

What is Six Sigma?

Six Sigma is a statistical term that literally means ~3.4 defects per 1 million - almost performance perfection! It is the term Motorola selected to use in the mid-80s for its newly developed business strategy and quality initiative program. Although traditional Six Sigma is most often applied to manufacturing and assembly line environments (as was the case with Motorola), hundreds of companies have successfully adopted Six Sigma for the knowledge industry: engineering, financial services and marketing.

Commonly included under the Six Sigma umbrella (traditional Six Sigma is primarily about defect reduction) are other initiatives and tools like: lean enterprise (waste reduction), Kaizan (continuous improvement), value engineering (lean), theory of constraints (managed bottlenecks), critical chain project management (permitting early deliveries) and many, many others.

Large companies that have benefited financially from successfully applying Six Sigma are General Electric, Allied-Signal, Lockheed-Martin (they call it "Lean Sigma") and Raytheon. Other corporations making the news with Six Sigma successes are Home Depot and Bank of America. This program also has a special appeal for the military, pharmaceutical companies and medical institutions.

What these organizations have in common is a burning desire to "do it right the first time". This attitude shows an appreciation for making money, saving time and reducing costly mistakes.

Six Sigma drives an organizational culture that truly embraces making necessary improvements. Heard that line before? But, this time it's different. This is a top-down approach advocated by management. It involves everyone, from CEO down to mail room clerk. When people start getting rewarded for making positive changes and are no longer punished for taking risks that occasionally don't pan out, the floodgates open up. Financial and non-financial benefits (like improved employee morale) multiply exponentially.

The popularity of Six Sigma is due to its very practical approach and proven, documented successes. No fluff. At its core are identifying and fixing problems by "projectizing" them. This gives problem-solving visibility for managing through to an effective conclusion. Many companies use the DMAIC (define, measure, analyze, implement and control) problem solving model for implementing Six Sigma.

Another characteristic of Six Sigma is uniform processes – mapped to customer requirements - that remove variation from repetitive, resource-intensive tasks. Reduced variation means fewer errors and greater predictability of results. Uniformity reduces waste, helps mitigate risks and enables training, testing, operations and maintenance programs. Win-win for everybody.



The differences between Six Sigma and other familiar quality initiatives, like Top Quality Management (TQM), are a dedication to record-keeping, decisions based on what the data shows, on-going training, empowered employees and pro-active customer involvement.

And, oh boy, do customers love it. Costs come down. Error rates diminish. Schedules are met - sometimes for the very first time.

Six Sigma doesn't have to be limited to the big boys with deep pockets. Small businesses can adopt these practical principles for themselves with a bit of tutoring, access to deciphered literature and - now - a partnership with MoreTime Consulting tailored just for you!