



25 Leadership Behaviors

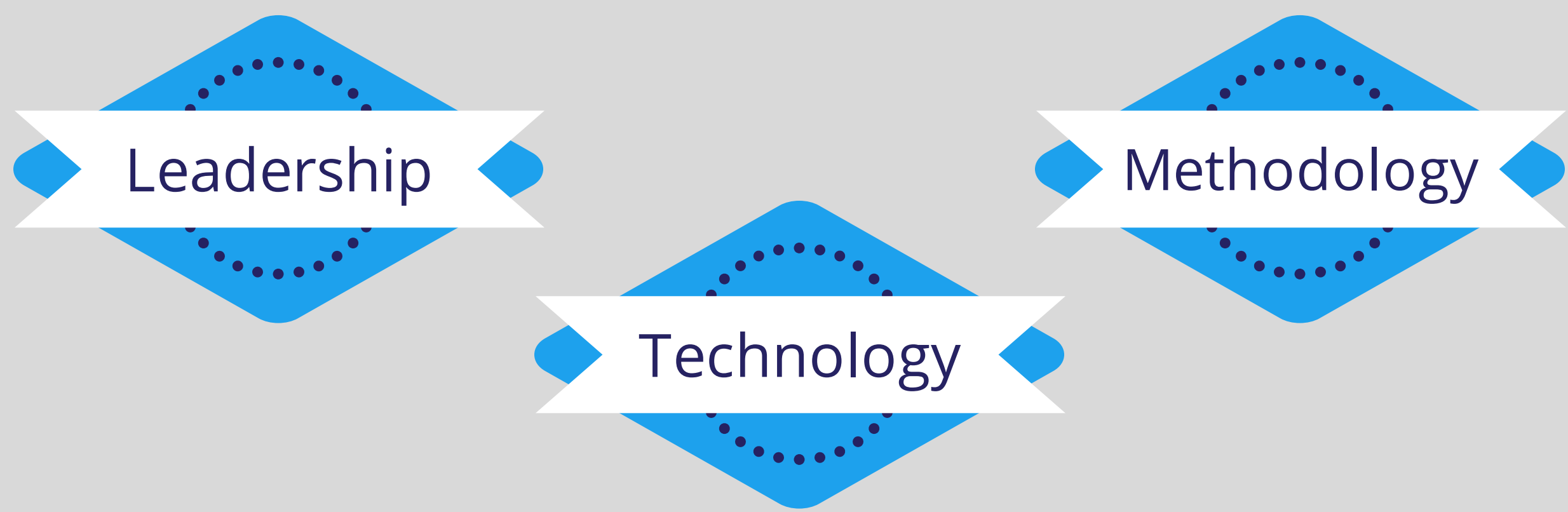
That Create

**A Culture of Continuous
Improvement**

KaiNexus

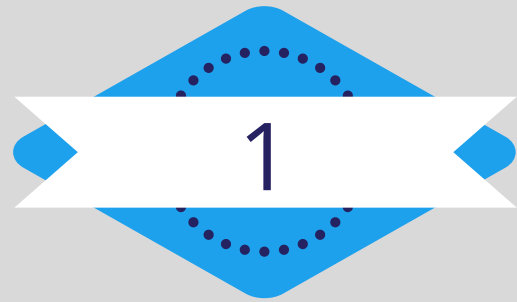
A Culture of Continuous Improvement Is Dependent On Leadership

3 Key Pillars of a Culture of Continuous Improvement:



If any of these three pillars are missing, continuous improvement efforts will flounder and ultimately have limited or non-sustainable success. Leaders play a critically important role in creating the environment in which continuous improvement happens. By making slight adjustments to the way they lead in a disciplined and routine manner, leaders have the ability to affect a major cultural shift to a culture of continuous improvement.

25 Leadership Characteristics that Create a Culture of Continuous Improvement

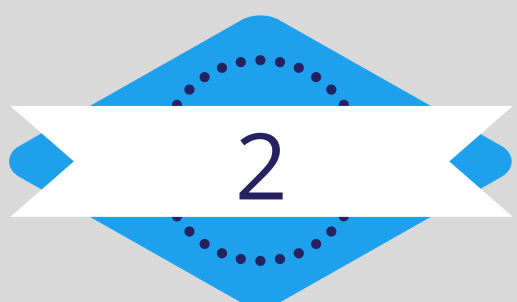


State your belief in continuous improvement

A leader needs to be very public in his or her belief that:

