Six sigma & Technology

e-Management Solutions

WHITE PAPER

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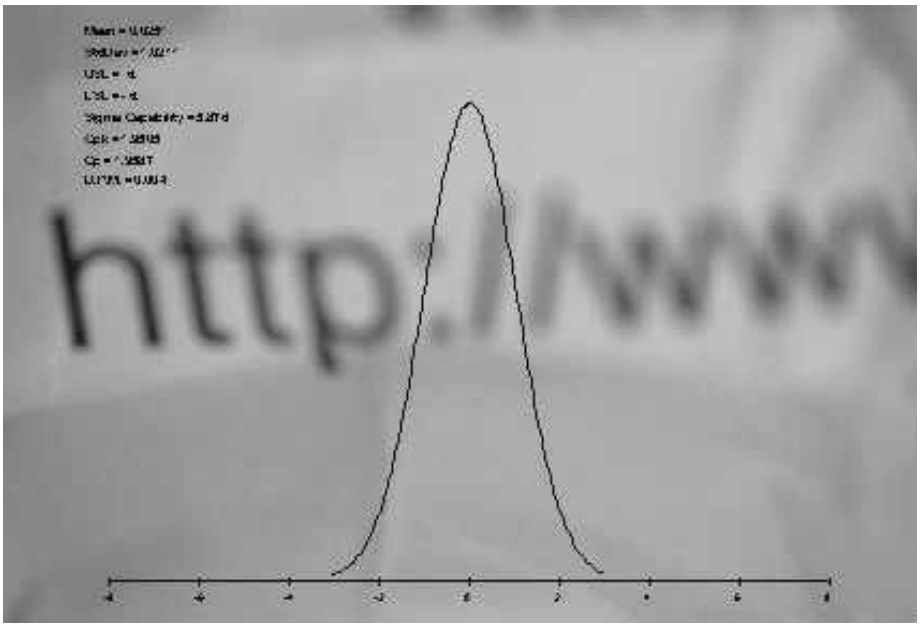

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Executive Summary

Six sigma capability is the focus of today's corporate visionaries and tomorrow's consumer marketplace leaders. Over the last two decades, methodologies have evolved to enable companies to strive for the elusive and costly quarry of "near-zero" defect performance in all strategic processes, services, and products. From the shop floor to the customer service desk... from the shipping dock to the management boardroom... from banking and insurance to building aircraft and automobiles, six sigma touches and transforms the entire organization!

Typically, a six sigma deployment involves strategic assessment and planning, comprehensive training of internal resources, structured and methodical deployment, roll-out of continuous improvement projects, ongoing measurement of newly-established performance metrics, and most importantly, **communication**.

While standardized and proven six sigma methodology now exists to assist companies in their deployment of a six sigma strategy, there has been no such relief to address the communication and management challenges imposed by the six sigma transformation.

How does an organization "manage" the change through the lifecycle of six sigma deployment and evolution? How is the information vital to six sigma communicated up, down, and across your business community? How do you effectively and efficiently manage an initiative that is larger in scope than any one product or service your company has ever produced or delivered?

How do you ensure six sigma performance for your six sigma deployment?

Whether you are considering six sigma as the next weapon in your strategic arsenal, or already engaged in its strategic deployment, the following pages will provide important insights into some of the challenges and remarkable opportunities that lie ahead, and the technologies that have evolved to bring value to this most important journey.

More and more, organizations are turning to integrated systems for management of their six sigma strategies; systems that provide real-time access to relevant project, resource, and performance data, when they need it, and where they need it.

Today's Web-enabled technologies can provide that "window your six sigma world", and having access to mission-critical information will allow them to make the best knowledge-based decisions possible, resulting in a more successful deployment, and greatly enhanced shareholder value.

The Six sigma Transformation

PHASE 1: VISION & DECISION

The journey to six sigma levels of performance begins with a vision for change: a vision for product and service excellence that is "top-down", strategically aligned, and in fact, a strategy for organizational alignment.

Historically, this phase focuses on the concepts and philosophies for six sigma change, and enables senior decision makers in the organization to obtain a broad understanding of what will be required, and most importantly, what are the anticipated benefits. Strategic is the order of the day, with little or no consideration for tactical.

PHASE 2: EXECUTIVE LEADERSHIP & STRATEGIC ALIGNMENT

During this phase, more of the executive management team, usually with the support of one or more external partners with expert knowledge in this field gain a broader understanding of six sigma.

At this stage, tools, methodology, and ultimately partners in deployment are chosen, based on the "best fit" for your strategic mission, your unique organization, and marketplace in which it operates and competes.

