do your very best to leave that smart phone in your car so you’re not tempted to get that dopamine fix by checking your email 8 times per minute.

Now, obviously, there are many more ways we can each take care of ourselves... this module only scratches the surface. But it’s our hope that we covered here will remind you that taking care of yourself is critical if you hope to lead and influence others.

**Up Next**

All right, and that wraps up the teaching aspect of this course... in our next module we’re going to wrap things up by sharing some additional resources you can explore if you’d like to learn more about the topics we’ve explored throughout this course... so, we’ll speak to you soon!
Additional Resources

Module Objectives

Hey there, welcome back. In this final module we’d like to share some additional learning resources for anyone that would like to dive deeper into the things we learned about in this course.

Specifically, by the end of this module you’ll have an excellent reading list that contains some of our favorite books. And, as an aside, each of these books played a part in the creation of this course.

Additional Reading

Up first is a book Gemba Academy’s own, Jon Miller, took the lead on writing. *Creating a Kaizen Culture* focuses on how to align the organization in such a way that breakthrough results can be achieved.

Now, I will say that this isn’t a light book. In fact, it’s down right intense in some areas.... so you need to be locked in and focused each time you sit down to read it. But, while I’m biased since he’s my good friend and business partner, I personally believe Jon Miller is one of the greatest lean thinkers alive today. I often say he’s likely forgotten more about leadership and continuous improvement than I’ll ever know.

Next we have *Start with Why* by Simon Sinek. I think it’s safe to say, along with Malcolm Gladwell, Simon Sinek is one of my favorite authors and speakers. And in this book, which covers the things he explores in his famous “Start with Why” Ted Talk, Sinek talks about the importance of understanding our purpose or our cause. Sinek is also an incredibly gifted author and speaker.

In fact, his next book, *Leaders Eat Last*, is without a doubt, at the top of my all time favorite book lists. In this book Sinek explores everything from brain chemicals to why some people are willing to lay their life down for others. If you only read one book recommended in this module this would be my personal recommendation.
And a very close second is Charles Duhigg’s book called *The Power of Habit*. This is the book that influenced our discussion on how habits, including keystone habits, can be formed and, when needed, modified. Duhigg is also an incredibly gifted author.

Next, we have Daniel Pink’s New York Time best seller, *Drive – The Surprising Truth about What Motivates Us*. Our module focused on motivation – where we contrasted the difference between extrinsic and intrinsic motivation – was heavily influenced by this book. So, if you want to learn more about how to motivate others this book is a must read.

Now, as you know, we spent a lot of time talking about the way our brains work in this course. So, if you’re interested in learning more about the so-called Happy Brain Chemicals... you’ll want to pick up this book called *Meet Your Happy Brain Chemicals*.

And last, but certainly not least, we’d recommend any and every book Dr. Deming wrote. But, if we could only recommend one piece of his work... we’d recommend *Out of the Crisis*. Yes, it’s an older book, but, to be sure, the wisdom Dr. Deming shares transcends time.

**Thank You!**

OK, and that wraps up this course on creating a culture of kaizen. This was obviously a very different course than anything we’ve ever done since we rarely, if ever, discussed the use of specific lean or six sigma tools.

Like we mentioned earlier in the course, this wasn’t done because the tools of continuous improvement aren’t important... they most definitely are.

But, as you’ve learned, if you’re not able to positively influence, motivate, and encourage others it really doesn’t matter how good you are at practicing SMED, 5S, or any other continuous improvement tool or method.

Put simply, in the end, **it’s all people**.

My name is Ron Pereira and on behalf of all us at Gemba Academy I’d like to thank you for your business, and attention, while also wishing you all the very best as you progress on this never ending journey of continuous improvement.