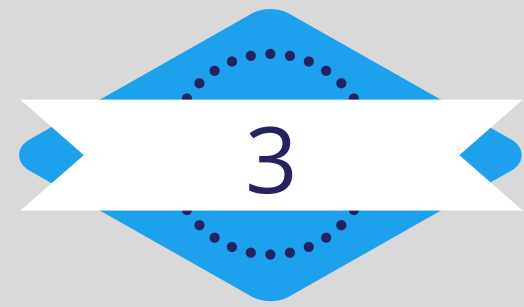
- Continuous Improvement is an important part of our strategy as an organization.
- Everybody can participate in continuous improvement
- Everybody has an important role to play

It must be emphasized that while continuous improvement might not be able to fix everything – sometimes a practice has to be redesigned from scratch – everybody has a role to play in the process of ongoing continuous improvement.



Explain why continuous improvement is important

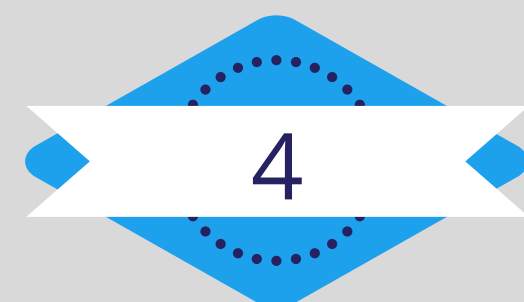
Leaders must convey to all employees the importance of continuous improvement as it relates to goals and strategy, at the department level and to the organization as a whole. Progress will naturally arise from frontline staff who are actively identifying problems or opportunities for improvement. The mark of a successful culture of continuous improvement is that everybody has a grasp of the direction and goals of the organization that guides their improvement efforts.



Empower, but be a servant leader

The purpose of continuous improvement is to challenge people to not just come up with ideas, but to also participate in the testing and evaluation of those ideas. That said, there is a time and a place for a leader to be a servant leader; there are some things that frontline staff cannot do on their own, and a leader needs to step in to help. As such, a leader must master the art of knowing when to delegate versus when to step in.

Far too often, leaders have erred too much on the side of jumping in to help - to give people answers and to do it for them. The frontline staff must be allowed to try things on their own, partly for the goal of developing people. If they are unsuccessful, a leader may step in to help, but we certainly want to give individuals the opportunity to participate in change.



Participate in continuous improvement yourself

A leader must go beyond lauding the principles of continuous improvement to others, and apply them to improve something in his or her own work. Leading by example is the most effective way to demonstrate that this approach is applicable and beneficial to everybody at all levels, and to demystify continuous improvement. This helps leaders understand the details of this process and helps them better appreciate the improvement work of their employees, allowing them to be better coaches.

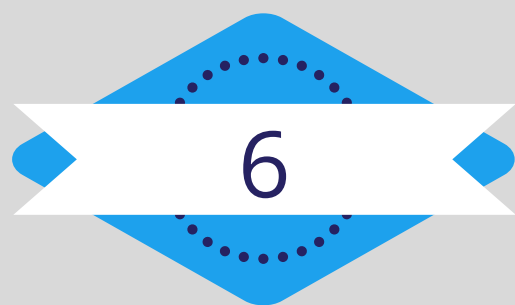


Ask for continuous improvement ideas and opportunities

It might seem obvious, but to get people to participate in continuous improvement, leaders must ask for input and ideas. Leaders need to keep asking, and continuously remind people that their input is valued

And they need to get people think about workplace frustrations they encounter, how their work could be made more efficient, and near-misses or errors that occur in their areas

People should be regularly encouraged to improve their work, rather than accept the status quo. As a leader, you must make a point of continually bringing this up in conversations and meetings so that people are reminded of it.



Don't require every improvement to be an event or a project

Many organizations attempting to implement cultures of continuous improvement are very focused on projects or “Kaizen Events.” Sometimes, these events are called “Rapid Improvement Events” or “Rapid Process Improvement Workshops.”

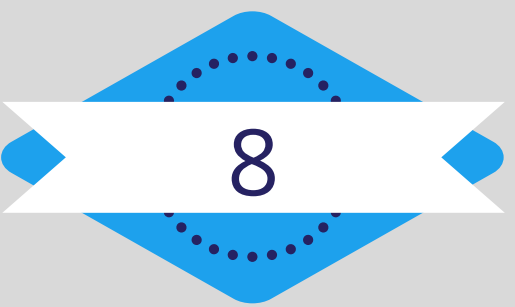
While projects and events are critical components of a comprehensive improvement program at an organization, they are inherently intermittent or episodic actions, not continuous. As such, it is important to not demand that every idea for improvement be turned into a formal event or project. Leaders should also encourage improvements that are smaller and more continuous in nature. This empowers people to contribute ideas as they see them, improving all scopes of their work.



