
Six Sigma – Warts & All



Steve Jarman,

Catalyst Consulting Ltd.

sj@catalystconsulting.co.uk



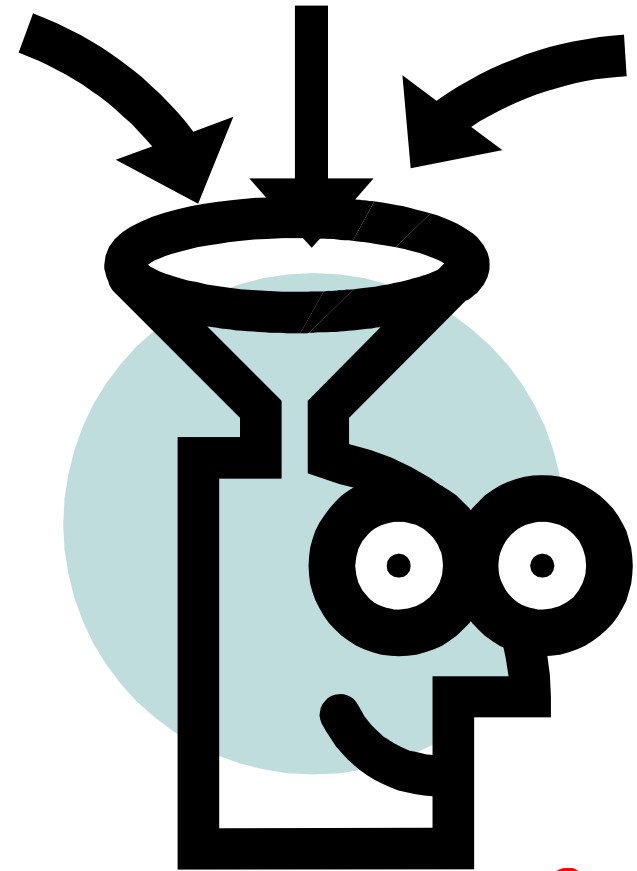
Agenda

- How it differs from other approaches and why that makes Six Sigma so successful in many organisations (the ‘management technology of Six Sigma’)
- Some varied examples of success
- The essential pre-requisites for success
- Examples of problem cases
 - inadequate measurement systems
 - senior management impatience for results
 - insufficient resources & funding
- Examples of new learning
 - Re-invigorating ‘Workout’
 - ‘Virtual’ Six Sigma
 - Simplified ‘Design for Six Sigma’



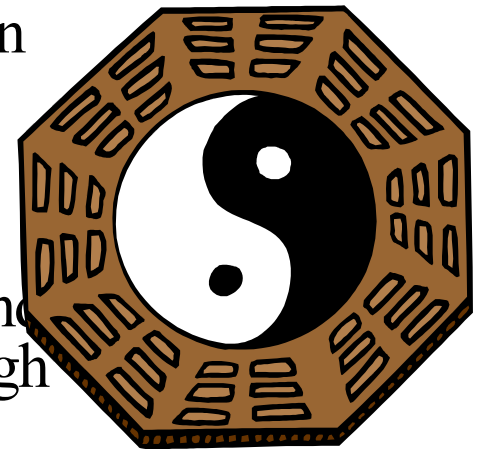
What do you already know about Six Sigma?

- General Electric/Motorola
- An impossibly high performance?
- Lots of Dosh!
- Eating Elephants
- Martial Arts People?
- The customer's always right...
- It's a matter of opinion?



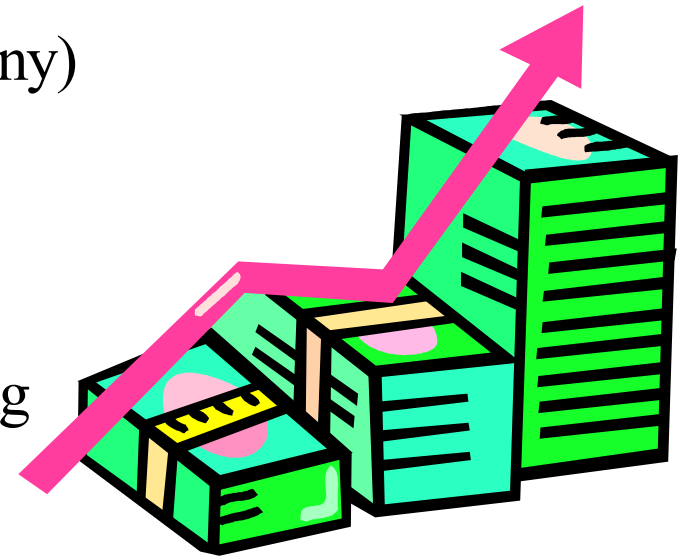
What's so different about Six Sigma

- It's top down – focused on what's important to the organisation and its customers
- It's fact-based, decisions are made on the basis of data and analysis without losing the intuition and insight of experience
- It's driven by the leaders of the company and measured by their preferred metric - £££'s
- It's systematic, and configured using proven and appropriate tools and approaches honed through experience and review
- It's focused on benefits and goals not preconceived deliverables
- It includes mechanisms to sustain the gains
- It works!!!



