

LEADERSHIP LEARNING GUIDE / EPISODE 2

The Leadership Mistake That Almost Cost a Good Employee His Job

Topic: Trust, accountability and root cause Audience: Leadership, management, organizational behavior and operations courses Length: 7:12

ABOUT THE EPISODE

Pete inherited a manufacturing department with poor results and low morale. A policy requiring a write-up for every mistake made employees afraid to report problems. After proposing a new approach with Human Resources, he promised to help employees who disclosed honest mistakes while keeping consequences for deliberately hidden ones. Fred took the risk of speaking up. At his workstation, Pete discovered that the assembly instructions were physically impossible to follow. Engineering revised them; Fred then built a unit without error.

Before you discipline, listen. Understand the problem.

LEARNING OBJECTIVES

After watching, students should be able to:

- Explain how a punishment-focused policy can discourage reporting.
- Distinguish an employee error from a problem in instructions or process design.
- Describe how a leader can pair support for honest reporting with accountability for concealment.
- Identify concrete behaviors that earn trust after a policy change.

FOUR PRACTICAL PRINCIPLES

1. Look at the system. Examine instructions, tools and conditions before assigning blame.
2. Make it safe to speak up. Employees must know what happens when they report a mistake.
3. Keep your promise. Fred's report tested whether Pete would follow through.
4. Close the loop. Correct the cause, return to the employee and verify the fix.

DISCUSSION QUESTIONS

1. Why did the original write-up policy make quality problems harder to find?
2. What evidence changed the interpretation of Fred's performance?
3. Was the revised policy fair to employees and the organization? Where would you draw the line?
4. Which of Pete's actions most likely convinced others it was safe to speak up?
5. How might a manager respond if an employee reports an error caused partly by their own lapse and partly by unclear instructions?

FIVE-MINUTE CLASSROOM ACTIVITY / RESPONSE TO A REPORTED ERROR

In pairs, imagine an employee reports a defective unit and says the work instructions may be wrong. Draft the first three questions you would ask and one action you would take before deciding on discipline. Then state how you would explain your response to the team without identifying the employee. Compare answers for fairness, learning and accountability.

KEY TAKEAWAY

Trust grows when leaders listen, act on what they learn and keep their commitments. Accountability is strongest when the process is examined alongside individual behavior.

BEFORE YOU DISCIPLINE, LISTEN.

WATCH EPISODE 2
https://youtu.be/6VYaUizM38I

Scan the code to watch on YouTube.





Explore the principles behind this case in
The Lean Leader's Playbook.
Explore how trust, listening and examining the process change your response to an employee's mistake.

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