

Six Sigma Organization Overview

Process Improvement, LLC

Six Sigma Organization Topics

- Business Process Management Overview
- Fundamentals of Processes
 - Elements of Processes
 - Creating a Six Sigma Business Strategy
 - Identifying Core Processes
- Elements of Process Management
 - Marketplace Intelligence
 - Attaining Strategic Improvement
 - Effective Metrics for a Six Sigma Project

Variability – Waste - Inefficiencies

We all know there are many inefficiencies in our processes. What can we do about it?

Process Management through Six Sigma!

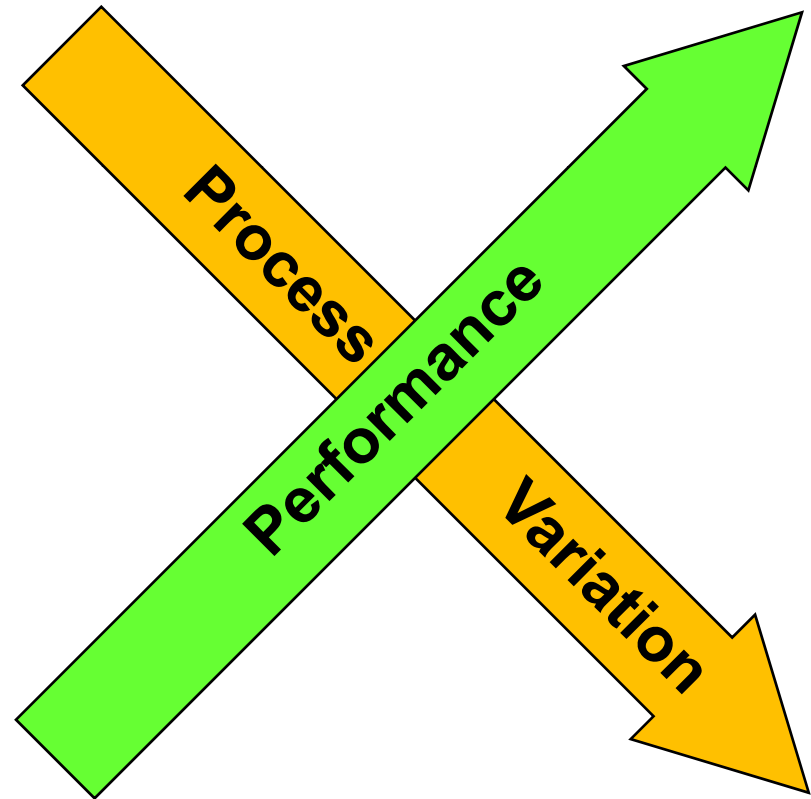
Six Sigma can help you maximize efficiency and reduce variation in business processes to improve organizational performance.



Improving Organizational Capability

Six Sigma is a systematic methodology for improving the capability of organizations.

The increases in performance and decreases in process variation that result from using Six Sigma help organizations become more customer focused and profitable.



Processes

- What is a *process*?
 - A series of sequential and parallel steps or actions that lead to a desired outcome.
- Example:
 - Joe delivers lab specimens from the medical center to a processing company. The particular specimens Joe delivers must arrive within 90 minutes or they must be discarded. Joe usually arrives on time, but occasionally is late.
 - The ***process*** is all of the actions and steps taken from packaging the specimens for transport up to and including receipt of the specimens at the processing center.

Goal – Desired Outcome

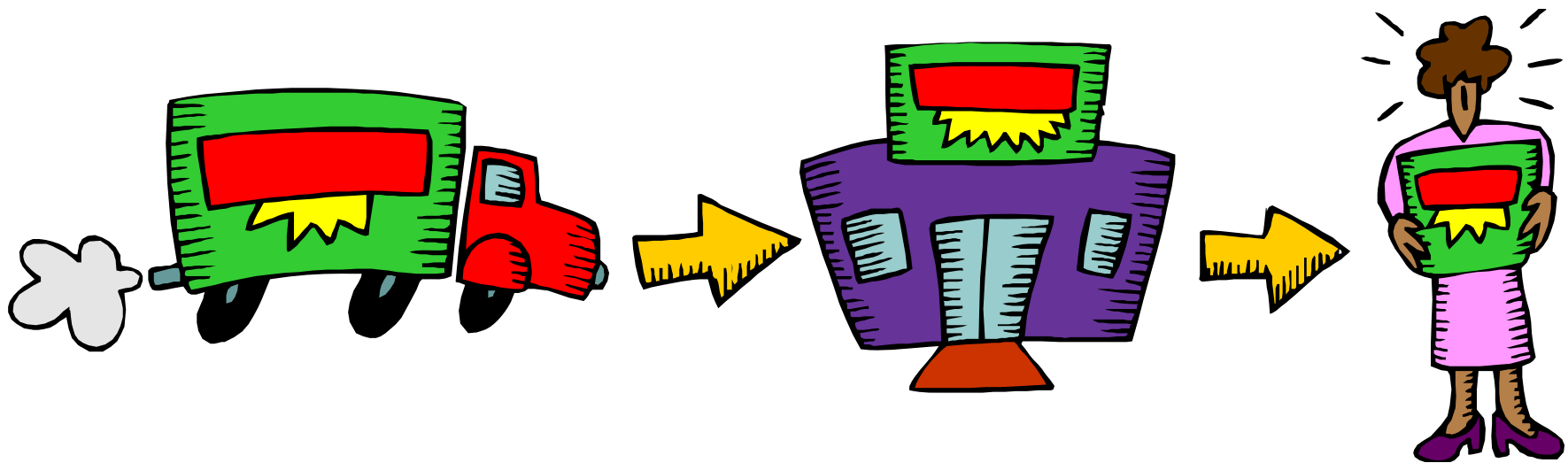
- For the delivery process, the goal is to deliver the samples within the required time.
- For a call center, the goal is to assist customers with their need in a timely manner and leave the customer satisfied or better.
- For an application development group working on a software project, the goal is all requirements met (only specified requirements) on-time and on-budget, and customer satisfied or better.

Variation

Variation

- During the delivery of the lab specimens, there are many factors that can affect the time the samples are delivered.
- These factors are the components of process variation.
- Variation exists in all processes. Taguchi said variation is “EVIL” and he is right. Both customers and internal departments feel the highly negative effects of variation.
- Process variation can be minute or huge.
- Large or small is relative to the process and average of the metric used.

