

Quality Conference in the Middle East
Dubai

Governance and Sustainable Performance through Six Sigma

- a view point from Motorola



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Key Topics Today....

1. Six Sigma applications
2. Evolution of Six Sigma Journey
3. Some Results
4. What is Six Sigma ?
5. Governance Framework
6. Digital Six Sigma at Motorola
7. Leadership Insights
8. Case Studies
9. Governance Structure
10. Best Practices on Governance & Sustenance



Our Six Sigma Heritage

Governance and Sustainable Performance through Six Sigma



- Internal perspective
- External perspective



MOTOROLA

Six Sigma® is a registered trademark and service mark of Motorola.

Bob Galvin On Six Sigma®



***“...we will share Six Sigma with the world,
and it will come back to us...
with new ideas and new perspectives....”***

Six Sigma applications by sector



Manufacturing



Plantation



Engineering



Health Care



Financial



Telco



Energy



Academics



Construction



Pharmaceutical



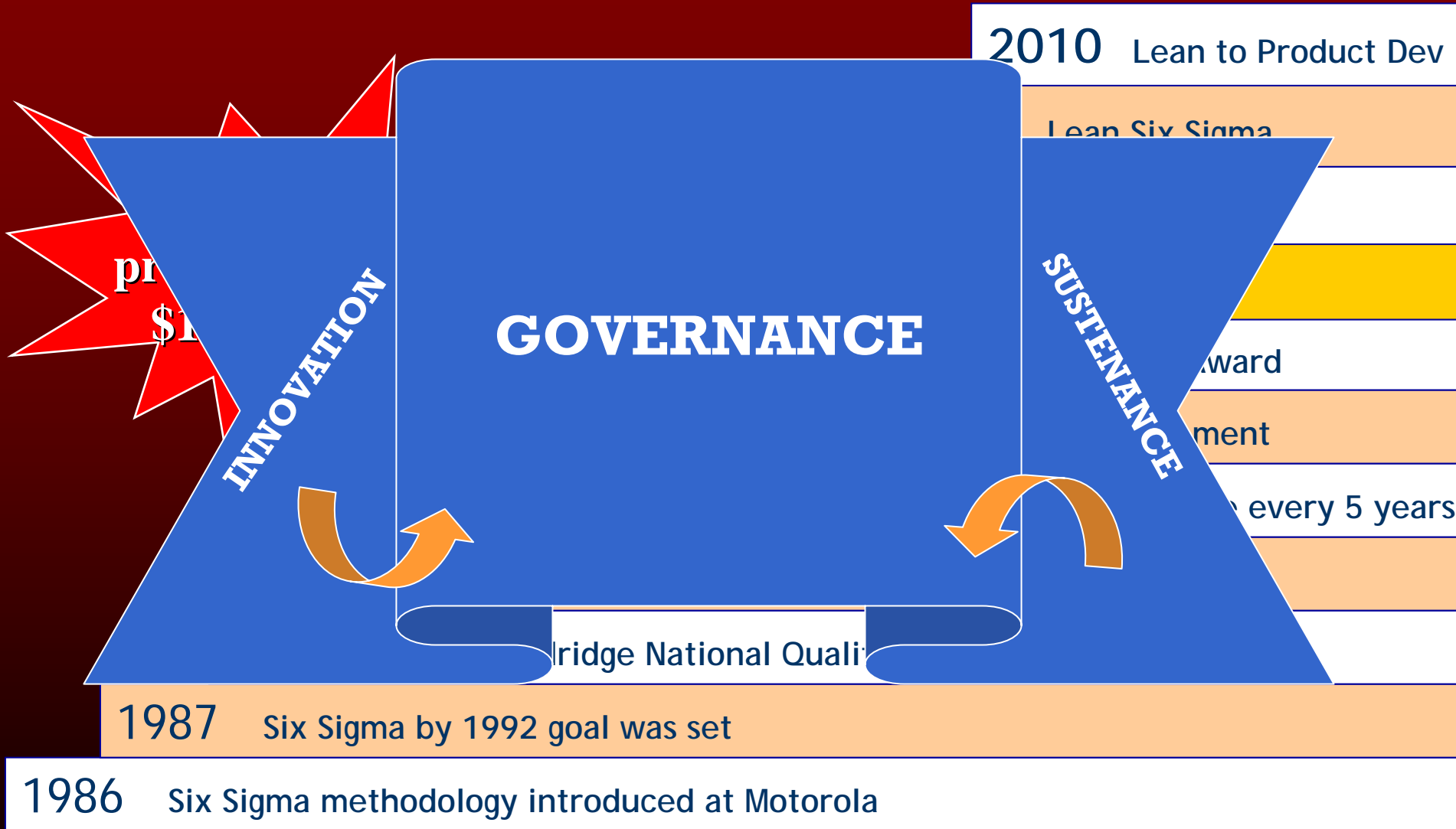
R&D



Call Centers

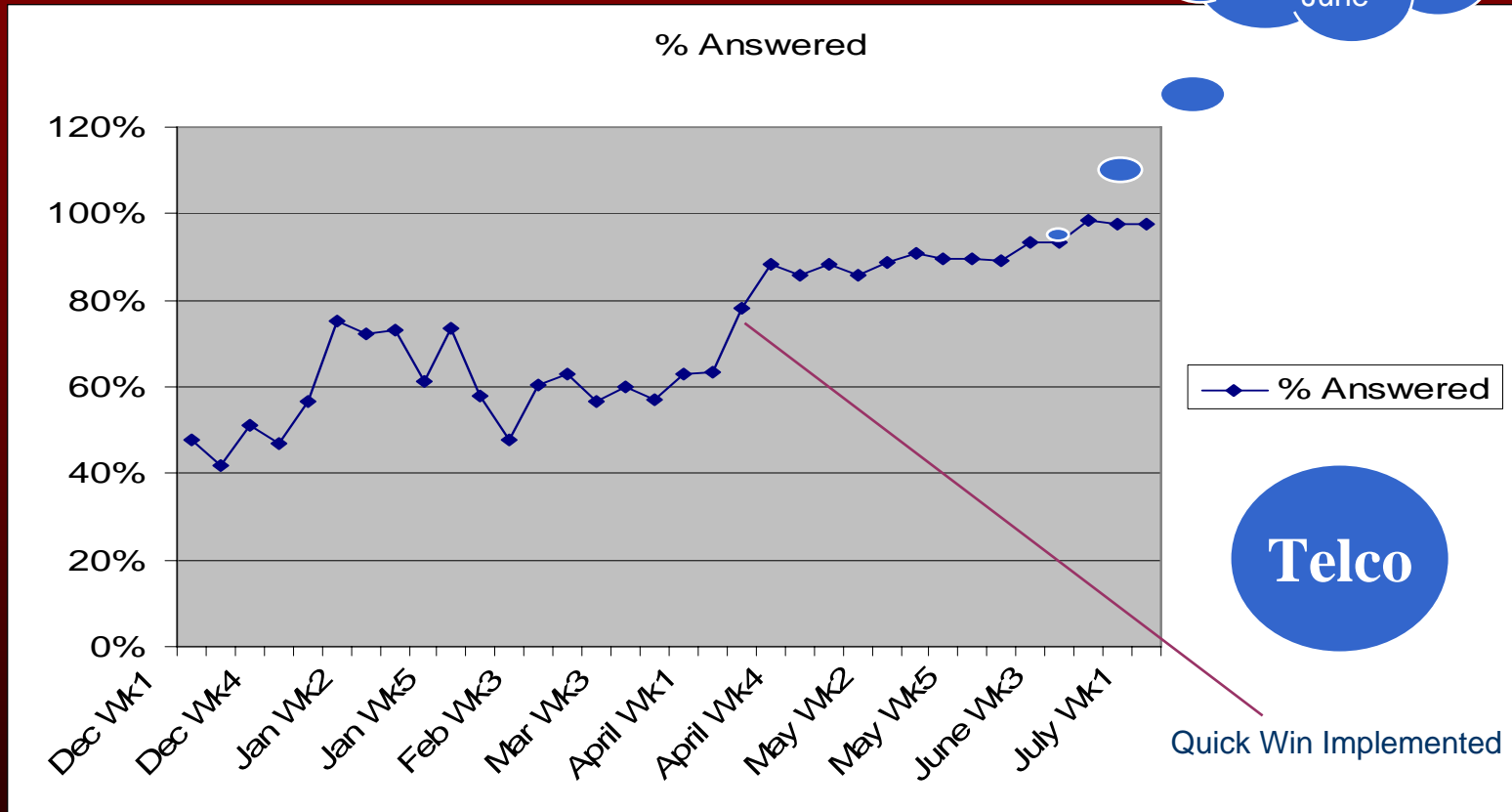
Motorola's Six Sigma Evolution & Sustenance

25 yrs as
"Practitioners"



