

## **Book Review**

### **THE TOYOTA WAY TO LEAN LEADERSHIP**

**Author:** Jeffery K Liker and Gary L Convis, **Year of Publication:** 2011,

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The book *The Toyota way to lean leadership* by Jeffery K Liker and Gary L Convis is a piece of comprehensive and exhaustive account of the Toyota as a company and the practice of its successful concept of lean leadership at every level of the management which are responsible to making Toyota one of the most successful car manufacturing companies of all times. It also discusses the reasons for failure the organisation suffered between 2007 to 2011 and the factors which were responsible for it.

The book goes in detail about the role of lean leadership in an organisation such a Toyota and the lean leadership in Toyota is discussed in depth which helps us to understand the effort the authors have put to study the company, its processes and systems and also its people to help the readers understand the implications of lean leadership which built world class organisation such as Toyota. It also discusses the five year period where Toyota was going through a crisis and there were lot of issues which pointed at lack of clarity and vision of the top management and the senior leadership in the global markets away from the domestic Japanese market and the lessons that Toyota learnt from three major issues which impacted its market leadership position

The setback and the reasons for the setbacks that Toyota encountered during the five year crisis hit period and losing out on its number 1 position and having to deal with lot of manufacturing and production related issues due to the global economy crisis and the Japans natural calamity also hit the company hard. But Toyota sustained the period of hardship the usual Toyota way and that was by going back to the root cause of the problem and systematically eliminating the problem and

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striving for continuous improvement of the organisation at every level every day.

### **Introduction:-The Roots of Toyota's Global Business Leadership**

The book starts with the author's account of how they came about writing about the concept of writing about lean leadership and taking Toyota as an example to explain the concept as it was one of the shining example of consistently excellent leadership. Toyota had risen from obscurity and grown into a the largest Motor manufacturing company which had been profitable for the last 50 years till 2007. Its record was broken when the company was hit by global recession and recall crisis. Toyota's track record of quality was also unsurpassed. Despite three major crisis the company bounced back within a year to scale height of profitability sustained successfully for so many years.

The chapter talks about the success of the company to the origins of Toyota from very humble beginning from Toyoda Automatic Loom works through the decades to rise up to the most profitable manufacturing company in the history of the world. It was during the humble beginning that the Toyota Production System was created in the process of continuous improvement which is a hallmark of quality in Toyota. In this chapter it has been discussed that it is the leadership which emphasised on developing people and striving for continuous improvement that helped make the company what it is today and that is the top car manufacturing company in the world. The growth of Toyota has its roots in the value systems its leaders have had since its inception and which it carries till date. The leader's vision is about self development and training the people for constantly improving performance and consistency in performance. The leaders focus on self development and this helps them in a position to be of being a helping hand to his team and his group.

The view at Toyota about the people is not the traditional view, it does not do things the traditional way, and rather it does things in a different way which lead to wonderful results for the company.

### **Chapter 1:-Leading in the Toyota Way: A lifelong journey**

The reason for Toyotas success is not only the top leadership but also the system of leadership at every level in organisation which other organisation do not do so. This value system of deeply ingrained leadership at every level in Toyota is the reason for its success and it is a process which takes many years to develop and is slow and steady process over the years. The leadership development in Toyota is about each

employee is committed to its core value and the leadership starts with understanding and imbibing those core values of the organisation.

These five core values which define Toyota Way of leadership are spirit of challenge, kaizen, genchi genbusta, teamwork and respect are deeply ingrained in every leader which has been discussed in-depth in this chapter which helps us to analyse the true spirit of the organisation.

The Toyota Way Leadership Model has four important stages

1. Commitment to self
2. Coach and develop others
3. Support Daily Kaizen
4. Create vision and goals

These four stages are the secret for the success of the organisation which has catapulted it to the top consistently for the first 58 years of its existence and the authors talk about the humble origins of the company which rose up to the position of a market leader in the automobile industry and remained profitable for 58 years without gap.

### **Chapter 2:-Self Development**

In this chapter the authors discuss about self development which is a key ingredient of leadership at Toyota. The chapter is very comprehensive in terms of the concept of self development which is basically learning and relearning and continuous practice with sincerity and dedication is the essence of leadership at Toyota and it makes remarkable investments in employee development. While discussing about self development in terms of leadership, training and teaching lot of examples about Toyota employee are shared by the authors to help the reader understand the Toyota culture. The authors have constantly emphasised on the standardised work culture in Toyota which provides a baseline for improvement for each and every leader in the organisation.