Elements of Processes

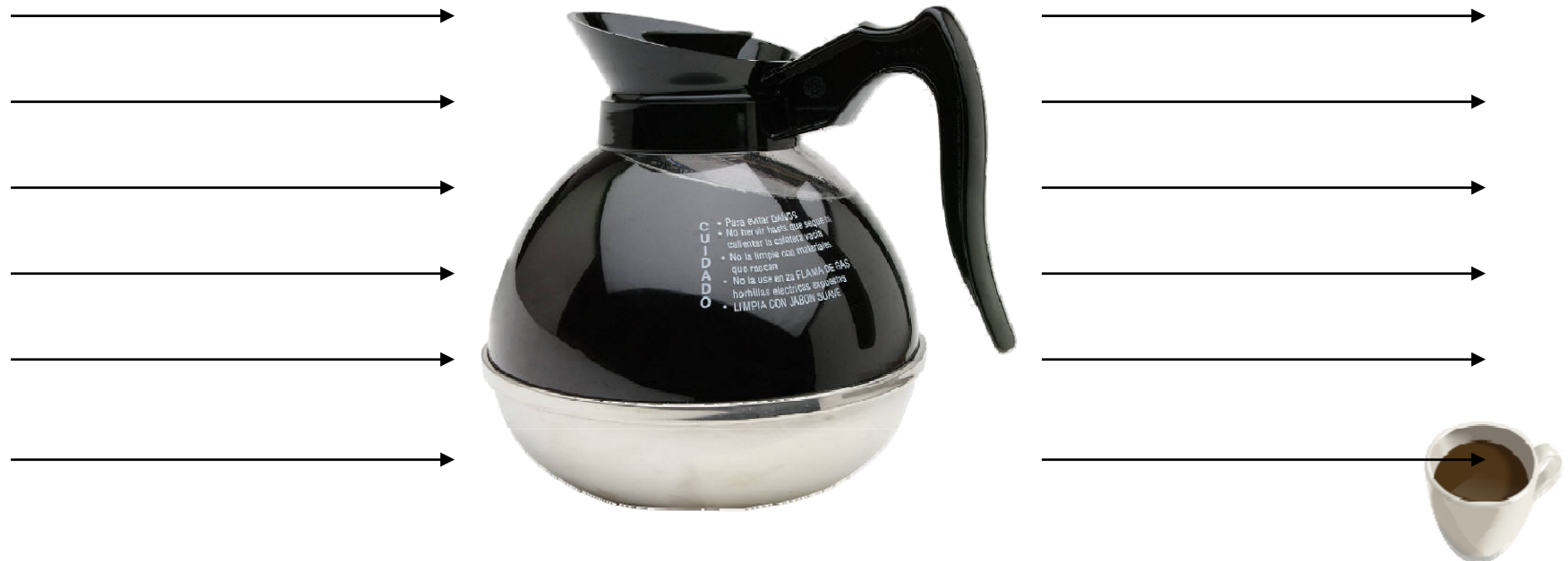


Elements of Processes

- Processes have Inputs, Outputs and Process functions
- In the lab specimen delivery example, the time it takes to depart the medical facility, the speed Joe drives, the traffic encountered, and weather are examples of **inputs**.
- The loading of the specimens, the driving to the processing center, and the physical delivery of the specimens to the right person are examples of **process functions**.
- The actual time the process takes to complete the delivery is an **output**.

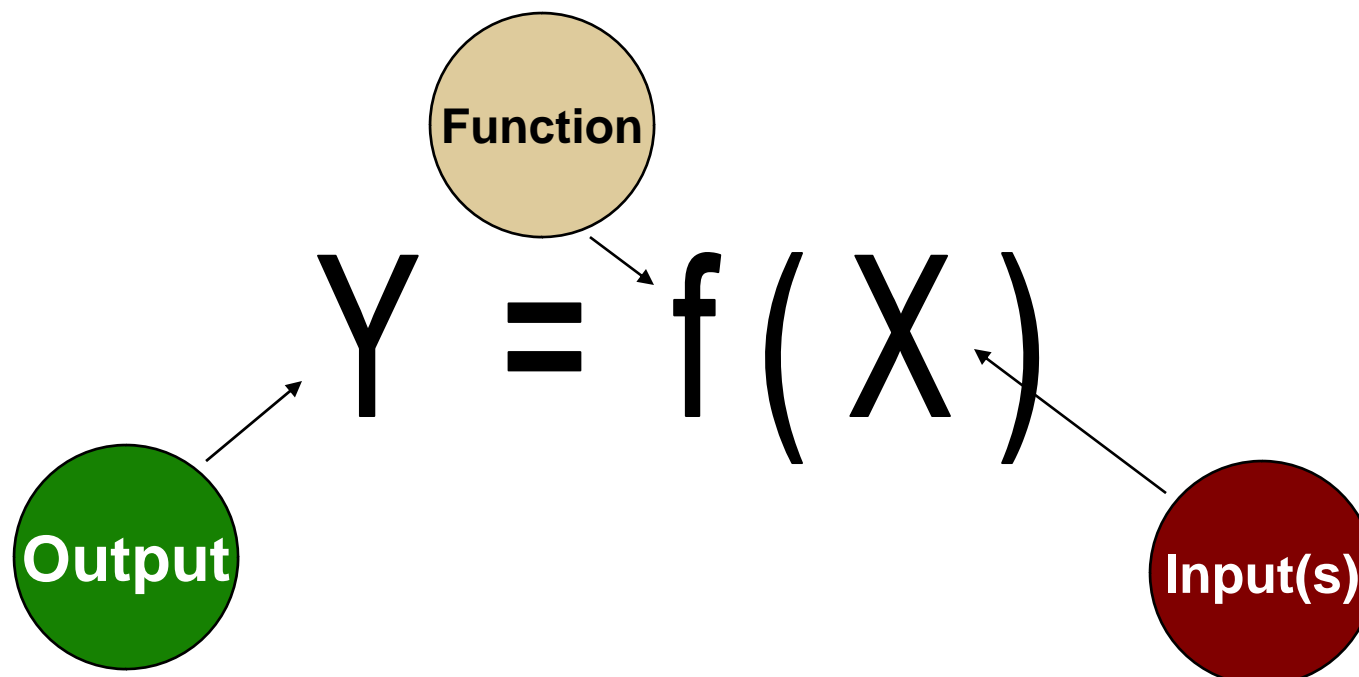
Coffee Brewing Example

- For now, think of the actual coffee brewing process as a “black box”
- List at least 4 inputs to the **coffee brewing process** and at least 3 outputs.



$$Y=f(X)$$

- You probably remember from basic math the generic equation, $y=f(x)$, read y is a function of x or x 's.
- It can be read another way, too –
the output is a function of the input(s).



Functions

Primary Functions

- Involved in the actual, physical creation of the product or service, the sale or transfer of products or services to customers, and customers assistance and support after the sale.
- Primary functions **create value** for the company and are classified as **Value-Added** in value-stream mapping.

Support Functions

- aka enabling functions. Provide necessary resources or inputs to the value-creating primary functions.
- Supporting functions and departments quite literally “support” the primary functions.
- Support functions are classified and **Non-Value-Added** in value-stream mapping.

Functions

Primary Functions

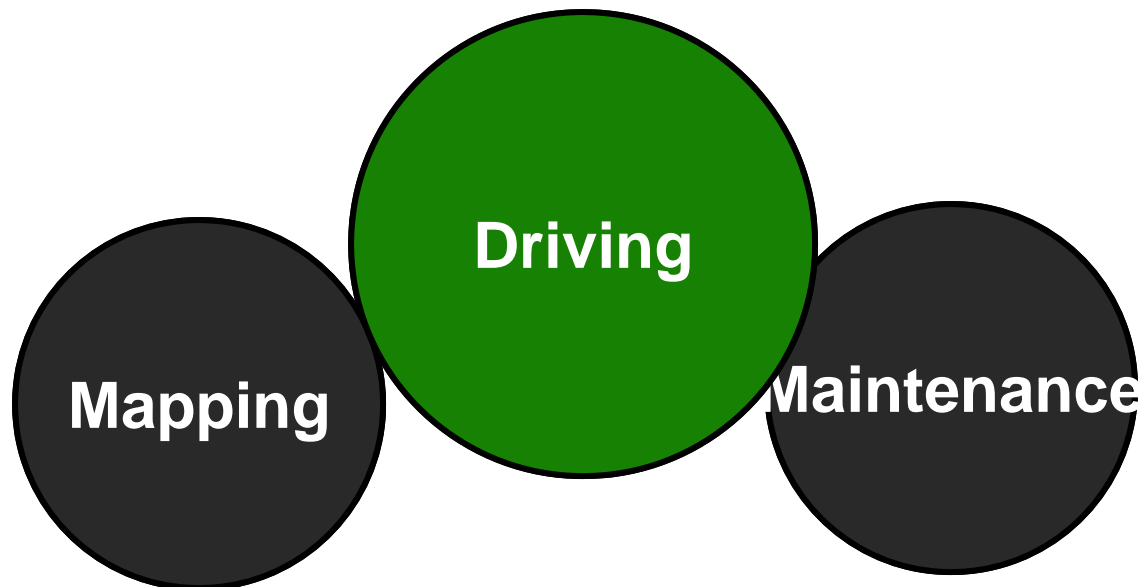
- Include sales, marketing, customer service and support, manufacturing, product design and engineering, some IT functions.

Support Functions

- Include human resources, finance, procurement, most management, most IT functions.

Functions – Delivery Example

- In the delivery example, Joe driving the samples to the processing center is the primary function in the process.
- The persons mapping his route and maintaining the vehicle are examples of support functions.



Outputs – Two Types

Key Process Output Variable (KPOV)

- Characteristics of process outputs that are important to the customer
- The needs of the customer, internal and external, are vital to understanding the essential process outputs.