Emphasize small ideas

In order to gain success and momentum in your organization or department, there must be some victories - things that make the workplace or customer results better in some way. So, rather than starting off with large projects which, frankly, may never have an endpoint, it's important to focus on small ideas that you know can be accomplished with tangible results.

With these small wins, staff can then point to them as examples of positive changes in the workplace. That kind of result offers reassurance that they are a real part of the organization with the opportunity to be heard and to improve it. Additionally, one of the beauties of continuous improvement is that occasionally something which sounds like a small idea may have an unexpectedly far-reaching impact.

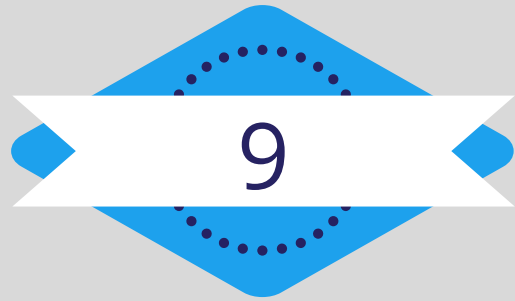


Ask for more than just cost savings

There is no question that cost savings is extremely important in today's climate for all industries. However, talking only about cost won't engage most employees in most organizations. Leaders need to ask for improvements that impact areas and measures, such as:

- Safety
- Quality
- Waiting times
- Wasted time for staff
- Customer satisfaction
- Employee satisfaction

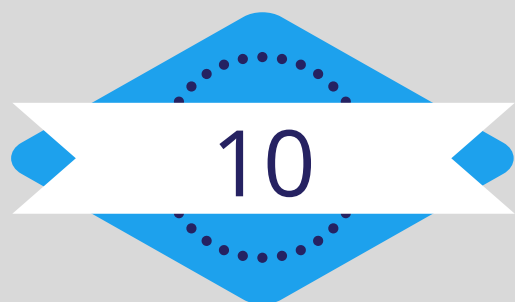
By looking beyond just cost savings, a more sustainable culture of continuous improvement is created with far more cost savings in the long run. Doing all of those other things well, such as safety, quality, and customer satisfaction will lead to lower costs and better financial performance.



Look at the process instead of blaming people

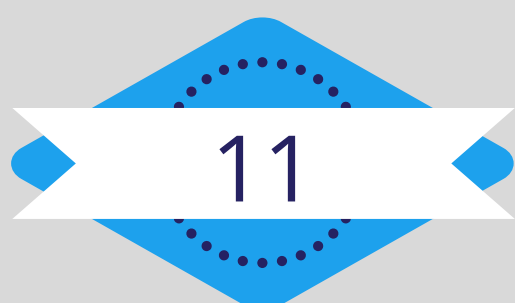
With healthcare in particular, people are so afraid of the consequences of making errors that it's habit to simply hide mistakes (and this has long been accepted by leaders). In an environment where a leader constantly states that the blame is not going to fall on individuals, but that instead the process will be reviewed, individuals stop hiding errors and near misses. When people no longer feel that they will be blamed for something, they are more willing to point out problems and to engage in improving the process that led to the error.

This reveals many more opportunities for improvement, which allows the process to be improved to prevent such an error from recurring.



Keep asking for continuous improvement

Again, a leader must keep asking for ideas and concerns so that continuous improvement will be a truly continuous effort. Continuous improvement is not a “project we completed last year,” as is so often stated by leaders of failed cultures. Rather, it is an ongoing process, ingrained in every element and every individual in the business. Asking for ideas should be part of every team huddle, every department meeting, and nearly every interaction with any employees.



Don't hide ideas; be transparent

Hiding ideas and suggestions does not promote continuous improvement or the spread of good ideas. Transparency is a key component of a successful improvement culture – information needs to be able to be shared laterally across an organization and be easily accessible. Improvement is positive and must not be hidden away. Problems and ideas must be exposed to the team, not hidden. When employees see the ideas of their peers successfully implemented, they are more likely to engage in the continuous improvement culture themselves. Success begets more success.