### **Chapter 3:-Coach and develop others**

This chapter is dedicated to leaders who self develop themselves and who are accountable for the results of their teams. Leadership development Toyota is a shared responsibility between the leaders, teachers and the team members and this leadership development is committed to the selection of highly motivated and learning oriented people at all levels of the organisation which is the hallmark of

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Toyota's pursuit of perfection and excellence in the gembu. The authors explain in simple terms that Toyota takes its leadership development seriously and they believe that any investments they make to develop leaders is worth the cost because it helps the company in reaching their goal of perfection. They don't hire a consultant and treat it as a project to be completed on schedule, they imbibe it daily in the organisation they live it, experience it and it becomes a part of their personal value system. In this chapter so many example of the Toyota employees are given including the author Gary Convis to explain about the leadership and development of leaders in Toyota.

### **Chapter 4:-Daily Kaizen: Continually developing from Bottoms Up**

This chapter talks about the kaizen being an integral part of the leadership and it is not a part time project for them. At Toyota kaizen operates at the most fundamental level and it's an everyday affair for them. Kaizen for Toyota does not mean continuous improvement over a period of time but its improvement every day for every function and every process by every employee and that is what sets it apart from other organisation having short term goals and the reason Toyota follows kaizen so rigorously is it truly practices everyday continuously improving everything even if it is already perfect and does not need improvement. This chapter talks about the grassroots level of Toyota leadership coming from the bottom of the pyramid from day to day improvement in processes and are driven by committed leaders and their team members who have the freedom and flexibility to improve their processes and this is what is responsible for Toyotas success.

### **Chapter 5:-Hoshin Kanri:Align Vision, goals and plans for continuous improvement**

This chapter focuses on the concept of Hoshin Kanri as a tool which is a process for alignment of all the employees doing Kaizen through different parts which are situated in different countries so as to have a powerful business impact in the organisation. Hashin Kanri is the process of setting goals and targets supplemented by concrete plans for achieving the targets which are set. Hoshin Kanri at Toyota is about being a part of organisation's vision deeply rooted in the organisations culture. It focuses on satisfaction of the customers, high quality products, low cost of production with timely delivery to the markets.

### **Chapter 6:- Toyota Leadership turning around Dana Corporation**

This chapter focuses on the Dana Corporation, which is a global supplier of the components which are used in various vehicles the world over and which had filed

for bankruptcy in March 2006. Gary Convis was in the last stages of his phasing out period in Toyota and he consented to be the CEO of Dana Holding Corporation and along with John Devine the Chairman of the Dana Board brought the Dana Corporation from the brink of collapse to a profitable organisation it is today. Gary Convis was an employee of Toyota and he used his entire experience of the Toyota Way of leadership in Dana Holdings to show the world that the Toyota Way of Leadership is the best way of sustaining a successful organisation over a long period of time. Gary bought the Toyota Leadership model to Dana Holdings and he made sure that Dana Holdings started the new innings of the company with the leaders at every process every day practicing kaizen everywhere for the mantra of continuous improvement everywhere. Gary was able to turnaround the company because of the implementation of the concepts he had learned in Toyota and that was the only reason for the success of the organisation in the current economic scenario. The entire chapter is about the transformation of Dana Holdings into a profitable organisation following the Toyota Way of Leadership.

### **Chapter 7:-Learning from Toyota Leadership**

The last chapter is a conclusion of everything which has been discussed in the previous six chapters of the book focus on the fact that an organisation like Toyota is only one in a billion organisations. To be like Toyota is an aspiration organisations should have so that they can be role models for lean leadership but few organisations make it the top position the Toyota Way and the Leadership Model at Toyota is something which takes years to develop and even more years to consistently sustain the model but the organisation who are able copy the model those organisations no doubt are on the way to success and reach the top with no competitors nearby. The Toyota Way is a lifelong commitment with continuous self-development and kaizen taking place every day in every process and that is its success for being the number one organisation in the world of automobiles. If the Toyota way is adopted by organisations right down to each and every process only then can any organisation hope to reach anywhere near where Toyota is placed at the top of the of the game and beating Toyota would take much more effort than anybody has the courage or the perseverance for as Toyota is already ahead by sixty odd years in this game of quality and continuous improvement in the organisation environment. The culture of excellence in Toyota is by habit and absolutely not by chance. It is inculcated and sustained over a life time of an employee to learn the Toyota way and keep imbibing the new learning every way and every way.