
The Case for Best Practice Six Sigma:

Increase Productivity & Profits while Improving Employee Involvement & Commitment How to Make Your Conventional Six Sigma Process Generate Better Solutions Faster

A Young Associates White Paper

Conventional Six Sigma® projects deliver 20-50% defect reduction after several months of effort. Best Practice Six Sigma projects achieve 90-100% defect reduction in just days to weeks, every time.

Not surprisingly, the financial impact of this difference is significant. Of the Conventional Six Sigma users who report results, the best report increasing Net Income by 1-1.5% of Sales Revenues. The Best Practice Six Sigma users increase Net Income by over 4% of Sales Revenues, and they have higher employee involvement, motivation, and commitment.

Best Practice Six Sigma systems are 4X more effective than Conventional Six Sigma. Upgrading to Best Practices is fast and easy.

How is Best Practice Six Sigma different from Conventional Six Sigma?

All Six Sigma processes start out by defining the problem, but then things change. The hardest and most critical part of problem solving is knowing where to start. The difference between Conventional Six Sigma and Best Practice Six Sigma is the first step in the process: Conventional Six Sigma uses Divergent Thinking with its Brainstorming-based techniques, while Best Practice Six Sigma uses Convergent Thinking with Observation-based techniques. Shifting from Brainstorming to Observation quickly improves the speed and completeness of any problem solving process.

- **Divergent Thinkers ask, "What COULD BE the root causes?" Then, they guess.**
- **Convergent Thinkers ask, "What IS different when problems occur?" Then, they observe.**

What are the Benefits of Best Practice Six Sigma?

Conventional Six Sigma

- Usually delivers 20-50% defect reduction
- Projects take several months
- Net Income increases by 1-1.5% of Sales
- Focus on Process Change sometimes prevents companies from using the process on their largest, most sensitive production operations
- Limited employee involvement, not everyone is viewed as a problem solver
- Low employee commitment
- Typically a TGIF environment (Thank Goodness It's Friday)

Best Practice Six Sigma

- Delivers 90-100% defect reduction every time
- Projects take just days, occasionally weeks
- Net Income increases by over 4% of Sales
- Non-invasive, Observation-based approach enables companies to use the process on even the largest, most sensitive operations
- Everyone is involved and viewed as a problem solver
- High employee commitment, enthusiasm
- Moves towards a TGIM environment (Thank Goodness It's Monday)

How does Best Practice Six Sigma improve motivation and commitment?

In Conventional Six Sigma, the network of "Belts" owns the Six Sigma process. Projects take several months, so the number of employees involved on project teams at any given time is small. Many (most?) employees never participate on a team, so they have little or no ownership of the process and low motivation.

In Best Practice Six Sigma, when teams start by observing the operation, they search for patterns and consistent differences between the best and worst outputs, and several changes occur.

First, the best observers are the people directly involved in the operation. They understand the details better than anyone else does. Upgrading to Best Practice Six Sigma means front line workers take a more active role in every project.

Second, the Black Belt or Green Belt who leads the project becomes more of a leader/facilitator by providing guidance to all involved, helping them to analyze their observations. Everyone is involved in data analysis and solution development, so everyone develops a much higher level of ownership and commitment.

Third, in the Best Practice process, investigators find all the root causes, so they eliminate 90-100% of defects. These superior results create a pride of ownership and level of commitment that never develops when teams only develop partial solutions.

Fourth, Best Practice projects take just days to occasionally weeks, so no one has time to get frustrated by slow progress. Enthusiasm stays high throughout.

Fifth, because projects are so much shorter, investigators complete many more projects, which means many more people work on projects, so overall involvement increases dramatically.

The end result is Best Practice Six Sigma creates a critical mass of involvement and enthusiasm, based on superior results achieved quickly, leading to much greater motivation and commitment.

How does changing to Best Practice Six Sigma affect existing Six Sigma infrastructure?

When the emphasis shifts to Observation, the role of the existing Six Sigma professionals evolves. They begin to operate at a higher level.

The Observation-based methods require greater involvement of the entire team throughout the process. The Master Black Belts, Black Belts, and Green Belts will spend more time teaching the rest of the team how to observe the operation effectively, in order to quickly find all the root causes. These "Belts" will become part facilitator, part instructor, part coach, and part leader as everyone becomes much more involved in projects. These leaders guide their teams to develop and implement better solutions, resulting in better productivity and profits for the company.

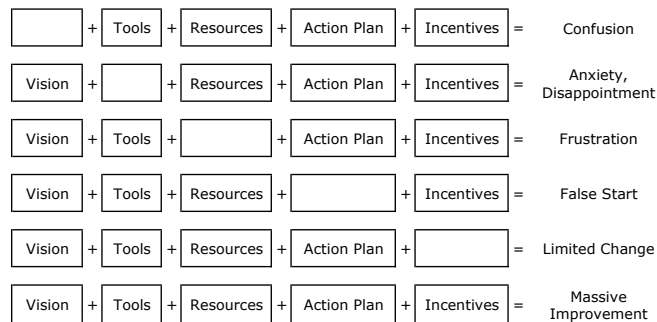
How do we make the transition from Conventional Six Sigma to Best Practice Six Sigma?