Weekly trend of Answering level

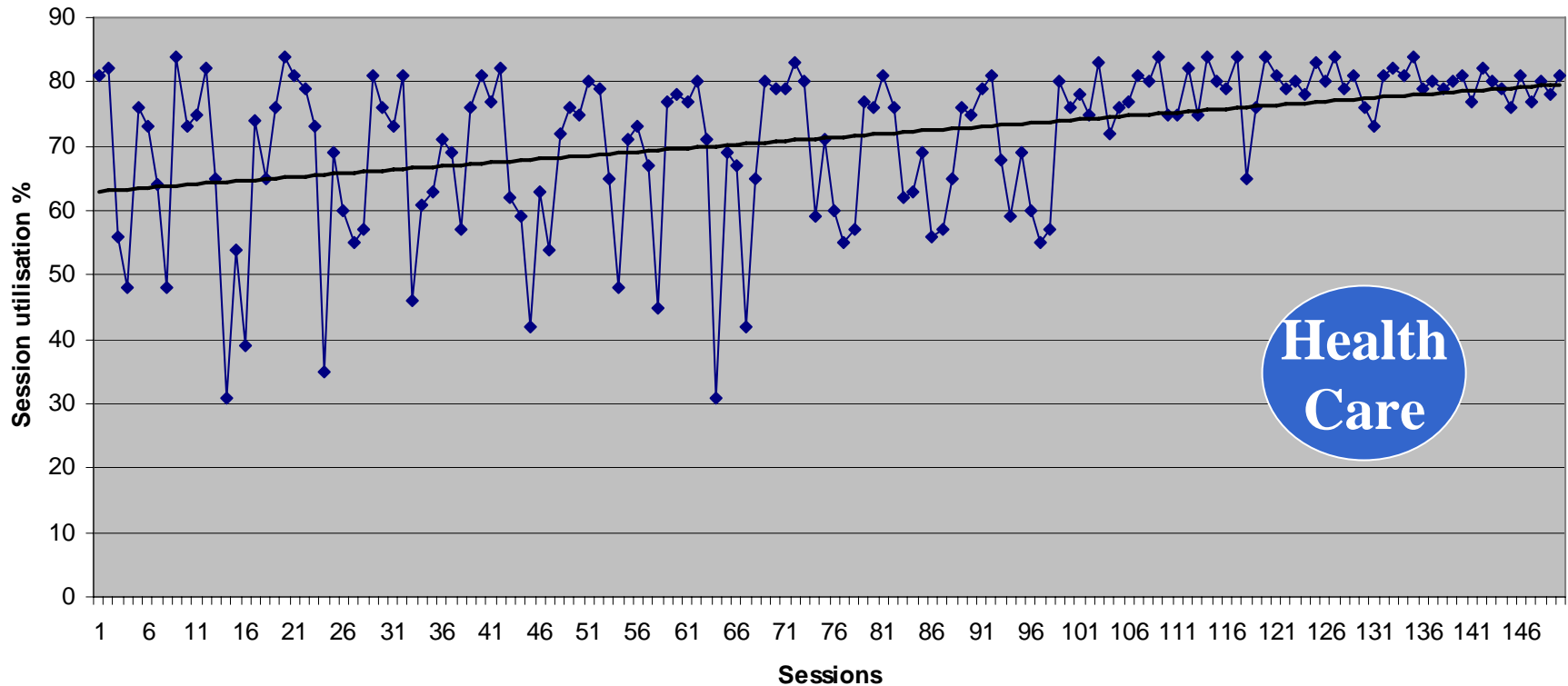
Last Action implemented in Week two of June



"Before" Project period is from Dec to Feb'07.

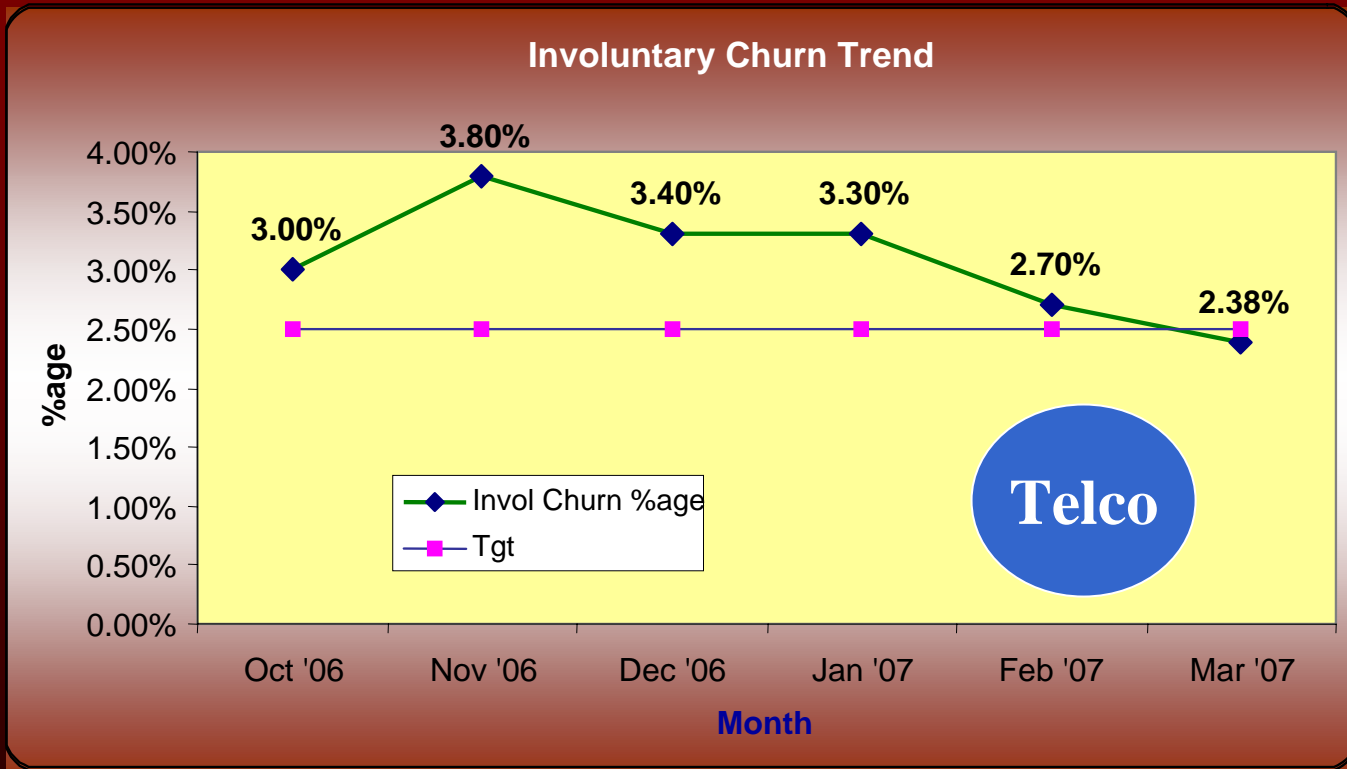
Actions have been implemented in a phased manner from May'07 to 2nd Week of June'07.