Quickly respond to every idea

Most people want to help their organization improve. If a person brings forward an idea and it takes months to hear a response, the organization is sending the message that it does not care about the individual or their ideas. Therefore, every idea must be acknowledged quickly. That is not to say that it must always be fully resolved in a few days.

Simply giving a response – speaking with the originator of the idea, communication across departments with the people who could resolve it – will start the collaboration process, thus telling the individual that their voice was heard and that steps are being taken. At the very least, people need to be acknowledged and to know they have been heard. Then, we'll work together to make the improvement happen.



Work to find something to implement

The best way to develop and sustain a collaborative improvement process is to think of the initial submission of an opportunity for improvement as the beginning of the improvement process. What's initially submitted by an employee does not have to be the only answer or the final answer. In the traditional suggestion box process, leaders play the role of “judge,” as if they're on your favorite TV singing competition show - and only about one percent of suggestions get implemented in those judgmental suggestion systems.

Comparatively, across all of our KaiNexus customers, seventy-nine percent of all opportunities for improvement are implemented, and Toyota reports an implementation rate of ninety-five percent.

When we talk about implementing, we are not referring to implementing the exact idea that a frontline person initially had. Instead, we mean that leaders and team members work together to find something to address the problem, frustration, or concern that the employee had.

14

Turn “bad ideas” into better ideas

Sometimes the proposed solution cannot be implemented or is not a good idea in general, but we still need to realize that the idea was grounded in the valid identification of a problem or an opportunity for improvement. As such, the idea should be adjusted and modified, rather than ignored. Focusing on the problem that we need to solve, instead of just rejecting the idea, creates an opportunity to look for something useful in a “bad idea” to turn it into a better, implementable idea. What matters is that we solve the problem and improve the organization.

15

Help people see the bigger picture (don't suboptimize)

Sometimes people will have ideas that, due to their lack of awareness of the bigger picture, would end up suboptimizing things - making it better for their department, but not for the organization as a whole. Leaders have the important role of helping people see the bigger picture, including avoiding simply pushing problems from one department to another. By showing them the larger picture, leaders can help staff come up with ideas that can resolve the problem without creating new problems in other areas or down the line.

16

Turn complaints into ideas

One of the problems with suggestion boxes is that they tend to attract complaints, often about things that are out of the control of those involved. When possible, leaders should pass those complaints along to people who can address them, or ask the person who came up with the complaint to step back and think of what can be done within the department to resolve the problem. In other words, turn a complaint into a suggestion that is within the proper scope of influence. That helps turn a negative, complaining environment into something positive and constructive.



18

Help create time for people to take action

As previously stated, a leader must ask and keep asking for ideas for improvement. But, people will get more frustrated if you solicit and collect ideas but don't help make them happen. Leaders must also make sure that they allow people to take the time to test, implement, and evaluate those ideas. At Toyota, for example, if an individual has an idea, they talk to their supervisor and may get overtime approved, if necessary, to work on the idea – this costs Toyota more money, but improves the business overall over the long term since it helps develop the employee and the idea likely saves them money over time.



19

Help share and spread ideas

Leaders at different levels need a way to see the ideas that have been implemented by others throughout the organization, and to spread those ideas to other work areas. This means being aware of opportunities to leverage ideas. That's not to say that leaders should force ideas onto people; instead, they should show people the problem and resolution that was implemented elsewhere, and to let people choose to modify or implement these ideas in their own work areas.

20

Don't forget the "SA" in PDSA

PDSA stands for Plan, Do, Study, Adjust. Much of the time, organizations do a little planning and a lot of doing when instituting changes. Following the PDSA process, or the "Deming Cycle," we study the impact of that change and either:

- adopt,
- adjust, or
- abandon it

It's important to make sure that improvement is a cyclical process rather than just a one-time change – just because the change has been implemented does not mean that you can't continue to improve it.

21

Don't overdo the "P" in PDSA

Many organizations are very cautious and do a lot of planning before implementing a change. There is a time and a place for being cautious and getting input from many people, especially when the change will affect many different areas. Most continuous improvement changes are things that do not have a big risk, and the worst thing that can happen is that it gets changed back to the way it used to be.

Say someone suggests we move the printer to the other side of their workroom. That change would be easy to undo - minimal cost and minimal effort. We'd want to quickly get to "Do," to err on the side of quickly testing that change once a few people agreed to it (in "Plan"), knowing we could change it back if the new location wasn't better or if it was disliked by most others.