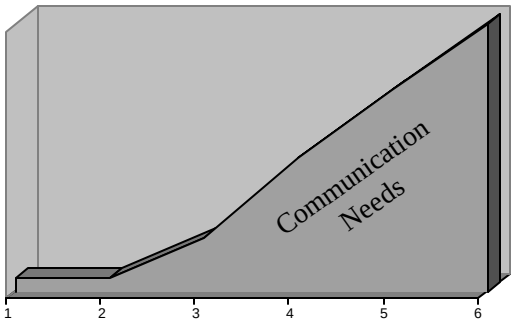
Your journey towards six sigma excellence has begun!

PHASE 3: ASSESSMENT & DEPLOYMENT PLANNING

One of the most critical and thought-provoking stages is the Assessment & Deployment Planning. It is here where your executive management team will craft the six sigma deployment strategy that will truly be unique to your organization alone. This is where competitive advantage is created.

Your strategic deployment plan will address such issues as... • vision & mission statements • strategic plan & goals • strategic alignment • standardized performance metrics • organizational (re)structure • deployment communication plan • roles & responsibilities • resource selection process • rewards, incentives & recognition • program material personalization • business management systems integration
- project identification and prioritization
- budget & finance mechanisms
- transition management
- employee change/reduction policies...

The magnitude of the decision taken in Phase One is now becoming apparent.



Six Sigma Phases of Deployment

PHASE 4: RESOURCE TRAINING AND PROJECT ROLLOUT

In accordance with the methodology provided by the partner or partners you have chosen for your six sigma deployment, training of selected resources in six sigma methods, tools, and project management commences. Simultaneously, these resources begin to work on continuous improvement projects that have been strategically selected for their training benefit – small is beautiful.

Projects, as well as resources, must now be carefully tracked. Your initiative is in its most fragile state. Communication is of utmost importance. Every level of your organization must proactively nurture and monitor the evolution of each project. To not do so will most certainly result in failure: • demoralized project managers and teams • potentially good projects foundering • projects completed but unable to close and hand-off to process owners • inability to leverage any synergies that exist across your wide resource base • duplicated project efforts due to lack of visibility • inability for your executive teams to effectively manage the Six sigma initiative due to "information overload" • non-standardized methods of reporting • lack of "real-time" information on projects • inability to tie project savings to bottom line and operating budgets...

You have discovered that the real enemy to your quest for performance excellence is the lack an effective six sigma communication and management tool that provides consistent and real-time access to your entire deployment – a full 360° view – anywhere, anytime!

PHASE 5: INTEGRATION

Continuing waves of trained resources are deployed across you organization, with more and more complex projects being initiated that have the potential to provide the strategic advantage you need to become best in class, if not world class.

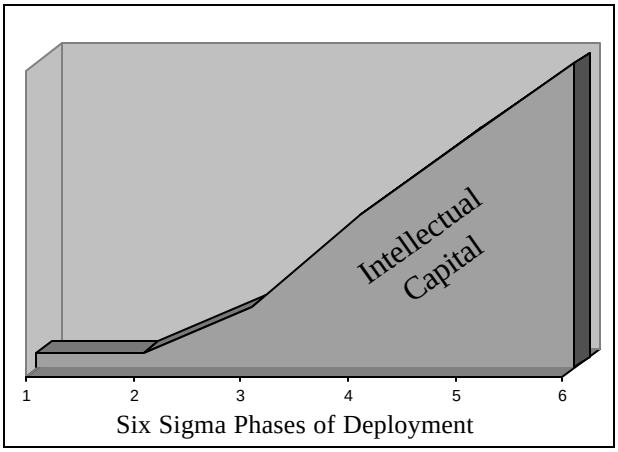
As more and more of your organization become involved, sharing of best practices and knowledge gained from strategic projects becomes an imperative. As projects are closed, the new baselines for performance as well as cost savings must continue to be monitored – you can not control something if you do not measure it.

Who will safeguard the data that provides the pulse for your six sigma deployment?

Where will it be stored so that it can be easily accessed and leveraged by your organization?

How do you ensure that the performance gains resulting from successful projects are not lost over time?

These are the hard questions that you are now forced to answer.



PHASE 6: PROGRAM MATURITY

You have now achieved full deployment of your six sigma initiative. In accordance with your plan, a well-trained core of six sigma project managers are now leading waves of continuous improvement that touch almost every area of business process.

As more an more of your organization has become involved, sharing of best practices and knowledge gained from strategic projects became an imperative. As projects closed, new baselines for performance as well as cost savings needed to be monitored – you can not control something if you do not measure it. The need for management by exception becomes the rule of day.