Health Service A provides an Endoscopy service for inpatients and outpatients



Point estimates show that mean session utilisation increased from 67% to 79% This equates to an increase of 12%. Analysis of medians and two-Sample t Test are presented on the next slides.

Involuntary Churn Trend



What is Six Sigma?

Business Impact

High

Transformational

Transactional

Metric

- Measurement

- Managing process variation
- Monitoring KPIs
- Driving continuous improvement

Methodology

- Techniques & Tools

- Team based problem solving
- Consistent use of DMAIC & DMADV model
- Trained resources working on projects
- Project selection and prioritization process

Management System

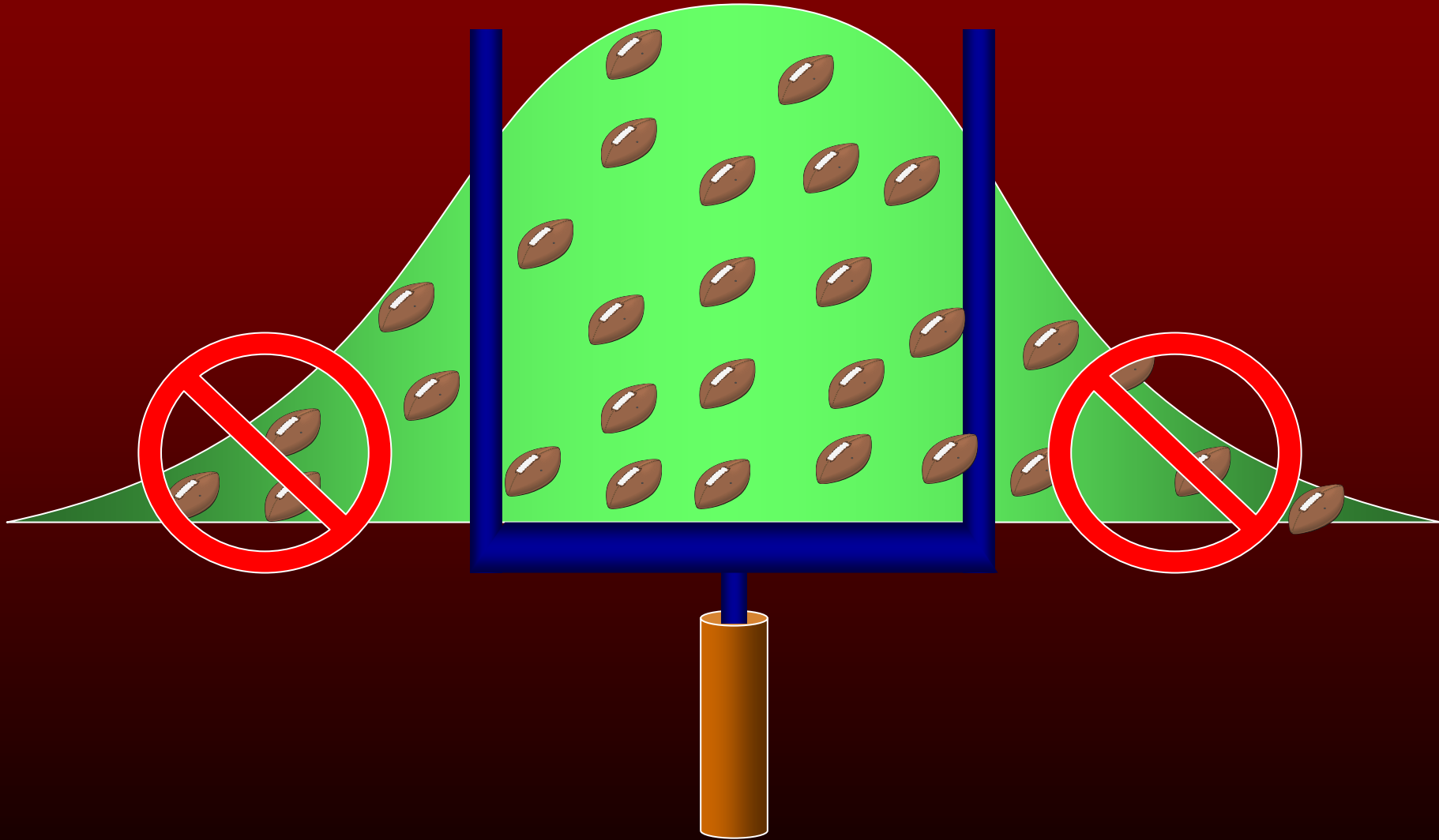
- Catalyst to drive change

- Six Sigma drives strategy execution
- Leadership sponsorship and review
- Metrics driven governance process
- Engagement across the organization

Literal Definition

Philosophical Definition

Six Sigma as a Metric



Six Sigma as a Methodology



Six Sigma as a Management System (Governance Framework)



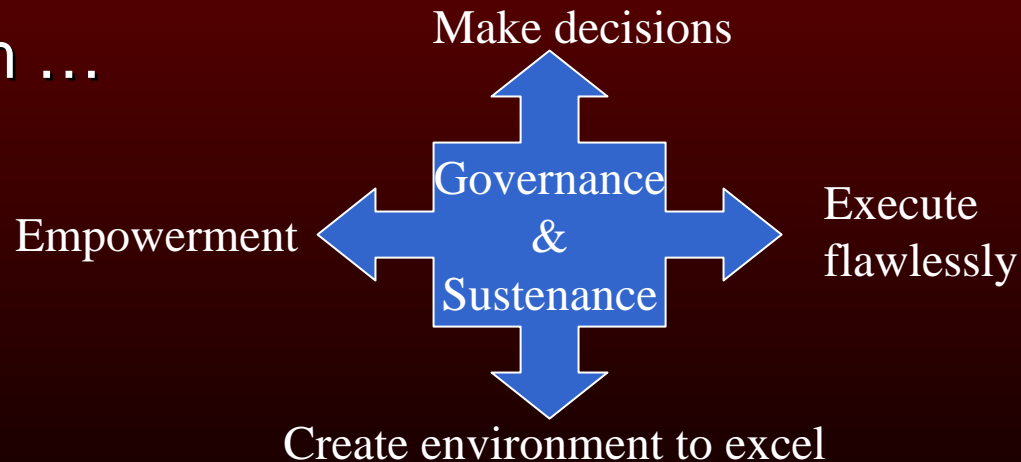
Where is the Magic?

- The Metric ...

- The Methodology ...

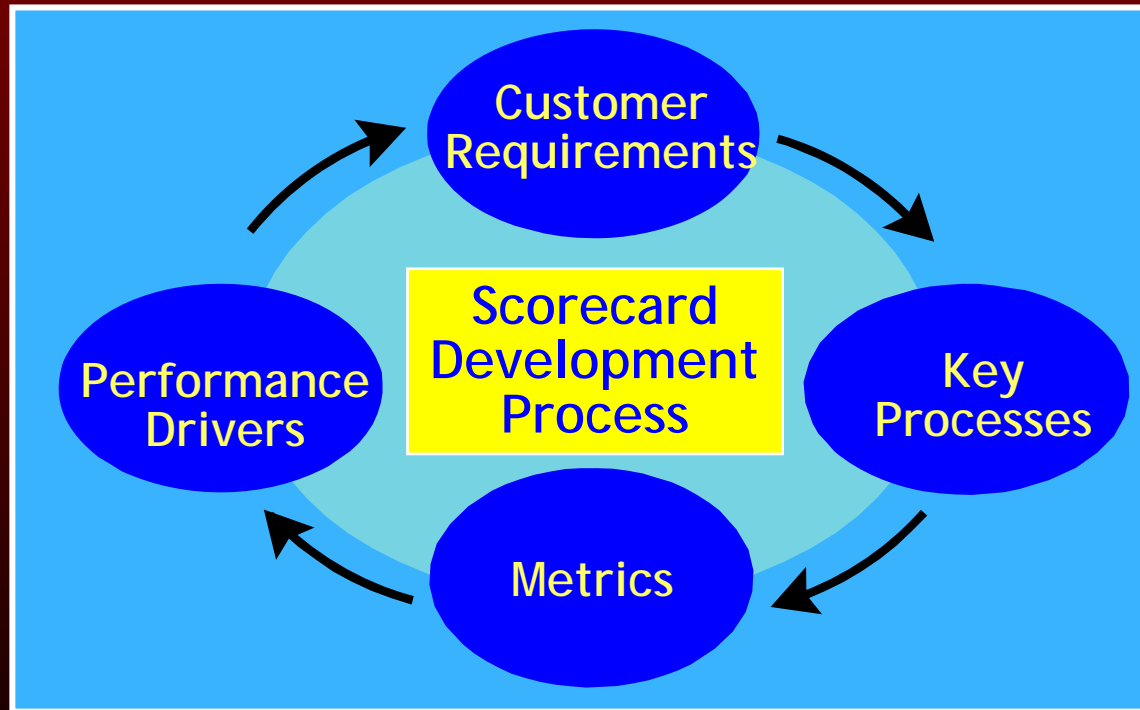
- The Management System ...