Critical to Quality (CTQ)

- Customer expectations of a product, usually called Voice of the Customer (VoC)
- CTQ is about the specific requirements of the customer (upper and lower specification limits) that are linked to customer quality product or service needs and desires.

Outputs – Specifics

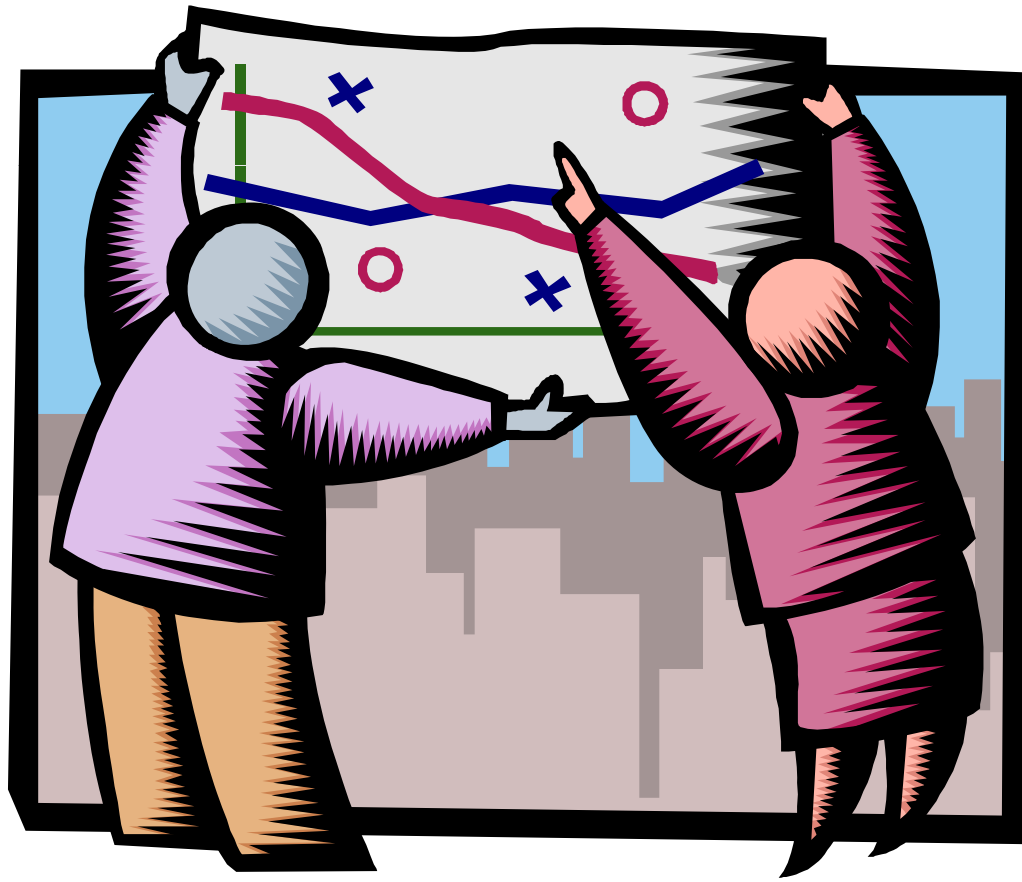
Key Process Output Variable (KPOV)

- Bottle caps
- Six Sigma Productivity projects
- Cardholder call center contacts
- Quick meals on the go

Critical to Quality (CTQ)

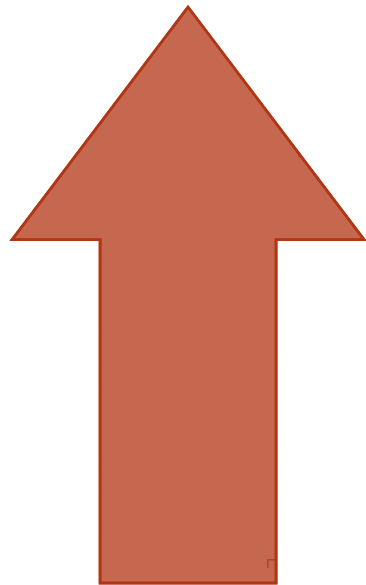
- Royal blue to match their branding, width = 2cm +/- 0.02cm
- At least 10 completed each year and more than \$150k average savings per project
- Average Customer wait time < 30 sec including IVR, > 90% calls successfully closed in less than 2 minutes, no customer on hold more than 3 minutes, happy w/ experience
- Low price, good flavor

Six Sigma Business Strategy



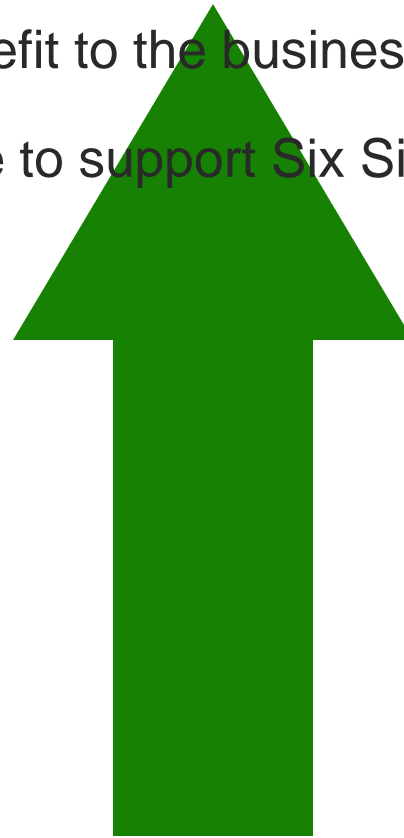
Focus On Customer

- Six Sigma projects focus on parts of the business that address the needs of CUSTOMERS and yield benefit to the business
- Success depends on the infrastructure to support Six Sigma teams



