Six Sigma Leadership Guide for Program Success: S-SLEF Framework

Sandy L. Furterer, PhD, MBA
ASQ Certified Six Sigma Black Belt, ASQ Certified Quality Engineer, ASQ Fellow,
Harrington Institute Master Black Belt
VP Process Transformation, Park National Bank
MSQA Program Faculty, Kennesaw State University

May 2015
Table of Contents

- Presentation Objectives
- Literature Review
- Six Sigma Leadership Engagement Framework (S-SLEF) Framework, with Case Study Examples & Participation Exercises
- Summary
- Questions
Presentation Objectives
Presentation Objectives

- Provide a framework to guide leadership practice for successful Lean Six Sigma programs
- Learn from each other regarding what has worked in your organization
Literature Review
Literature Review

- Performed literature review
  - Academic research-oriented literature
  - Applied journals
Key Research Findings for Six Sigma Leadership

Key Success Factors

1. Executive sponsorship = Top management commitment
2. Program governance = Need for Six Sigma infrastructure
3. Strategic alignment = Selection and prioritization of Six Sigma projects
Key Research Findings: Executive Sponsorship

- Consensus for need for top management commitment (1, 2, 3, 5)
- Project champion role (1, 2, 7)
- Senior management needs to demonstrate Six Sigma is the engine of the organization’s business transformation strategy (2)
- Top management needs to create infrastructure (2, 7)
- Top management needs to provide strategic alignment between project goals and business needs (2, 4)
Key Research Findings: Executive Sponsorship - Champion Role

- Develop implementation strategy
- Accountable for program success
- Obtain, select and allocate resources
- Empower and hold people accountable
- Regular review of projects
Key Research Findings: Program Governance

- Belt structure based on training, experience and knowledge (1, 7)
- Promotion and rewards for success; fast track high performers (1)
- Training: (1, 7)
  - Black Belt, Green Belt, Yellow Belt, Champion
  - DMAIC method
  - Tools
    - Experiential - project based
- D-M-A-I-C methodology and tools (1)
- Six Sigma Network (7)
- Project-based implementation (3)
- Process for measuring results (1, 7)
Key Research Findings: Strategic Alignment

1. Organization should be clear on expectations of Six Sigma program, how it fits with current structure and strategy (1, 2, 4)
   - Projects selected need to be aligned with business needs, and have significant impact (6)
   - Project charter helps with getting alignment in defining objectives; project champion should have input (3)
   - Monetary justification (5)
   - Balanced Scorecard (BS) can be used to align Six Sigma activities against BS targets (align metrics with strategy) (2)
   - Business goals, department goals and personal objectives should be aligned (1, 2)
   - Six Sigma competencies aligned with IT at the core (3)
   - Focus on customer satisfaction and business improvement (3)
   - Strategic roadmap used to create operating model (4)
   - Strategic competencies that give competitive advantage and value (4)
Participation Exercise

▶ What does Six Sigma leadership engagement look like?

▶ At your table, describe (or prescribe) what it should look like to have Six Sigma
  ▪ Executive Sponsorship
  ▪ Program Governance
  ▪ Strategic Alignment

▪ Create one sheet for each category (listed above)
Six Sigma Leadership Engagement Framework (S-SLEF)
Six Sigma Leadership Engagement Framework: S-SLEF
Six Sigma Leadership Engagement Framework: S-SLEF
Sponsorship

▶ Executive Sponsor Role
▶ Communication of consistent message
▶ Cultural alignment
Six Sigma Leadership Engagement Framework: S-SLEF
Sponsorship - Role

**Executive Sponsor Role**

- Ensure strategic alignment
- Obtain and select resources
- Remove barriers
- Reward, celebrate
- Communicate consistent message
- Ensure cultural alignment
- Define infrastructure and governance
Six Sigma Leadership Engagement Framework: S-SLEF
Sponsorship - Role

Process Council - Actively meet on a monthly or quarterly basis to:

- Select process improvement key priority initiatives for cross LOB, departmental processes
- Align process improvement initiatives with business & technology strategy
- Designate Champions / End Process Owners for entire organization including key strategic process improvement initiatives
- Solve project issues, resources and communicate organization and role changes to support process improvement initiatives with centers of excellence
- Communicate, recognize and celebrate continuous process improvement initiatives implemented by Champions, Process Owners, Project teams
- Leverage best practices sharing & implementation across similar LOB’s processes and improvements
- Review status of cross functional process initiatives
- Review and set process improvement goals associated with process and business scorecard reviews
- Support and encourage a culture of continuous process improvement, ensuring alignment with our existing culture
- Update the Leadership Group quarterly of the status of Process Transformation projects, improvements and scorecards/process metrics.
Process Transformation will help make processes:

*Simpler, Faster, and More Valuable*

- **Simpler** = Less steps, less complexity, easier to perform, less waste and cost
- **Faster** = More timely to meet customers’ expectations
- **Valuable** = Meeting customers’ requirements at low cost and high service
Use Clear & Concise Language

- Communication of consistent message
  - Elevator speech
    - Who are we?
    - What we are going to do?
    - Why must we do it?
    - What will the results be?
    - What do we need from you?
Participation Exercise

- How would you describe your organization’s process improvement / Lean Six Sigma program?
- Prepare an elevator speech and share with your table

- Communication of consistent message
  - Elevator speech
    - Who are we?
    - What we are going to do?
    - Why must we do it?
    - What will the results be?
    - What do we need from you?
## Six Sigma Leadership Engagement Framework: S-SLEF

### Sponsorship - Cultural Alignment

<table>
<thead>
<tr>
<th>From Traditional Thinking</th>
<th>To CI Principles &amp; Thinking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Problem-driven</td>
<td>Customer-driven</td>
</tr>
<tr>
<td>Reacting to dissatisfaction</td>
<td>Preventing dissatisfaction</td>
</tr>
<tr>
<td>Results at any cost oriented thinking</td>
<td>Cross-functional, process oriented thinking &amp; discipline</td>
</tr>
<tr>
<td>Used to waste and rework</td>
<td>Eliminate waste to improve processes &amp; throughput</td>
</tr>
<tr>
<td>Fixing blame</td>
<td>Fixing the problems</td>
</tr>
<tr>
<td>People management</td>
<td>System management, reducing variation, process measurement</td>
</tr>
<tr>
<td>Reward fire-fighting &amp; crisis management</td>
<td>Reward team effort and improvement</td>
</tr>
<tr>
<td>Measure cost and productivity</td>
<td>Measure throughput, customer satisfaction, processes, quality</td>
</tr>
<tr>
<td>Authoritative</td>
<td>Empowerment, accountability</td>
</tr>
</tbody>
</table>

Copyright © 2015 S.L. Furterer
### Six Sigma Leadership Engagement Framework: S-SLEF

**Sponsorship - Cultural Alignment**

<table>
<thead>
<tr>
<th>Corporate Values</th>
<th>To CI Principles &amp; Thinking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research excellence</td>
<td>Customer-driven</td>
</tr>
<tr>
<td>Clinical excellence</td>
<td>Preventing dissatisfaction</td>
</tr>
<tr>
<td>Superior performance</td>
<td>Cross-functional, process oriented thinking &amp; discipline</td>
</tr>
<tr>
<td>High quality</td>
<td>Eliminate waste to improve processes &amp; throughput</td>
</tr>
<tr>
<td>Safe</td>
<td>Fixing the problems</td>
</tr>
<tr>
<td>Efficient</td>
<td>System management, reducing variation, process measurement</td>
</tr>
<tr>
<td>Patient Centered</td>
<td>Reward team effort and improvement</td>
</tr>
<tr>
<td></td>
<td>Measure throughput, customer satisfaction, processes, quality</td>
</tr>
<tr>
<td></td>
<td>Empowerment, accountability</td>
</tr>
</tbody>
</table>
## Participation Exercise

- Is your organization aligned to CI principles & Thinking?
- List your corporate values and map them to the Continuous Improvement Principles & Thinking