LEADERSHIP



Leadership Insight #1, Align . . .

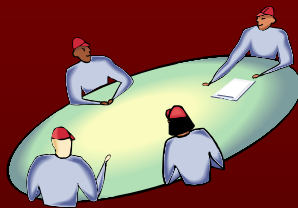
Using the Scorecard Process as a framework, create relevant, “Line of Sight” improvement targets, stretch goals and appropriate measures.



Leadership Insight #2, Mobilize

Using empowered teams and a focused project management methodology, equip the organization to enable people to take action.

Recast improvement targets into customer focused team efforts.



Organize team efforts into focused projects with

- ✓ clear charters,
- ✓ success criteria,
- ✓ rigorous reviews.



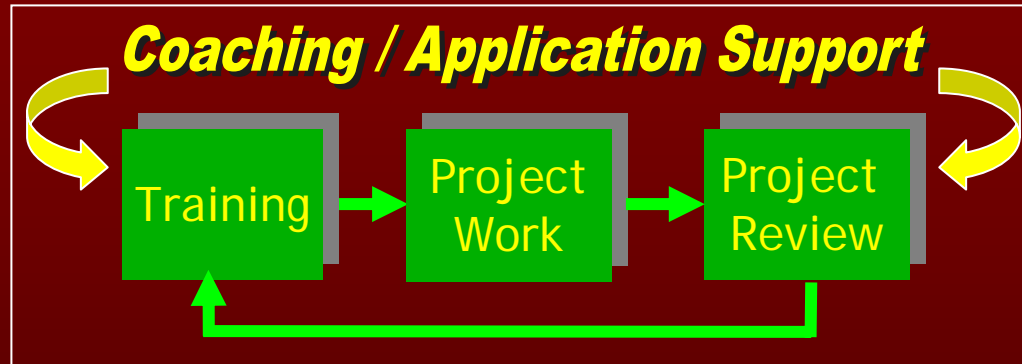
Deliver team training to impact desired results.



Project Assignment Worksheet	
Project:	
Sponsor:	
Leader:	
Action Needed:	How can we ...
Results Expected:	In order to ...
Resources Required:	
Issues / Obstacles / Considerations:	
Start Date:	
Target Completion Date:	

Leadership Insight #3, Accelerate . . .

The keys to accelerating results are:



Action Learning Methodology

Six Sigma Campaign Plan		
Campaign Target What? By When?		Dashboard Metrics:
Executive Sponsor(s):		Campaign Manager(s):
Project Assignments		
What?	Who?	When?

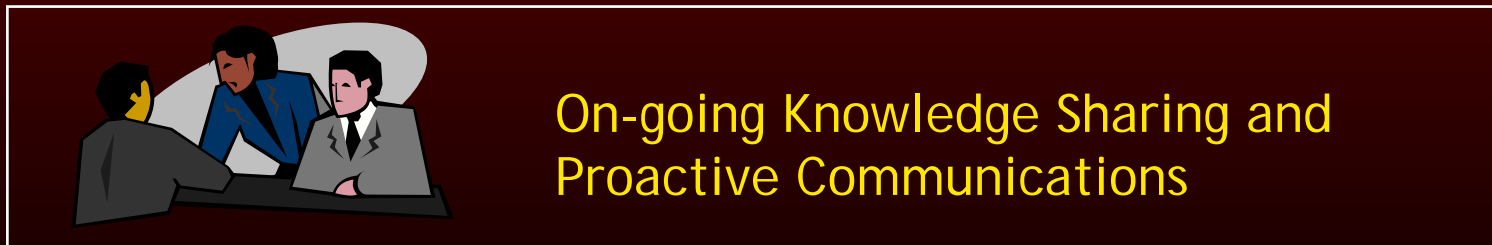
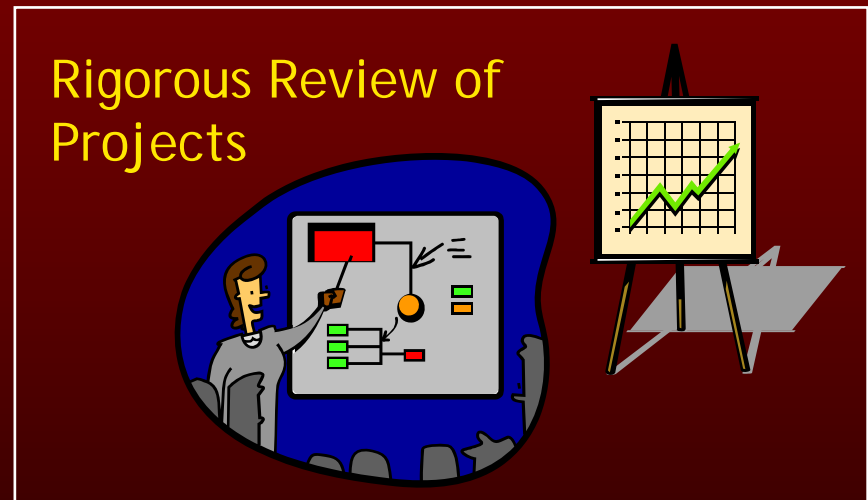
Campaign
Planning



Clock
Management

Leadership Insight #4, Govern . . .