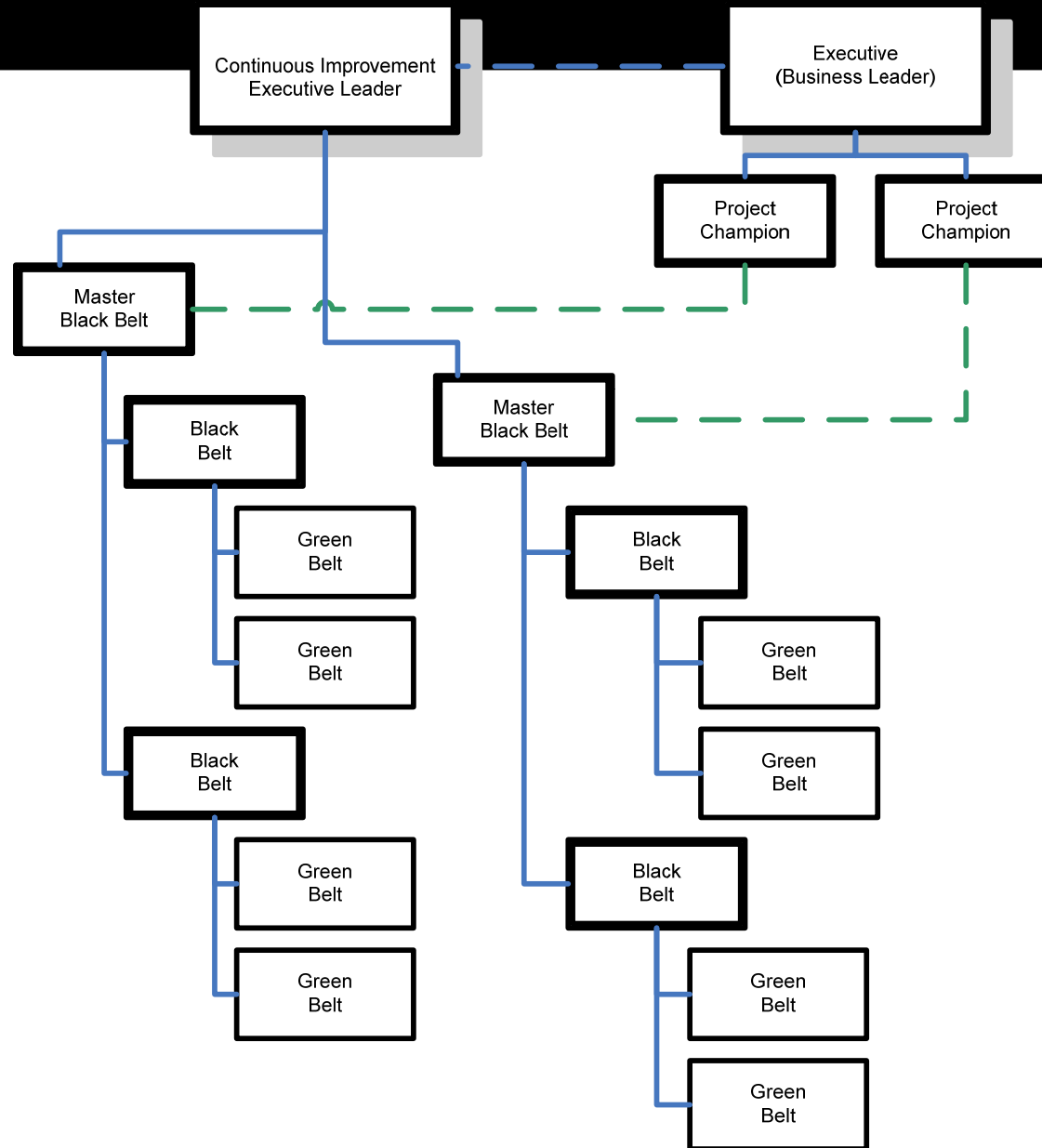
**Customer
Delight**

=



ROI

Effective Organizational Structure



Executive Layer

- Includes C-Level Leaders, such as the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Operating Officer (COO), and other members of the executive team.
- Presidents, Vice-Presidents, Exec. Directors, etc. may be part of the Executive group.

Executive Layer

What Executives MUST convey to facilitate success:

- Undisputed, unquestionable and uncompromising commitment to the Six Sigma process
- A Six Sigma-related strategic business objective with metrics and bonuses tied to the goal

How?

- Visible Supporter
- Shared Vision
- 30,000-Foot Metrics

Executives – How?

Visible Support

- Open and consistent commitment to the program

Shared Vision

- All executives giving pep talks to their teams when the process becomes difficult – showing support for the initiative no matter what – performance incentives to team members

30,000-Foot Metrics

- Aligning Six Sigma project metrics to the high-level strategic business goals – leave the detail-level metrics to the Six Sigma teams

Executives – How? – Do & Don't

The "Do"s	The "Don't"s
Visible Support	
<ul style="list-style-type: none"> • Give speeches, distribute memos • Be an active and vocal proponent in eyes of employees at all levels • Give public recognition for team members 	<ul style="list-style-type: none"> • Grumble or complain about Six Sigma even when the going gets tough • Keep your commitment to yourself • Forget to show appreciation for the teams that are making it happen
Shared Vision	
<ul style="list-style-type: none"> • Provide performance incentives to Six Sigma teams • Promote capable team members to senior positions in Six Sigma teams • Encourage competition between teams 	<ul style="list-style-type: none"> • Set unrealistic goals or expectations • Expect team members to juggle too many projects at once • Be stingy with performance incentives
30,000-Foot Metrics	
<ul style="list-style-type: none"> • Always keep your eye on the big picture • Anticipate future business needs and align teams to address those needs • Consider the benefit to the whole organization • Improve at a faster rate than the competition 	<ul style="list-style-type: none"> • Get stuck in the details quagmire • Micromanage the teams • Require long presentations and reportouts • Be fickle with shifting priorities caused by the "Tyranny of the Urgent"

Executive Summary

- Executives are crucial to the success of Six Sigma
- Executives must view the world from a high level
- Empower the Six Sigma team to deal with the details



Project Champion

- Senior managers who oversee Six Sigma projects
- The Champion is a primary customer of the project team's solution
- The Champion, like the executive, is hands-off on the project execution

Champions Job

Remove barriers to the team's success

- Clear administrative and organizational hurdles and red tape that could impede the team

Communicate the Vision and align resources toward vision achievement through strategic objectives

- Help the team understand the big picture set by executives and how the team's project fits into the vision.

Identify and prioritize projects to accomplish the strategic objectives

- Help the team's take on projects that create the most value in achieving the corporate vision.

Continuous Improvement Leader

- Drives improvement targets into the executive-Level performance objectives
- Finds and develops passionate and enthusiastic project Champions (strongly linked to previous item)
- Works with executives and Champions (Continuous Improvement Council or Steering Committee) to develop high-priority projects with proper scope, benefit, and strategic alignment
- Sets direction and goals for Continuous Improvement Team
- Empowers Master Black Belts and Black Belts with authority for project execution
- Reports high-level project status (all MBB, BB, & GB projects – timelines, stage, status [G-Y-R])

Master Black Belts

Change Agent

- Facilitate organizational change including: Procedures, structure, processes, corporate culture, and other organizational changes that link to corporate strategy

Training

- Six Sigma, Statistics, Lean and other process improvement training at all organizational levels

Coaching

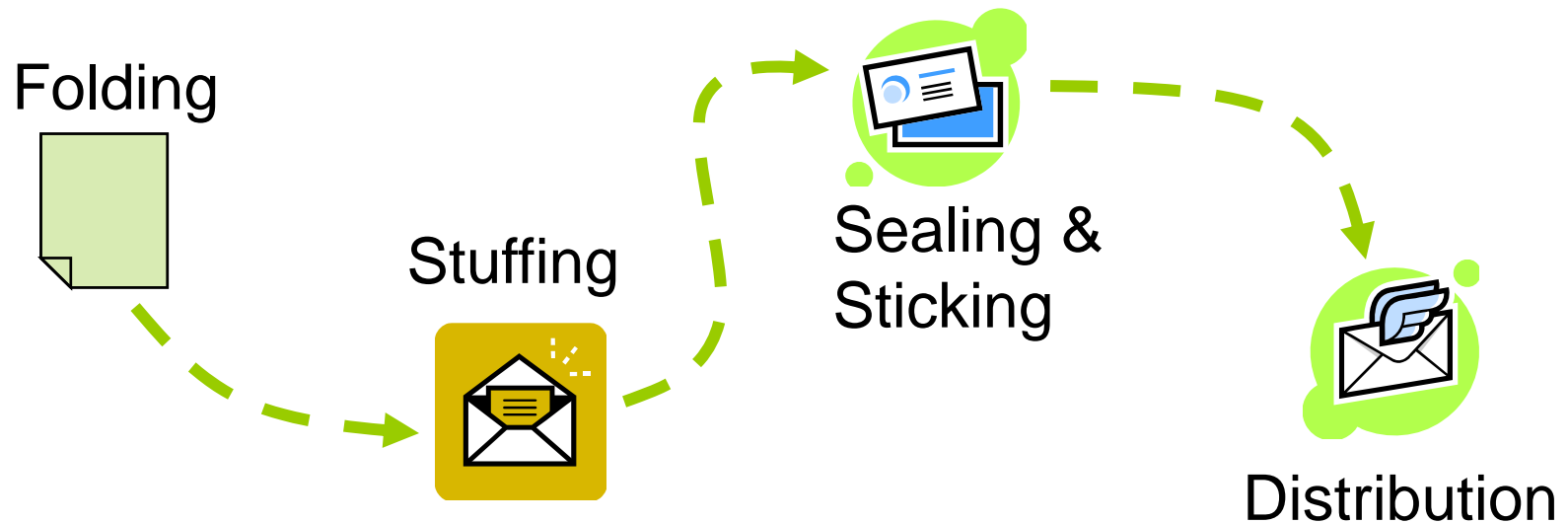
- Black Belts, Green Belts, and other process improvement project leaders

Black Belts

- Extensively trained in Six Sigma and statistical methodology. BB's ensure the Six Sigma methodology is followed on process improvement projects
- Team leaders for difficult process improvement projects
- Develop project plans as part of the standard PMI® project management methodology to help projects stay within budget, on schedule and within scope
- Calculate project savings and track those savings for 12 months after project close