<table>
<thead>
<tr>
<th>Corporate Values</th>
<th>To CI Principles &amp; Thinking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer-driven</td>
<td>Preventing dissatisfaction</td>
</tr>
<tr>
<td>Preventing dissatisfaction</td>
<td>Cross-functional, process oriented thinking &amp; discipline</td>
</tr>
<tr>
<td>Cross-functional, process oriented thinking &amp; discipline</td>
<td>Eliminate waste to improve processes &amp; throughput</td>
</tr>
<tr>
<td>Eliminate waste to improve processes &amp; throughput</td>
<td>Fixing the problems</td>
</tr>
<tr>
<td>Fixing the problems</td>
<td>System management, reducing variation, process measurement</td>
</tr>
<tr>
<td>System management, reducing variation, process measurement</td>
<td>Reward team effort and improvement</td>
</tr>
<tr>
<td>Reward team effort and improvement</td>
<td>Measure throughput, customer satisfaction, processes, quality</td>
</tr>
<tr>
<td>Measure throughput, customer satisfaction, processes, quality</td>
<td>Empowerment, accountability</td>
</tr>
</tbody>
</table>
Six Sigma Leadership Engagement Framework: S-SLEF Governance

Process Council:
- Identify and prioritize process transformation (PT) strategy and initiatives
- Monitor PT projects’ status, reporting and progress
- Reinforce a culture of continuous improvement

Process Improvement Teams:
- Design and implement improvements
- Measure and monitor on-going process metrics and improvements
- In the future, certified Six Sigma Green Belts (process owners) will be embedded in the teams
## Six Sigma Leadership Engagement Framework: S-SLEF Governance

<table>
<thead>
<tr>
<th>Process Improvement Initiative</th>
<th>Performance</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Service</td>
<td>Timeliness</td>
<td>Quality</td>
<td>Cost</td>
<td>Revenue</td>
</tr>
<tr>
<td>Project 1</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Project 2</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Project 3</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Project 4</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

### Technology Projects with a Process Focus

| Project 5                     | ✓           | ✓      | ✓     | ✓    | ✓      |
| Project 6                     | ✓           | ✓      | ✓     | ✓    | ✓      |
Six Sigma Leadership Engagement Framework: S-SLEF
Strategic Alignment

- Process Architecture
  - Provides repository of enterprise through defined conceptual meta models
    - Strategies
    - Processes
    - Leadership
    - Information
Six Sigma Leadership Engagement Framework: S-SLEF Strategic Alignment

Process Architecture

Strategy Model

Mission → Vision → Strategies → Tactics

Culture → Goals → Objectives

Policies → Influencers → Assessment (SWOT)
Six Sigma Leadership Engagement Framework: S-SLEF Strategic Alignment
## Six Sigma Leadership Engagement Framework: S-SLEF

### Strategic Alignment - Project Prioritization

<table>
<thead>
<tr>
<th>Enterprise Level</th>
<th>Operational Level</th>
<th>Performance Level</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objectives</strong></td>
<td><strong>Functions</strong></td>
<td><strong>Metrics</strong></td>
</tr>
<tr>
<td><strong>Tactics</strong></td>
<td><strong>Processes</strong></td>
<td><strong>Results</strong></td>
</tr>
<tr>
<td><strong>PI Projects</strong></td>
<td><strong>Activities</strong></td>
<td><strong>CTS’</strong></td>
</tr>
<tr>
<td><strong>Processes</strong></td>
<td><strong>Processes</strong></td>
<td><strong>CTS’</strong></td>
</tr>
<tr>
<td><strong>Value Chains</strong></td>
<td><strong>CTE’</strong></td>
<td></td>
</tr>
</tbody>
</table>

---

Copyright © 2015 S.L. Furterer
Summary
Summary

S-SLEF Framework:

- Supports the key drivers identified in the literature
- Keeps the organization focused on what is important to make the Six Sigma program successful
- Maintains consistent messaging and communication
- Ensures cultural alignment and movement towards the continuous improvement principles
- Provides visibility to results and success
- Enables rewards and celebration
Questions??
References

2. Catherwood, P., Champions of the Cause, IEE, Manufacturing Engineer, October/ November 2005, PP 40 - 43.