Leadership team roles and responsibilities focused on selecting, managing, reviewing and driving the completion of projects include:



Case Study #1:

A large Engineering & Construction company

- Six Sigma direction by President / Chairman of Company
- Dedicated Six Sigma office setup
- President wanted all CEOs to be involved and become Exec Black Belts
- Projects selected by senior management and aligned to BSC
- Training successfully completed
- Project coaching engagements
- Six Sigma Initiative continued for about 4 years (US\$1.1m)
- Limited active Black and Green Belts now
- Six Sigma activities low key now
- Did not achieve company-wide results – only some areas!!!

Why did they not achieve the expected results & low ROI ???

Case Study #2:

A very large Telecommunications Company

- Six Sigma direction by CEO of Company
- Six Sigma facilitated by Quality Dept
- CEO wanted all SVPs to be involved and become Champions
- Projects selected by senior management and aligned to KPIs
- Training successfully completed
- Project coaching engagements
- Six Sigma Initiative continued for about 2.5 years (US\$450k)
- Six Sigma activities inactive now
- Change in Leadership (twice within 3 years)
- Limited Results and no major achievements!!!

Why did they not achieve the expected results & low ROI ???

Case Study #3: A very large Plantation Corporation

- Six Sigma direction by Group MD of Corporation
- Setup dedicated Six Sigma office
- MD wanted all CEOs to lead and become Champions
- Projects selected by senior management and aligned to KPIs
- Training successfully completed
- Project coaching engagements
- Six Sigma Initiative continuing for last 4 years (US\$700k)
- Very active Six Sigma activities despite change in leadership
- Appointed full-time Black Belts
- Savings of >US\$35million with ROI>50!!!

How did they achieve these outstanding results & high ROI ???

Some comparisons.....

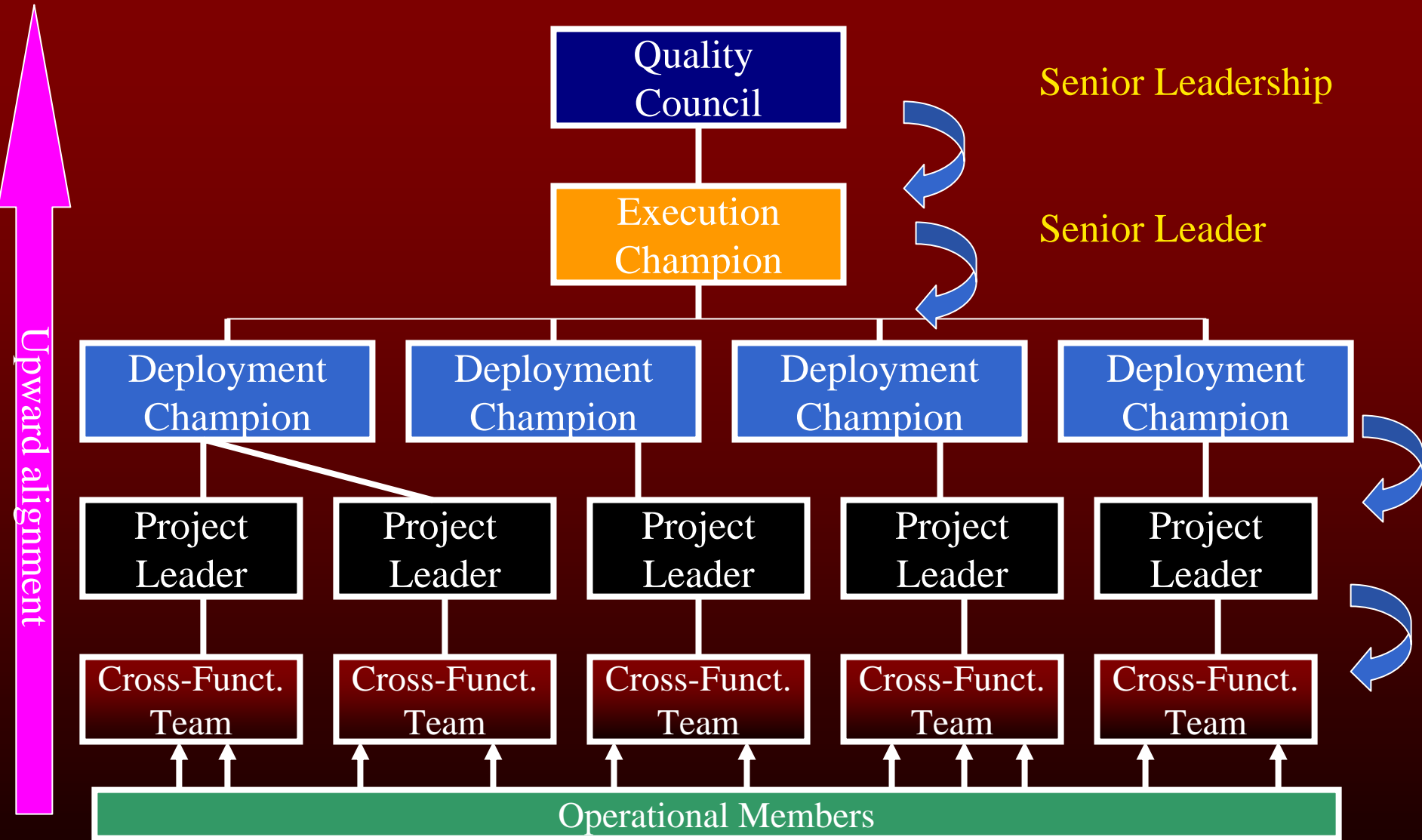
Areas	Company#1	Company#2	Company#3
Driven by CEO	Yes	Yes	Yes
Dedicated Six Sigma office	Yes	Yes	Yes
Projects linked to KPIs	Yes	Yes	Yes
Training Program (MU)	Yes	Yes	Yes
Coaching Method (MU)	Yes	Yes	Yes
Six Sigma Partner (MU)	Yes	Yes	Yes
Senior Leaders' Involvement	Very Little	No	Yes
Effective Governance	No	No	Yes
Rewards & Recognition	No	No	Yes

