

# LEADERSHIP STARTS WITH LEAN THINKING

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I'm not going to bury the lede.

- Lean thinking improves leaders.
- Leaders improve people.
- People improve processes.
- Processes improve products.
- Products improve customers.
- Customer feedback improves lean thinking.

Lean thinking isn't just a buzzword that's thrown around online so writers sound smart (or dumb—pick your poison).

It's the real deal, a philosophy that, when done right, can turn your business into a well-oiled, ever-improving machine.

Here's how it works, step by step, with some real-world examples to show you how it all comes together.

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## Lean Thinking Improves Leaders

Lean thinking starts at the top. Leaders are the ones who set the tone, the pace, and the expectations for the entire organization.

But lean thinking doesn't mean sitting in a boardroom, drawing up strategies all day. It means getting your hands dirty, understanding the processes, and leading by example.

Take Toyota, for example. Toyota's leaders practice "Gemba walks," where they go to the actual place where work is done—whether it's the factory floor or the sales office.

They observe, ask questions, and engage with their teams to spot inefficiencies and opportunities for improvement.

Their hands-on approach not only helps them understand the realities of the business but also shows the team that leadership is fully invested in the process of continuous improvement.

**"LEAN THINKING STARTS AT THE TOP."**

## 2

### Leaders Improve People

When leaders adopt lean thinking, it trickles down to everyone else.

But this isn't about leaders barking orders from the top. It's about empowering your people to think critically and take ownership of their work.

Intel is a prime example of this.

They've implemented a culture of kaizen.

At Intel, every employee is encouraged to identify small, incremental improvements in their daily work.

This could be anything from rearranging a workstation to save time to suggesting a change in the workflow that boosts productivity.

These small improvements, driven by empowered employees, add up over time to create significant gains in efficiency and effectiveness.

**"It's about empowering your people to think critically and take ownership of their work."**



### People Improve Processes

## 3

With lean leadership in place and empowered teams ready to take action, the next step is process improvement.

When your people are equipped and motivated, they start seeing processes not as rigid structures but as living systems that can and should be optimized.

Amazon's fulfillment centers are a textbook example of this in action.

They've adopted lean principles like "just-in-time" inventory management to streamline their processes.

By ensuring that products are only in the warehouse when they need to be and moving them out as quickly as possible, Amazon has reduced waste, sped up delivery times, and cut down on errors.

This kind of process improvement isn't just about making things faster—it's about making the quality of the outcome better, with less waste and more value added at every step.

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## Processes Improve the Product

When processes are optimized, the natural result is a better product. It's not rocket science; it's just the power of lean thinking in action.

The 5 Functions team uses the following filters, in rank order, to improve processes:

1. Safety: If and when applicable
2. Quality: Quality of the outcome of the process
3. Simplicity: Ease of execution for the process
4. Speed: Timeliness of execution

The point? Never sacrifice quality for speed. It's so easy and convenient to do this in the moment, but it'll cause headaches in the long run—if not immediately.

Apple is a master of this. Their relentless focus on refining processes—from product design to manufacturing—ensures that every new iPhone or MacBook is better than the last.

For instance, Apple's meticulous approach to supply chain management and collaboration with suppliers allows them to produce high-quality components at scale, ensuring that each product is built to last.

The result? Products that not only meet but exceed customer expectations, driving loyalty and brand strength.

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## Products Improve Customers

But what's a great product if it doesn't make your customers' lives better?

Lean thinking ensures that your processes and products are aligned with what your customers actually need and want.

Zappos, the online shoe retailer, has taken this to heart. They've built a business model around exceptional customer service, which starts with a deep understanding of their customers' needs.

By refining their product offerings and customer service processes, Zappos doesn't just sell shoes—they create loyal customers who come back time after time.

Their commitment to customer satisfaction has set them apart in a crowded market and turned their customers into advocates.

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## Customer Feedback Improves Lean Thinking

And here's where the loop closes—and then starts all over again.

Customer feedback isn't just a pat on the back or a slap on the wrist; it's the fuel that keeps the lean-thinking engine running.

Take Starbucks, for example. They've created a platform called "My Starbucks Idea," where customers can suggest improvements, new products, or services.

This feedback loop allows Starbucks to continuously refine offerings based on what customers actually want.

And that's where value is created.

The wildly popular Pumpkin Spice Latte? That came directly from customer feedback.



By constantly listening to their customers, Starbucks not only meets but anticipates customer needs, creating a cycle of continuous improvement that keeps them ahead of the curve.

Think what you want of Starbucks (I'll reserve my opinions), but their product is consistent.

It isn't dependent on any one location. No matter which Starbucks coffee shop I go in, I can expect to receive the exact same Americano with a splash of heavy cream.



## CUSTOMER FEEDBACK:

# IT'S THE FUEL THAT KEEPS THE LEAN-THINKING ENGINE RUNNING.

### Continuous Improvement, Continued

So, what's the big takeaway here? Lean thinking isn't a one-time project—it's a continuous loop.

Lean thinking improves leaders. Leaders improve people. People improve processes. Processes improve products. Products improve customers. And customer feedback improves lean thinking.

This cycle, when embraced, turns your business into a constantly evolving powerhouse.

Lean thinking isn't just about making things better today—it's about creating a culture of improvement that drives success tomorrow and every day after that.

And in a world that's constantly changing, this mindset isn't just beneficial—it's essential.

### Your Action Plan

How do you start? Pick one area of your business that could use a little lean thinking.

Maybe it's a process that feels outdated, a product that's underperforming, or a customer service experience that could be smoother.

Fix what bugs you!

Apply the lean principles we've talked about, and watch what happens.

Remember, lean thinking is a journey, not a destination.

But every step you take brings you closer to a business that's not just surviving but thriving.

And who knows? That one small change could set off a chain reaction that transforms your entire operation.