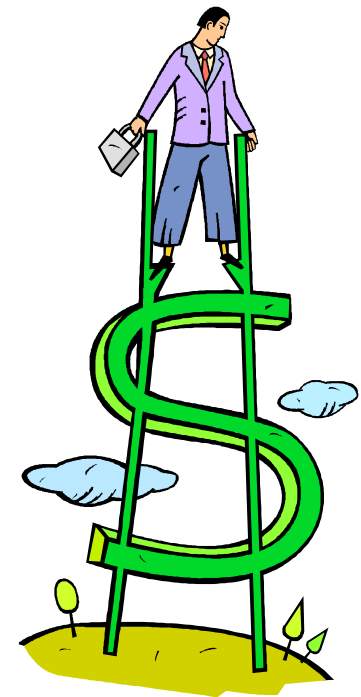
Examples of Successful projects

- New product brought to market at least 3 mths sooner than would have occurred following design issue (leading IT company)
- Reduction in overdue customer invoice payments by 70%+ in 3 months (leading automotive electronics supplier)
- Cost reductions exceeding €50 million in provision of customer front office (leading telecomms company)
- 40% increase in patient capacity / throughput in medical clinic (GE Medical Systems)



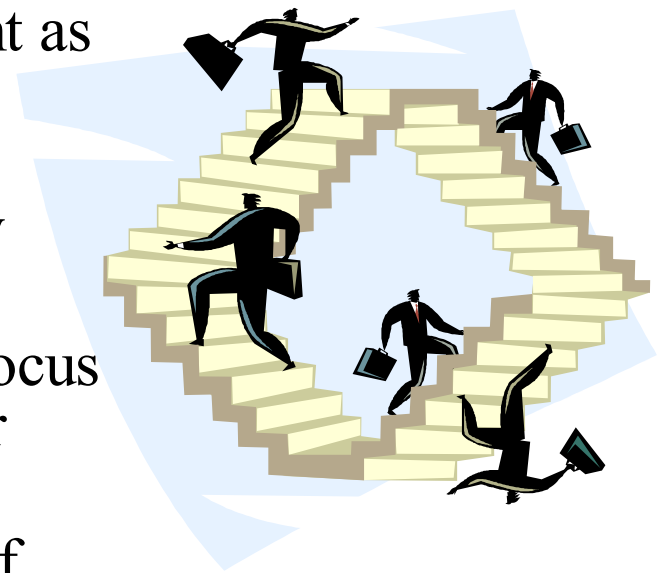
Prerequisites for Success

- Top management active and committed together with sustained leadership; active involvement of project Champions (typically Director-level)
- Above ‘critical-mass’ level of investment in training & resourcing; releasing of your best people to participate in projects
- Engaged middle management
- Patience to accept that results take time
- A viable measurement system
- A culture that encourages, not undermines
- Configuration to fit the culture and style of the organisation, not just a GE ‘look alike’ approach



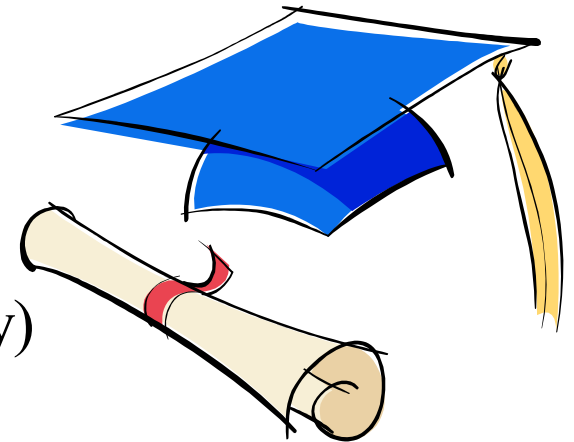
Some problem cases:

- Six Sigma projects put on hold for 6 months because the necessary data could not be collected (leading telecomms manufacturer)
- Six Sigma stalled because CEO was not as committed as his investors, nor as persistent as his staff (furniture manufacturer)
- Projects fail to deliver because root causes were determined by opinion rather than by facts & analysis
- Delayed return on investment because of focus on measurement and 'sigma scoring' rather than improvement (leading bank)
- Six Sigma programme still-born because of inadequate minimum investment (leading BPO organisation)



New Learning

- ‘Workout’ – effectively fast-track DMAIC projects used to configure IT development (leading BPO) and more complex improvement projects (leading pharmaceuticals company)
- ‘Virtual’ Six Sigma – global networking & virtual team-working in a tightly cost-controlled environment (leading IT company)
- Simplified DFSS – extending DMAIC with Design toolset to accelerate / improve new service introduction without ‘over-engineering’ (leading IT company)



Summary

- Six Sigma is not an ‘easy’ option but requires;
 - Executive understanding & commitment, both in terms of leadership and £££’s
 - discipline
 - patience ...
- ...however the benefits are proving transformational in many Companies when Six Sigma is properly applied.
- Thanks for your time 😊