Some comparisons.....

Areas	Company#1	Company#2	Company#3
Driven by CEO	Yes	Yes	Yes
Dedicated			Yes
Projects			Yes
Training			Yes
Coaching			Yes
Six Sigma			Yes
Senior Leadership			Yes
Effective Governance	No	No	Yes
Rewards & Recognition	No	No	Yes

**EFFECTIVE GOVERNANCE
.....AND SUSTENANCE**

Six Sigma Governance Structure



A Lean Six Sigma Governance Structure

Example

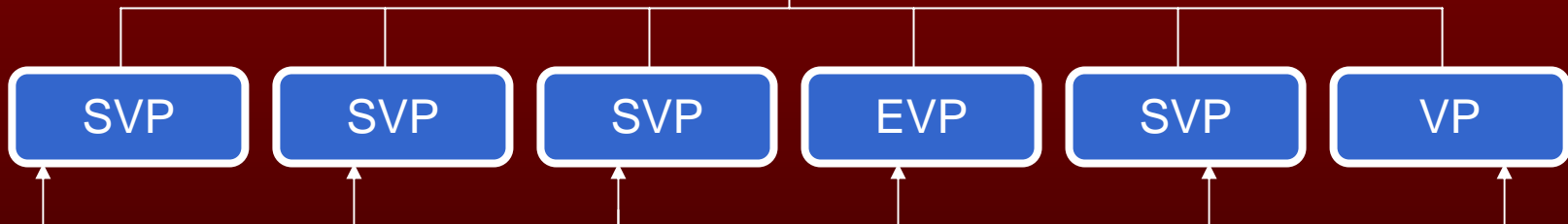
Quality Council

CEO
(Sponsor & Executive Champion)

Chairman - SVP
(Deployment Champion)

* Review meetings at least 1x/month
(1 - 2 hrs only)

Six Sigma Office



- Review project status
- Drive initiative and culture
- Recognize barriers/issues/derailers and resolve/eliminate them

Best Practices on Governance and Sustenance

Governance

- Senior Leadership Commitment
- Governance Structure
- Deployment Champion
- Strategic Alignment Projects
- Dedicated Resources
- Quality Policy
- Regular Project Reviews
- Review Practices
- Rewards and Recognition
- Effective two-way regular Communication
- Work Culture

Sustenance

- Continuous Value-add Projects
- Continuous Education to All
- Alignment to Performance
- Technical Ladder Growth
- Project Certification
- Career Growth Plan for Belts
- Change Management
- Retention on Key Talents
- Tracking of Key Performance Metrics
- Empowerment

Critical Success Factors

- 👍 **Management commitment and engagement**
- 👍 **Dedicated and well-respected deployment champion**
- 👍 **Accountability for project results**
- 👍 **Dedicated resources**
- 👍 **Black Belts with leadership and process skills**
- 👍 **Value based project selection**
- 👍 **Culture and Values of the organization**
- 👍 **Governance, Governance, Governance**

Six Sigma

One last word of advice in Implementing Six Sigma in the organization:

Deployment of Six Sigma does not end after training

In other words.....

Implementing Six Sigma is not a destination..... it is a journey.