

progressing business

PART B

**Leadership in Designing the
Implementation of Lean Six Sigma**

**Simplification –
Removing Complexity**

**Is Your Organisation
REALLY Flexible?**

Leadership in Designing the Implementation of Lean Six Sigma in a multi-dimensional organisation

Dave Kelly

CEO of Quality Associates International South East Asia Pty Ltd

PART B

Part A published in Progressing Business Vol 3 No 1

(www.pbinstitute.net/PDF/PB031.pdf)



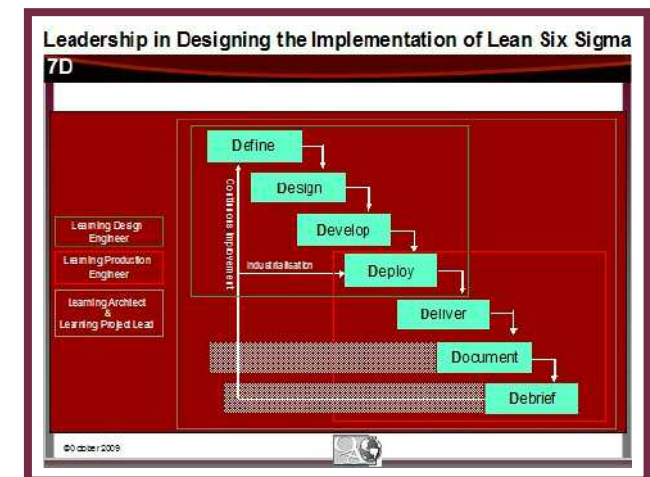
7D

The 7D Model displays (below) the process followed at the second process level. The highest level would be the lean six sigma program process which is answerable to the organisational KPI – in essence the deployment of a lean six sigma program is the action undertaken by the organisation to deliver high level KPI. Each of these is broken down to a third level which would include training, project implementation, project and program reporting and these in turn drilled further to reveal contextualisation of training, project selection criteria, tollgating, project document requirements

and so on. This is beginning to sound like a Gantt Chart! Remember though program management before project management...

Hoshin planning is a comprehensive operations planning environment with methodological approach that facilitates organisations to achieve both strategic and operational breakthroughs – in short the requirements of a lean six sigma program and under a multidimensional environment should have transparent reporting requirements evident in the organisation.

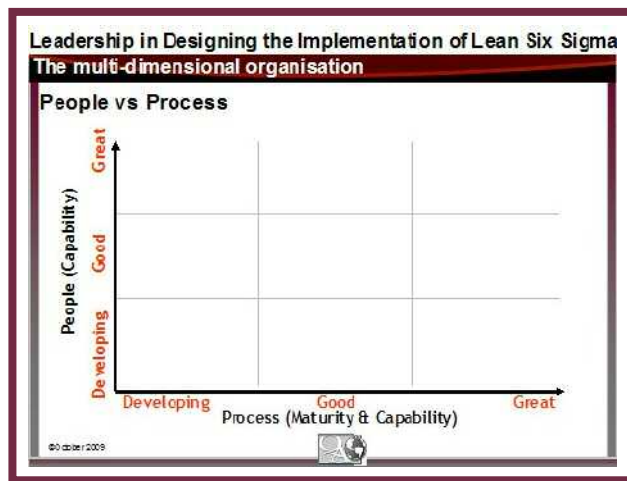
Hoshin planning emphasises the desire of a multidimensional organisational approach through enterprise coordination, communication, tracking/monitoring and cross-functional ownership of organisation wide key performance indicators, which:



- includes the body of working knowledge of the organisation and leverages value streams
- provides business operations and objectives with an avenue of continuous improvement
- is based on participation and coordination by all dimensions and entities of the organisation at all process levels
- consolidates strategy and financial planning
- emphasises and supports continuous improvement
- reduces and/or eliminates the variability, confusion or misinterpretation of strategic/business strategy and direction.

All of which are elements of lean six sigma and will help consolidate and focus the design and implementation of the program.

PEOPLE VERSUS PROCESS



Organisational structure, strategy and reporting models aside, an organisation is embarking on a lean six sigma program potentially because none of them currently exist and the program is intended to be part of transformational change. The danger here is the program can be made to perform the transformational change and while not impossible unless stated up front as one of the success factors can be pointed to as a failure of the program. As such an organisation needs to be clear on its level of business maturity and process maturity prior to launching the endeavour.