The beauty of the Best Practice Six Sigma process is its simplicity, power, and speed. Hundreds of companies have embraced this approach and made remarkable improvements quickly. Implementation success has been the result of two key factors.

The first is Leadership. Successful companies have had leaders committed to the Vision of improved performance. Often this commitment has grown out of a crisis – loss of market share due to inferior quality, declining profitability because of product performance problems, or situations where fighting fires has become the norm, not the exception. In one case, the leader learned his company was losing market share because its quality was over 1000 times worse than that of his off shore competitors. In another case, a \$100 million per year plant was operating at a -15% ROS and was about to be closed down. In both cases, leadership became committed to finding a better way.

The second key factor is providing the improvement teams with a powerful Strategy (Convergence, not Divergence) and Tools (Observation, not Brainstorming) that solve problems quickly and completely. When people are led by a Vision and have Skills powerful enough to accomplish it, magical things can happen. In the first case, the company made a company average 1000-fold improvement in quality to become world class competitive. In the second case, the plant went from losing \$15 million per year to earning a 4% profit in less than two years.

While Vision, Strategy, and Tools are necessary, they are not sufficient. One must also have the Resources (the time and manpower to investigate, and sometimes money), an Action Plan (everyone knows where they fit in, and what are management's expectations), and Incentives (recognition for achieving results). When all five elements are present, massive improvement occurs. If one or more elements are missing, the Vision is not achieved, as shown below.



This white paper provides the Vision (90-100% Defect Elimination, even Zero Defects, is the Realistic Goal. To fall short is to be non-competitive.) It introduces the Best Practice Six Sigma Strategy and Tools that have achieved Zero Defects, and the beginning of an Action Plan (a roadmap for upgrading Conventional Six Sigma processes to the Best Practice level, to solve any repetitive problem). It is a leader's responsibility to embrace the Vision, and then to provide the Resources and Incentives for people to learn the Tools and pursue the Action Plan.

The following ABCDEFG Action Plan is specific to becoming a Best Practice Six Sigma company.

"A" is for Awareness. The first step is to be aware that a Best Practice Six Sigma process exists, and it is capable of achieving Zero Defects in any repetitive operation.

"B" is for Belief. Zero Defects is hard for people to believe when they have been living with defects and fighting fires for their entire careers. Having a Vision means believing Zero Defects is achievable.

"C" is for Commitment. A leader can be aware that a Best Practice exists and believe the goal of Zero Defects is achievable, but that is not enough. He or she must actively commit the organization to achieving that goal.

"D" is for Designate a Champion. The Champion is the leader within the organization who is responsible for learning the Best Practice process and creating the specific Action Plan with Resources and Incentives to achieve successful implementation. The Champion's responsibility is to lead the company to achieve Zero Defects.

"E" is for Establish and Educate the existing network of Six Sigma professionals about the Best Practice process, so they can begin to lead their teams to solve problems quickly and completely. As they move forward, they will teach all their project teams how to think convergently and how to use observation-based tools to solve problems quickly and completely. This knowledge will spread through the organization.

"F" is for Follow-up Coaching to assure that teams apply the observation-based techniques correctly the first time, so they achieve Zero Defects. Then, they can teach others how to use the tools effectively in the future.

"G" is for Go from Good to Great. When Zero Defects becomes reality, profits will jump by 100% or more, and morale in the workplace soars as people become effective problem solvers, fully invested in their work. One company refers to a traditional TGIF attitude and culture moving towards TGIM (Thank Goodness It's Monday). Work becomes rewarding as people use their minds to contribute to the betterment of the entire company.

Interested in converting your Conventional Six Sigma to Best Practice Six Sigma?

Stop brainstorming root causes. Start thinking convergently. Observe the operation looking for patterns and consistent differences between the best and worst performance. Ask, "What is different when problems occur?"

For more information or assistance in becoming a Six Sigma Best Practice, please contact Gregg Young of Young Associates, Inc. at gregg@youngassocinc.com or by phone at (989) 839-9792.

About the Author

Gregg Young helps companies improve quality, increase profits, and develop successful new products in his capacity as President and Founder of Young Associates, Inc. He has spent over 20 years developing, teaching, and implementing a variety of Quality Improvement systems in both large corporations and small businesses.

Gregg experienced both their successes and frustrations, so he studied dozens of improvement processes searching for Best Practices. His discovery that Observation-based systems deliver Best Practice results sparked his passion to share this knowledge widely, so every company can achieve its full potential.

Young is the author of *Best Practice Problem Solving: How to Go from Good to Great*, and he has adapted this material for high school and college students in a second book, *Student Guide to Effective Problem Solving: A Higher Level of Thinking*. Many case study examples appear in these books and are available on the Young Associates website, <http://youngassocinc.com>.

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