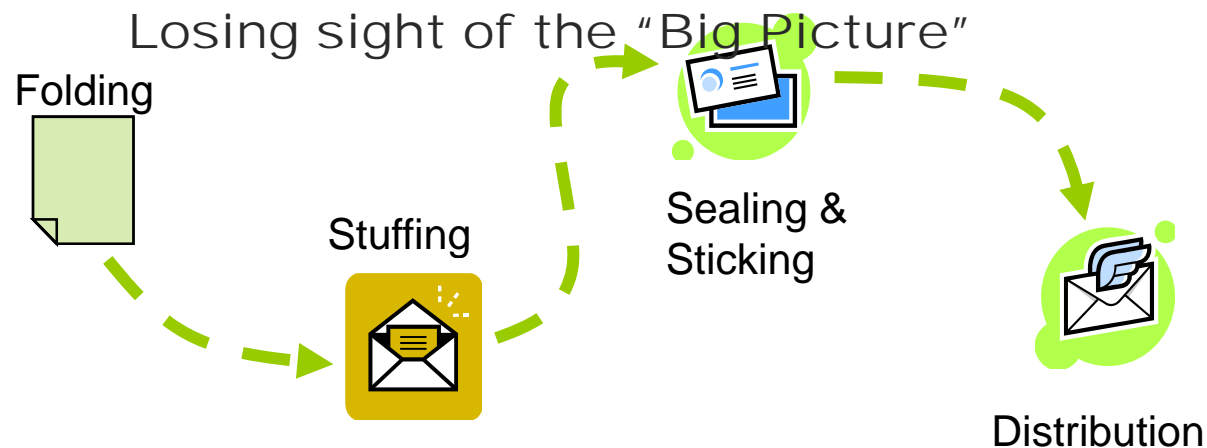
Core Processes

- Consider a major target media company (aka Mailed Coupons). They specialize in mass mailings of area-targeted coupons. The company divided itself into four distinct and autonomous business units based on job function: Folding, Stuffing, Sealing and Sticking, and Distribution



Core Processes

- Over time, each area had a managing director and their own internal infrastructure. The company encouraged the business units to make their own decisions and develop their own team goals.
- The folding team decided they would boost productivity by 100% by halving the number of folds to one per page.
- Right after implementation, the company ground to a halt.



Core Processes

- The previous example, though it sounds ridiculous, happens all too often in business.
- Different areas with competing goals, making decisions unilaterally that affect other areas of the business negatively happens all the time.
- The one most affected by this is usually the end customer in terms of quality, cost, or timeliness of product or service.

Core Processes

- Six Sigma and Lean take a systems approach and look at the customer needs first, then the entire process to meet those needs.
- While everyone likes to think the business process he or she performs is the most important in the organization, the fact is businesses have only a handful of processes that may be considered core processes, also known as value-creating processes.
- Companies often mistake support processes for core processes, and therefore expend time, money and effort on the wrong things and for the wrong reasons.

Core Processes

To determine if a process is a core process ask:

- Does the process cross multiple departments?
 - Core processes involve multiple resources to produce the desired output for the customer. Support processes are more compartmentalized.
- Is the process revenue generating?
 - Core processes create value for the company. Support processes help core processes do their job and rarely create revenue. Internal processes are not revenue generating, even if they charge other departments for their time.
- Is the process customer focused?
 - Core processes directly impact the product or service the customer receives. Support processes typically don't directly add value to the product or service.

Identify Core Processes

- Sales, Marketing
- Customer acquisition and support
- Manufacturing
- Order fulfillment
- Engineering, Quality
- Environmental, Health, Safety
- Finance, Accounting
- HR, Facilities, Security
- Training, IT, Compliance

Core

Support

Six Sigma Project?

- Is this a Six Sigma project?

Unlikely

- Joe works at an online bookstore. Significant resources are used to ensure the store's inventory meets customer demands. Joe listed the inventory process as a core process and a potential for a Six Sigma project.

The inventory process involves shipping and receiving, administrative support, accounts payable and receivable, and IS.

The bookstore earns money by selling books to customers using their e-commerce site. The inventory process does not generate sales of money for the bookstore.

The store's customers order the books online and have them shipped to their door. The inventory process is of little concern for the customers, they just want their correct books on time.

Six Sigma Project?

- Is this a Six Sigma project?

Likely

- Vicki works for a shipping company. Customers bring in items for shipping and Vicki's company packages them and arranges shipping according to customer needs. Vicki listed the shipping process as a core process and a potential for a Six Sigma project.

The process begins at Customer Service, where an attendant receives the item and determines the customer's shipping needs. Packaging is next, followed by Transport where it is delivered to the proper courier service.

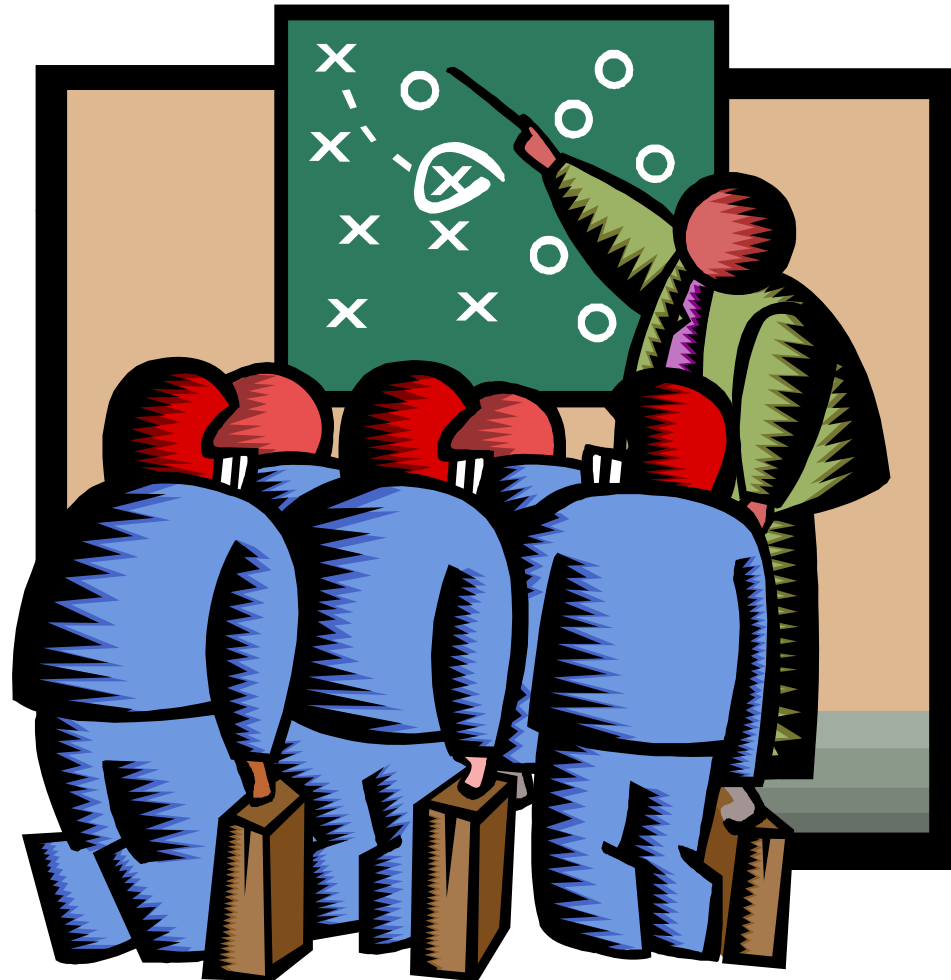
Vicki adds 15% surcharge in addition to shipping costs. Also, she charges customers for packing materials at 10% over cost.

The process is designed to meet the needs of customers and they come to Vicki's company for shipping services.

Exercise – Identify Core Processes

1. List as many of your company's business processes as you can. Consider using policies and procedures to assist you. Come up with at least ten. (Example: Period Close)
2. For each process listed ask: "Does this process cross multiple departments?" List only those that do.
3. Next ask: "Is this process revenue generating?" Subset the list again.
4. Finally, ask: "Is the process customer focused?" These are potentials for Six Sigma projects.