Difficulties in managing your six sigma deployment that first came to light in the early days of implementation, may have been temporarily resolved with ad hoc processes, communication tools, and silos of non-integrated spreadsheets, and databases. These short-term solutions however, have rapidly been outgrown. In fact, they were never scalable to the rapid growth of your deployment to begin with.

While six sigma has successfully focused on simplifying and defect-proofing existing processes, it has fallen victim to the very thing it was brought in to vanquish – inefficient processes plagued with defects. Lack of an integrated management and communication for your six sigma deployment has become your greatest impediment to success!

The Need for an Integrated Solution

Today's organizations are looking for integrated solutions that can simplify processes, yet enable them to deliver high quality, low cost products and services in a just in time fashion for their customers. In six sigma terms, the critical to customer satisfaction elements can always be described in terms of quality, cost, and cycle.

In terms of an integrated management solution for your six sigma deployment, we must apply similar metrics: "What you need, when you need it, and wherever you need it"...

- Cycle: Real-time information accessible anywhere, anytime... (global; 24 x 7 x 365)
- Quality: Accurate information that supports all of your six sigma decision-making
- Cost: Easy to use, intuitive system that minimizes the administrative burden

Desired Components

A truly comprehensive solution must address four key areas of six sigma management: Resource Management, Project Tracking, Knowledge & Tools, and Management Reporting. In addition, it must also meet the criteria established for cycle, quality, and cost: Timely, Accurate, and Efficient.

Resource Management

From identification to assignment, resource management should ensure the effective use of all of your trained and expert resources, with the capability of assignment based on "best-of-fit" project requirements and scheduling.

Project Tracking & Management

This should provide your enterprise with a view on all of the six sigma projects that are in progress as well as completed. Important data, milestones, and performance measures are available to be shared with your organization. Six sigma project leaders can leverage project tracking to help them manage their projects more effectively – reminding them of what project tools can be used and when - from project mandate through to project completion.

Knowledge Management

Knowledge management supports project leaders, their teams, as well as organizational leaders and decision makers by providing access to the most recent six sigma training materials, improvement tools and templates, six sigma "dictionary", deployment planning information, selected "best practice" case studies, and whatever information that needs to be shared across your organization.

From line managers and directors looking for guidance on projects they are responsible for, to team members who are interested in learning more about a six sigma tool that was used in their project, the knowledge management feature becomes their "one stop shop" of choice.

Executive Reporting

Successful management of the six sigma deployment requires a 360° view that is available anytime of the day – time being a relative term in the new, global economy. Executive reporting should provide not only access to all of the continuous improvement activities within your organization, but also enable "management by exception" driven by standard as well as user-defined queries and alerts.

Providing vital information on project savings, number of projects, six sigma target goal acquisition, your executive reporting center should yield real-time information to enable effective and immediate executive decision-making – the key to ongoing success of your six sigma deployment.

Collaborative Tools

Not surprisingly, growth in intellectual capital drives demand for communication and collaboration. Six sigma will demand "end-to-end" communication for your enterprise, and the question is, "Is you present system up t the task?" Through acquisition and merger, many companies have divisions that are not only geographically separated, but also disconnected in terms of common technology. You must ensure that there is a shared environment available that allows your entire enterprise to share and collaborate on this six sigma voyage. If not, any knowledge created will be viewed in isolation, and that does not build value.

In Conclusion…

Any organization that embarks on the six sigma transformation will face numerous challenges in the course of their exciting and rewarding journey. Communication and information can become one of your greatest assets,... or the weakest link in an otherwise successful program.

An integrated six sigma management solution must provide immediate, global access to your entire deployment if performance goals are to be achieved and sustained, and maximum value can be returned to the shareholders.

With the maturation of six sigma over the last decade, there are now several technology solutions available today that are designed specifically with six sigma clients in mind. Each is certainly worthy of consideration, and as with all technologies, each brings its own unique value statement.

You may also wish to evaluate other technology solutions that, although having not been designed with six sigma in mind, but with some work or fine-tuning, may address your specific needs.

Whether you are considering six sigma as your next strategic weapon, or have already started your deployment, there is no better time to consider leveraging state of the art Web-based technology that merges project management, resource management, executive management, knowledge management, and collaborative tools into one integrated solution - accessed by anyone in your organization, anywhere in the world, using a standard web-browser.

It is this technology that will ensure that communication and information are your greatest assets in your journey to performance excellence. Technology that can and should be leveraged from the very start of that journey.

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