But if somebody suggested knocking down a wall in a unit, that would be an expensive thing to undo. That's a more risky, more involved change. Therefore, we'd probably want a lot of "Plan" - getting input from others, simulating workflows and walking patterns with the wall removed, and understanding the financial costs and benefits of such a change. Only once we were pretty certain (not 100% certain) that the change was going to be an improvement, we'd jump to "Do" and get the wall removed.



Be prepared to fail

Part of being a leader is being prepared to fail; sometimes people will try things that either do not work out as expected or it works but with some side effect. We learn this in the “Study” phase of the PDSA cycle.

We need to view those outcomes as learning opportunities and as a natural part of the continuous improvement process, rather than as failures. It is often said that companies like Toyota have very few big failures because they have many small failures along the way. The same is true in “Lean Startup” settings - it’s better to fail early when the stakes are small and we can learn and adjust before we have a big failure.

We have to remember to consider improvements as tests of change and we’re looking at opportunities to continually improve, rather than planning forever to come up with what we think is the perfect solution.



Be careful with rewards and quotas

One downside of the suggestion box system is that people were promised financial rewards. Extrinsic motivation works in some situations, but when it replaces intrinsic motivation, as with suggestion boxes, it can cause a lot of dysfunction. For example, one company promised a prize for the best suggestion submitted and an employee went to her supervisor to ask how many submissions there had been so far that month. The employee was checking to see if she should submit her suggestion then or wait for a month when she would have a better chance of winning.

Setting a quota for how many improvement ideas must be submitted each month also creates dysfunction. People will focus just on reaching the quota rather than take the time to look for true opportunities for improvement. The best improvement cultures understand and tap into intrinsic motivation for the most part.

24

Give people recognition for ideas

So rather than offer rewards for ideas, give individuals recognition. This can involve thanking them for their idea (or for pointing out a problem), helping them see what the impact was, and sharing the news of their impact with others. When people feel that sense of pride or see that they have improved things for their customers or patients - or even made their own work easier - extrinsic rewards are not necessary. A lot of honest and sincere recognition coupled with a little bit of financial reward – such as a few dollars per implemented idea that can be used in the cafeteria – can go a long way.

25

Compile the results and celebrate them

A leader should compile the results from continuous improvement work and celebrate them, both at the department level and at the overall organization level. Measuring and reporting on the amount of participation (such as the percentage of people submitting an idea) is good, but we also need to tie improvement efforts back to our mission, strategy, and goals as an organization.

People want to know not only that they were participating and expending effort, but also want to know what their impact was. We can measure the impact on areas such as:

- quality and safety
- patient and customer satisfaction
- waiting times
- delivery
- performance
- financial results

As previously stated, focusing on non-financial goals and results may ultimately lead to greater cost savings than focusing only on cost cutting. But, when an organization can point to the millions of dollars saved or the millions of dollars of revenue generated through continuous process improvement, people then connect what they are doing not just to their local work but to the overall goals of the organization itself, which leads to more and more participation in continuous improvement.

How to create these behaviors

Defining these leadership behaviors is the first step to making them happen and creating a culture of continuous improvement.

Your organization can certainly come up with its own list of important behaviors, but leaders at all levels need to define the behaviors that they are going to practice and that they are going to look for. Leaders, especially senior leaders, need to model the behaviors that they want to see, setting an example for others to follow. Leaders then need to study the system and observe if these behaviors are actually occurring.

When we see those behaviors taking place, catch people doing the right thing and give them recognition and thanks for what they are doing well. If we see these behaviors not happening, or even the opposite of those behaviors, it is an opportunity to coach – not nitpicking people’s behavior, but providing feedback and nudging them in the right direction that will create a culture of continuous improvement.

And finally, we need to celebrate the behaviors; when we see things are going well, we celebrate the results and the process and behaviors that brought about those results.

Continuous improvement doesn't just happen; it requires that we lead, and that we lead differently.

KaiNexus

www.kainexus.com

The best way to improve your business or organization is by leveraging the collective knowledge of every employee. KaiNexus is a cloud-based software platform that unites your team around opportunities for improvement and facilitates their progress from inception to ROI.

Contact Us

Email: info@kainexus.com

Corporate Headquarters

1511 Nickerson St
Austin, TX 78704
Phone: 512-522-3940

KaiNexus Dallas

600 E John Carpenter Fwy #105
Irving, TX 75062
Phone: 469-454-8055