Elements of Process Management



Elements of Process Management

- Joe runs a nationwide chain of inbound call centers. For years his company was number one in its market. Companies around the country outsourced their customer service functions to Joe's company and they were always satisfied with the services they received.
- Confident that they were doing the right things and doing those things right, they believed their customers were loyal to them, no matter what, Joe and others neglected to ASK customers about their needs. Joe believed he knew the needs of his customers because of his many years experience in the industry and with the help of surveys. This proved to be a very big mistake.

Elements of Process Management

- Joe realized his company was in serious trouble when a new competitor entered the market. They offered many high-tech options that were much more streamlined than Joe's archaic processes resulting in huge savings for customers and faster – easier – better service too.
- Since Joe had not really considered his customer's changing needs, he was not in a position to compete with the services the new company offered.
- Soon Joe's company found itself in a very different position. They were now cutting prices before they could handle the reduction in revenue, they began RIF's, and all the while they were hemorrhaging market share.

Stop The Bleeding

Hopefully, BEFORE it begins

By linking business processes to customer needs and their changing needs, there are many benefits:

- Alignment between business and marketplace
- Minimization of defects impacting customers
- Improved process design
- Continually improving the business – getting better in everything you do to the delight of your customers

Here is the Tourniquet

Align Business & Marketplace

- Staying on top of market trends and technology – Delivering these in a way that meets or exceeds customer expectations

Improve Process Design

- Part of meeting or exceeding customers needs in continually improving the design of your processes. Step back, look at the big picture of what the process is trying to accomplish. Don't just accept the current process design as Gospel.

Minimize Defects

- Continually improve everything you do to ensure high quality products and services to your customer

Improve Business Processes

- Part of improving what you do means improving how you do it too. You should always be asking yourself, “Is value created in this business process consistent with the needs of our customers?”

Marketplace Intelligence



Marketplace Intelligence

Do you really KNOW what your customers need and want?

What if the truth is that you only THINK you know what they want?

- There may be a big difference between what you think they want and what they really want, just ask IBM what they thought when the PC market began to blossom.
- You may be able to provide the best lamplighting service in the world, but that probably won't keep you from going out of business.

Marketplace Intelligence

- Businesses that use Six Sigma must be completely in tune with the needs of their customers or be striving diligently to close the gap.
- Must have or develop disciplined processes for assessing customer needs
- Must be flexible enough to meet the changing needs of customers

Business Strategy

Marketplace Intelligence

Six Sigma links process improvement to business strategy and customer requirements.

How?

1. Collect quality customer information
2. Analyze customer information
3. Act on the customer information analysis

Collect Quality Customer Information

Though many companies assume they know what their customers want and need, they often don't. What customers want and expect today may be different from what they found acceptable yesterday.

Regardless of how long you've been serving your customers or how well you think you know them and the industry, it is essential to engage in ongoing dialog about the customer's wants and needs.

- Collect information:
 - Control assumptions
 - Listen to the Voice of the Customer (VOC)
 - Ask effective questions

Voice of the Customer

Michael Dell changed the retail computer market by keying off the Voice of the Customer. Customers wanted fast, easy, hassle-free, safe way to buy new computers and have them delivered to their door.

- He listened and delivered.

Swiss watches lost significant popularity in the early 80's when Japanese and American watch makers used quartz crystal technology to meet customers' needs for low-cost, highly accurate time pieces.

Swiss watch makers, being unable to compete on accuracy – where they were once the world leader, targeted a different market share – the elite. They switched their business model by listening to the voice of a different customer.

Voice of the Customer

- By truly **listening** to the voice of your customer you will provide them world-class service and high quality products designed to suit their specific needs and expectations.
- VOC is also a **PROCESS** of determining you customers' needs and there are effective ways and ineffective ways to capture the VOC.

Effective

Indirect discussion, focus groups, customer surveys, surveying, telephone and online interviews, customer panels, observation, warranty data, complaint logs, customer education events

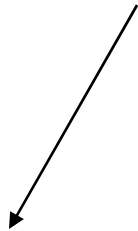
Ineffective

- Anecdotal incidents relayed by sales staff or feelings and hunches of senior managers.

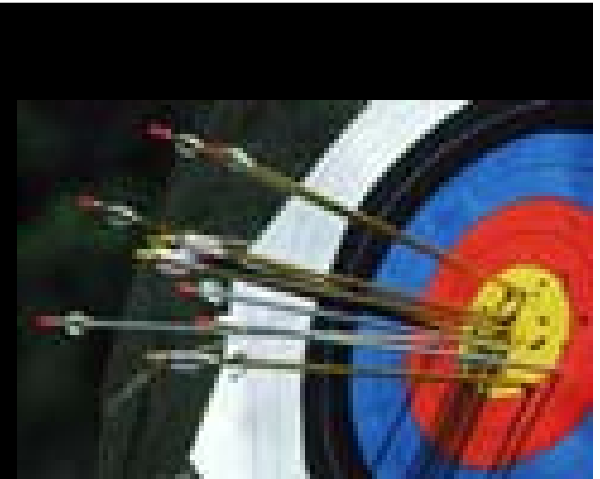
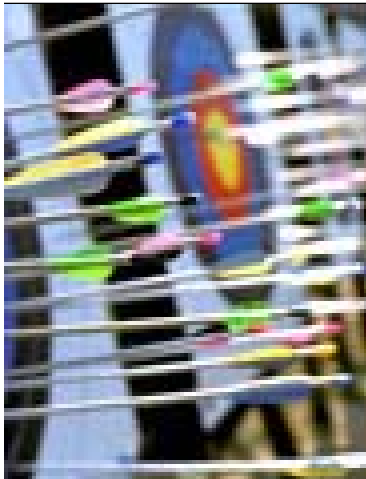
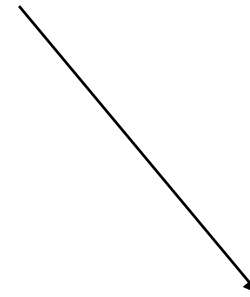
Voice of the Customer



- VOC is not a guessing game
- VOC is NOT based in isolated incidents, hunches or assumptions.



- VOC must be based on valuable data thoughtfully collected and have statistical validity.



Voice of the Customer

Right

- The right questions are open ended and allow customers to elaborate on their feelings, experiences, needs, and wants.
- If you choose to use a rating scale to categorize customer responses, ALWAYS allow for customer comments.
- ALWAYS ASK: “What is most important to you about the services we provide?”

Wrong

- The wrong questions are close ended (e.g. Yes/No questions), or questions that do not allow customers to quantify and qualify their responses.
- The more information the better. It is much better to have a Likert scale (e.g. Very Satisfied, Satisfied, Neutral, Unsatisfied, Very unsatisfied) than Satisfied/Unsatisfied responses.

Analyze VOC

- Once you've collected VOC information, analyze it.
- Organizations that use Six Sigma focus on translating data into usable information to drive business decisions.
- Six Sigma experts ensure business processes are designed to meet or exceed the specific needs, requirements and desires of customers.

VOC Drives Requirements

- The main objective of analyzing customer information is defining **customer critical requirements (CCR's)**.
- CCR's are the real or implied elements that make or break a deal in the customer's mind. They are the factors that determine whether a customer will do business with your organization.
- Failing on the CCR's often the difference between SALE or NO SALE
- CCR's are moving targets, they change so you must keep up.

How do you identify CCR's?

Identifying CCR's

Appropriate

- Use advanced statistical tools to analyze customer data.
- Through statistical analysis, pinpoint an exact profile of your customers and key in on CCR's.
- Changes in CCR's must be constantly monitored.

Inappropriate

- Don't draw conclusions about customer needs without statistical analysis – you will be wrong too often.
- Don't make analysis a one time, or limited time activity – the process must be an ongoing business process.

Act on Customer Information

- The last step in aligning your business processes with customer needs (CCR's) is to **act** on the VOC information.
- Don't get bogged down in the same old analysis paralysis – collect good information → analyze the information statistically → have the courage to follow through and act on the information.
- Aligning business processes with customer needs does not mean accommodating customer whims.

