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Last Word
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Implementing Six Sigma

How can you make quality part of the culture, not just the procedure?

One day I was asked why I left a stable, money-producing ISO 9000 business to join the riskier Six Sigma environment. "I think it makes more sense to implement a real business improvement and management system than to hang a nice certificate in the CEO's office," I explained.

The downside of Six Sigma is that there are currently no standards, nor an official certifying institution, to make sure that everyone walks the talk.

Generally, Six Sigma criteria are less comparable to the ISO 9000 criteria than to that of the Malcolm Baldrige National Quality Award. Companies that have won the Baldrige Award have already learned that successful quality management encompasses many business management tools, including leadership, strategic planning, customer and market focus, information and analysis, human resource focus, process management, and results orientation.

Six Sigma was developed (originally by Motorola) to pursue the same target as the Baldrige criteria: completely satisfying customer needs profitably. One major difference seems to be that Baldrige criteria show just the shell of targets within those criteria whereas Six Sigma also describes a proven box of powerful tools and strict guidelines for applying them.

The difficulty lies in implanting this concept into an organization's culture. Most companies pursuing Six Sigma must go through four phases of implementation.

In phase one, the company's leadership team decides to go for Six Sigma and is caught between dreams of increasing its net income with huge savings (and continuing to live up to its image of an outstanding company while increasing customer satisfaction and loyalty) and doubts of whether these concepts will actually work. A Six Sigma implementation normally begins with leadership-awareness training and a few improvement projects. When the first projects are chosen, the company either demonstrates its Six Sigma competence by assigning business-related projects within the leadership team or demonstrates the old-fashioned quality way by delegating the tasks to their Black Belts or a quality team. If the projects only focus on manufacturing, the company will limit itself to traditional quality improvement initiatives. Instead, it makes sense to think cross-functionally and recognize improvement opportunities in *all* key business processes.

As phase two begins, it's critical for the leadership team to pass the first tollgate: Are they tracking results from their first projects or are they losing interest? Successful Six Sigma companies set up a steering committee--often called a "quality council"--to make decisions about projects, especially about tying their selection to business strategy and customer needs, implementing improvements, and reward and recognition. Results also need to be communicated to the entire company. It's critical to sell Six Sigma internally and convince the skeptics. Otherwise, the company won't be ready for the next phase.

In phase three, measures are implemented to track results from initial projects and ensure that the improvement lasts. Successful companies add these measures to their internal dashboard and customer loyalty tracking system. Some companies even share those results with their customers, which builds trust. Customer satisfaction measures are key for project selection. Unfortunately, they're not always available or used.

Scorecards (comparable to balanced scorecards and containing deployment and result measures) should be implemented to tie Six Sigma implementation to the reward-and-recognition system and the bonus system to drive process improvement, customer satisfaction, employee satisfaction and net income.

To facilitate phase four, building Six Sigma into the "business as usual," all departments must be involved. Six Sigma includes a powerful tool set that can be used to improve all key business processes--including administrative processes--throughout the company. Additionally, there are a few key departments that must support the Six Sigma initiative. Finance should track costs and benefits; marketing and sales should gather voice- of-the-customer data and track customer satisfaction levels; and human resources must support communication, Black Belt and Green Belt selection and development, reward and recognition, and employee satisfaction tracking and analysis.

By now, project selection is no longer driven by the quality leader or business leader but by individual process owners, who are using Six Sigma to achieve their own business goals, dedicate resources to the effort and gain the results.

You'll know when Six Sigma is finally part of your organization's bloodstream when you no longer need to talk incessantly about it. It will simply be part of the culture.

Leadership's role is critical--especially at the outset--because leaders communicate and reinforce the power that Six Sigma has to achieve business objectives. Without buy-in from leadership, Six Sigma simply won't work. It must be reinforced from above and adopted by each internal level and process area. When implemented well, Six Sigma has the ability to create a truly customer-focused workforce and organization.

About the author

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