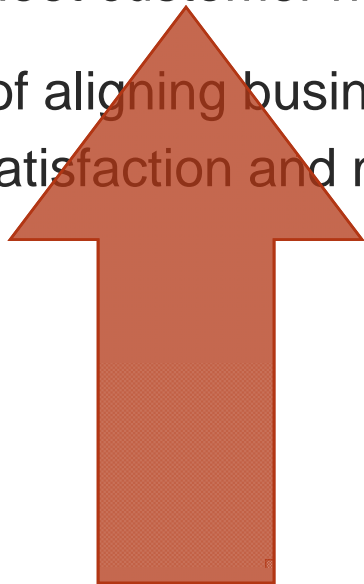


Unhappy Customers

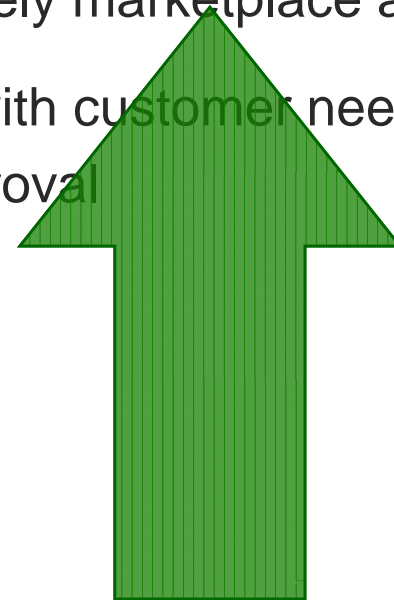
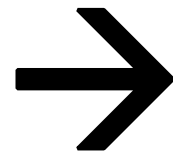
- Too often, customers become disillusioned with a business because of inflexible policies or the inconvenience that the business' internal policies create for them.
- If you have internal policies that negatively affect business flexibility and speed to market, your business existence may depend on action to streamline your processes before a competitor takes advantage.
- Don't try to cost-cut your way to success. Streamlining business processes does not mean slash and burn.

Customer Satisfaction

- Aligning business processes with customer needs requires time and commitment.
- Collecting, analyzing and acting on customer information will help you company meet customer needs and ultimately marketplace approval.
- The effect of aligning business processes with customer needs is customer satisfaction and marketplace approval.

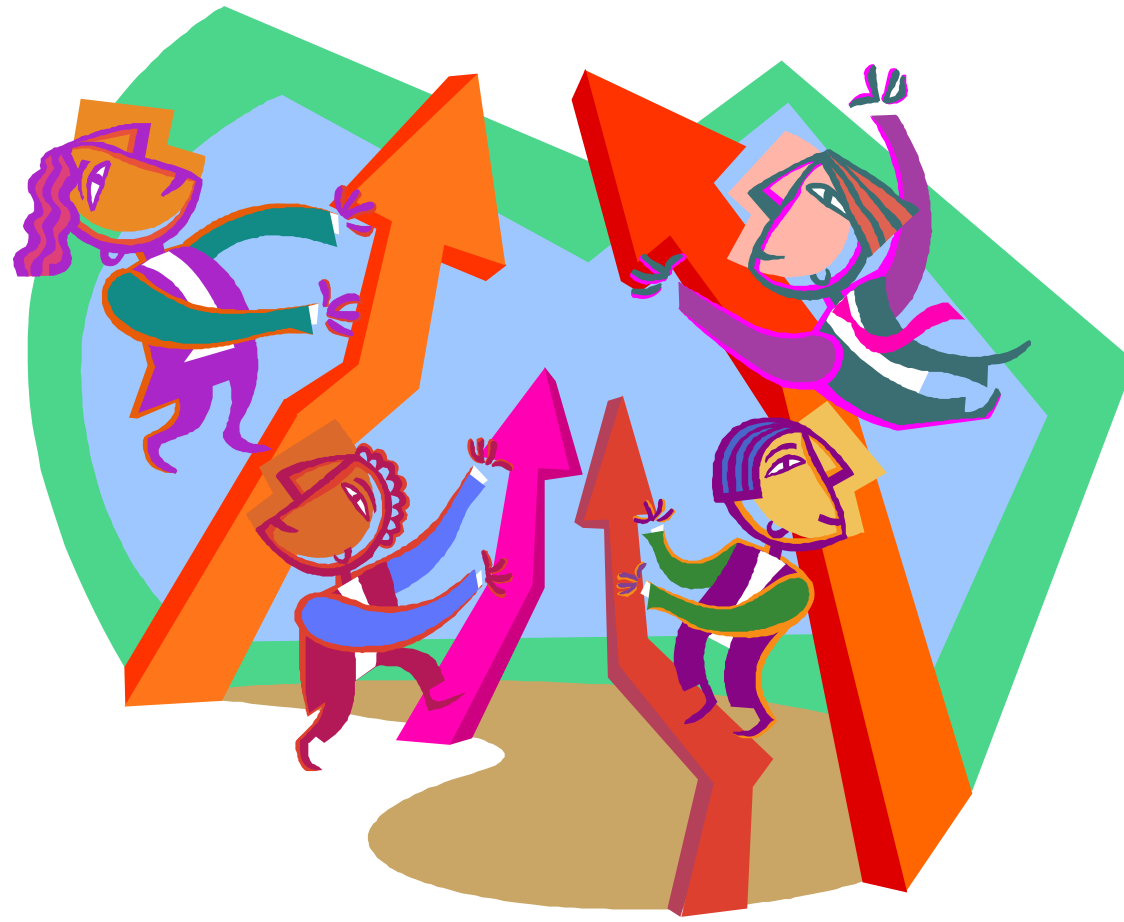


**Customer
Delight**



**Marketplace
Approval**

Attaining Strategic Improvement



Attaining Strategic Improvement

- Six Sigma can help any organization attain strategic improvements if the organization is ready and willing to go through the extensive amount of work required to make the program successful.
- Are you ready and willing?
- Requirements for Attaining Strategic Improvements:
 - Management involvement
 - View quality as an asset
 - Horizontal organization mindset

Management Involvement

- For Productivity initiatives and Six Sigma to succeed, management involvement is not an option – it is mandatory.
- The best way to secure management involvement is through strategic objectives.
- Tie Productivity project metrics to strategic business objectives.

Management Involvement

- Human nature is to accept the status quo. Often people live by the “If it’s not broken, don’t fix it.” mantra. The main trouble with this is that most people living within their business processes don’t know just how broken it is.
- Push your organization beyond the status quo to a new level of excellence.
- Do this by redefining what you consider high quality products and services – take your customers’ perspectives.

Management Involvement

- Make the value clear to management.
- Six Sigma metrics, on their own, can sometimes seem irrelevant to senior managers. Unless the metrics are strongly linked to business goals management may not clearly recognize the value.
- Encourage your teams to link their project metrics to strategic business objectives and accept nothing less.

Quality as an Asset

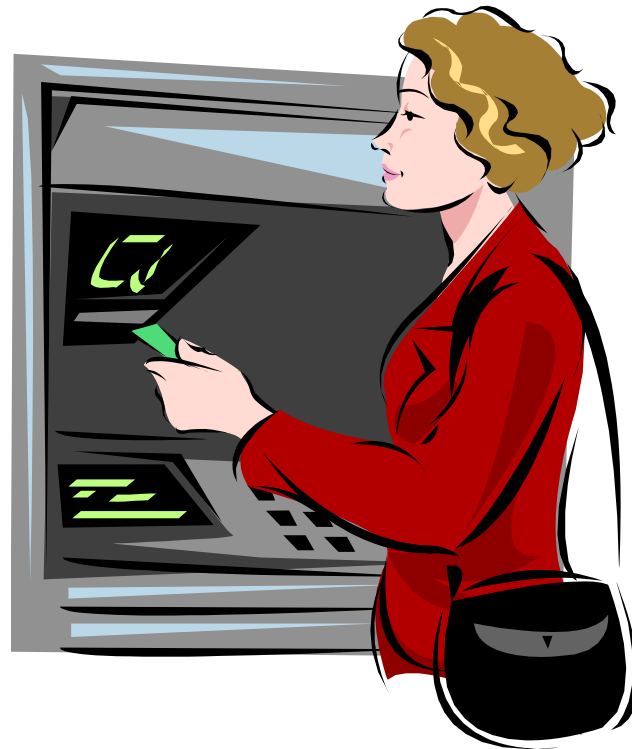
- Some organizations get frustrated with the amount of time and money it takes to develop and execute a Six Sigma initiative.
- It does take time and money. Historically, well-run Six Sigma initiatives return far more money they cost. Poorly run initiatives, Six Sigma or otherwise, end up failing and costing more than they return.

Quality as an Asset

- Organizations that view quality as an asset willingly spend the money and allocate resources necessary to run the Productivity program. They realize that the benefits from the Productivity initiative won't happen instantaneously, but the benefits will come and have a cumulative effect on the business. They are patient and supportive while waiting.
- Organizations that view quality as a liability get very nervous about the money being spent on the Productivity initiative. They try to get members of the Productivity teams to multi-task too often. They may be reluctant to hire the necessary people. If your company is in this category, it's easy to predict the Productivity initiative end result.

Horizontal Mindset

- Customers see getting money from the ATM as one interaction – one transaction. They don't care what it takes and all the steps needed to make this happen, nor should they have to worry about such matters.



Horizontal Mindset

- Companies often organize their business vertically.
 - Customer Service is separate from Accounting, which is separate from IS, which is different from Sales, and so on.
 - Often the departments are disconnected from one another even though services are closely related and may even pass through many or all departments to meet customer needs.
- Customers see organizations horizontally. Customers see the business as one interaction with the company, not multiple interactions with multiple departments, nor should they.
- **THINK LIKE YOUR CUSTOMERS!**

Horizontal Mindset

Vertical Mindset

- Focus more on subgoals, sometimes at the larger expense of organizational goals
- Departments and the functions they perform are seen and behave like separate entities and operate independently

Horizontal Mindset

- Focus on big picture
- Think like the customer and create processes that support the customer experience

Horizontal Mindset

- Companies with a horizontal mindset are agile and efficient.
- Think about the Credit Union enrollment process. There are several departmental boundaries the process crosses.
- Do we focus on the enrollment process from a customer perspective?
- Are there parts of this “process” that make the customer seem like a nuisance?
- Are we focused on completing this process efficiently, timely and accurately?

Attaining Strategic Improvement

- Requirements for Attaining Strategic Improvements:
 - Management involvement
 - View quality as an asset
 - Horizontal organization mindset
- If your organization has these elements there is a high likelihood you will make the program successful.

Effective Metrics for Six Sigma



Effective Metrics for Six Sigma

- Many companies collect data – lots and lots of data – numbers for everything – pieces of mail that flow through the mailroom – gallons of floor wax maintenance uses per year – etc.
- They have statistics about sales, employee turnover, cost of doing business.
- Many businesses have all this data and still don't have a good handle on where the business is and where it's going.

Effective Metrics for Six Sigma

- Metrics are statistical tools that are used to measure and understand the quality levels of the business products and services.
- Good metrics focus on measuring the process, not the products and services themselves. Sound contradictory? It's not!
- Only by measuring the process can you detect and determine the where, when and how of process failures that lead to poor quality services and products. By measuring the end result (the product or service itself) you can rarely determine root-cause, and you can never catch it or prevent it before it happens.

Effective Metrics for Six Sigma

Three characteristics Six Sigma metrics should have:

- Customer focus
- Cross functionality
- Informational

Customer Focus

Six Sigma metrics generally emphasize customer service or customer value

Customer Service

- Customers' interactions with the company
- Call center, web sites, catalogs, service reps, repairs, warranties, return policies, and others.

Customer Value

- Service quality, product quality, on-time delivery, price, ease of use, convenience, technological features, appearance, and others.

Customer Focus Metrics Examples

Before

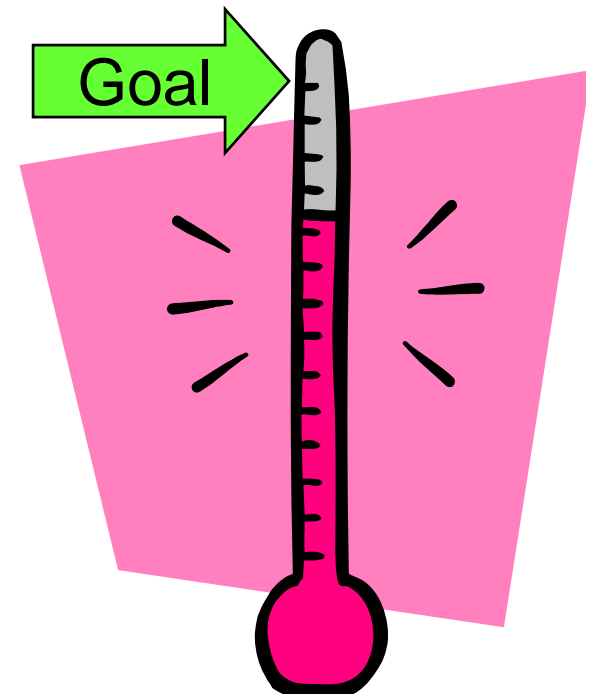
- Call center reps will handle a minimum of 20 calls per hour
- Product development will produce 10 new products per year
- Delivery personnel will arrive at the customer site within two hours of the assigned time

After

- Customers will have all problems resolved with one phone call to call center
- Customers will receive new products based on their needs through VOC
- Customers will receive all orders within a two-hour window

Cross Functionality

- Have you ever driven by one of those big thermometers to indicate how much money has been raised toward the goal?
- Seeing this by itself doesn't tell the full story does it?
- What if I told you today was the last day of their year-long campaign?
- What if I told you today was the third day in in the six-month campaign?
- Cross-functional metrics consider multiple aspects to assess progress toward the project goals.



Cross Functionality

Functional Metrics

- Number of new products created per year
- Time required to close IS help-desk tickets

Cross-functional Metrics

- Number of new products created per year with more than 100 credit union sales
- Time to successfully close tickets including call-backs with same issue

Cross-Functional Metrics Example

At a call center, first and second shift are being compared for call time.

Functional

- First shift has an average call time of 2.85 minutes per rep.
- Second shift has an average call time of 3.8 minutes per rep.
- First shift is praised for their excellent work at keeping the call times short.

Cross Functional

- First shift has an average call time of 2.85 minutes per rep with a 45% single-rep resolution.
- Second shift has an average call time of 3.8 minutes per rep with a 97% single-rep resolution.
- First shift is really just passing the buck to keep their numbers low.
Which shift would customers prefer?

Cross Functionality

- There is a real danger associated with not using cross-functional metrics – they don't have much context and often give an incorrect or inadequate picture of what is really going on in your business.

Informational

- The metrics must provide meaningful data and results framed in a way that the business benefits from the information.
- If the metrics don't do this nobody uses them for decision-making and nobody cares about them - get rid of them.

Informational

The "Do"s	The "Don't"s
•Use simple, straightforward language	•Use highly technical terms or words that could be confusing
•Include a time element (number of hours, days, etc)	•Ignore the importance of progress over time
•Make sure diverse team members will understand what is being measured	•Forget that not all team members have equal technical knowledge
•Make sure metrics are meaningful	•Waste time measuring and tracking data you can't use
•Relate metrics to business success	•Forget that executives will want to see how the team contributed
•Make sure metrics are specific	•Make people guess what you mean

Six Sigma Metrics

- If your metrics don't serve you well, modify them.
- Measure what is meaningful and important to the business and customers.
- Be sure the numbers are related to the big picture.
- Meaningful metrics drive Six Sigma organizations to improve business processes, which in turn deliver superior services and products that meet or exceed customer needs and expectations.

Summary

- Focus on Core processes
- Identify the Voice of the Customer
 - Determine the customer critical requirements (CCR)
- Align business strategies to meet VOC
- Have teams focus on these processes and link the team goals to business strategic objectives
- Make sure project metrics make sense and are linked to business performance and customer need



Thank you

Process Improvement, LLC