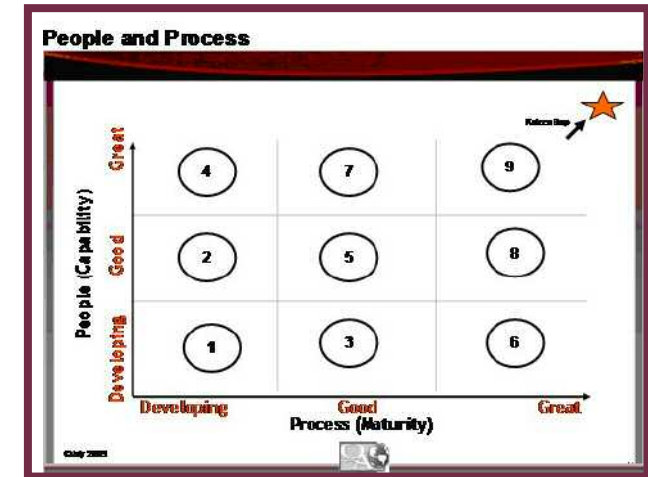
A simple and quick way to undertake such an assessment and to ascertain the requirements the design of the implementation of the program needs is the people vs process model. This model was developed in a response to being able to quickly get the organisational maturity point across in planning discussions for the requirements of lean six sigma and other process operational driven programs. Where an organisation sees itself on this scale will have a direct correlation on some potential programs that need to be run either prior to or in conjunction with the lean six sigma program for example leadership programs, business process re-engineering programs, process capture programs, organisational operations programs, workforce capability enablement programs and at a higher level curriculum integration programs.

The people and process framework has its origins from the desire to place companies and organisations on a scale that is simple and can be identified at all levels of in an organisation and benchmarked rapidly to others. It delivers the company position quickly and succinctly and outlines the journey to greatness while being able to compare companies and organisations of different types simply.

All companies and organisations are made up of two key factors that deliver its measures, performance indicators, goals, strategies and results. The people within the organisation and the process they execute to deliver the results. In all circumstances the level of maturity in both people and their capability and the processes and their results, efficiency and capability will vary from emerging or developing to good and finally great. The utopic position is to have great people, indicated by great capability to execute, manage and change processes, and great processes which are statistically capable (have low defect rates), efficient and deliver the key results for the organisation. The great people great processes quadrant (9) delivers the scenario where the processes identify weaknesses in the people capability and sets out to enhanced this and expand the organisational body of working knowledge to make processes more capable and the people identify weaknesses in the processes and direct organisational change management on the processes, including impact, regulatory change and competitor influence amongst other change drivers to continually improve processes that in turn identify the people and their capability effected by the process

change and seeks to close the gap hence once more affecting the body of working knowledge of the organisation and so on in a continuous quality cycle.

THE UTOPIC KAIZEN POSITION AND KAIZEN GAP



The utopic of Kaizen Position lies to the top right of the people and process matrix which by the definition of continuous improvement is not attainable and a gap, a Kaizen Gap, appears from the company's position and the nirvana point of perfection which will invariably shift with each internal people and process adjustment and growth or decay.

The Japanese word “kaizen” means simply “improvement,” with no inherent meaning of either “continuous” or “Japanese philosophy”; the word refers to any improvement, one-time or continuous, large or small, in the same sense as the mundane English word “improvement”.

However, given the common practice in Japan of labeling industrial or business improvement techniques with the word “kaizen” (for lack of a specific Japanese word meaning “continuous improvement” or “philosophy of improvement”), especially in the case of oft-emulated practices spearheaded by Toyota, the word kaizen in English is typically applied to measures for implementing continuous improvement.

Source: <http://en.wikipedia.org/wiki/Kaizen>

The people and process matrix can be underpinned by organisational measures on both axis of the framework that give qualitative and quantitative measures where the organisation is positioned on the chart. This gives evidence of where the organisation sits relative to the quadrant it falls into. There are several organisational measures available that allow for benchmarking with other organisations and a measure of organisational competency and capability on the people and process scale examples of which are the Australian Business Excellence Framework and ISO certifications amongst others.

Organisations that can legitimately place themselves in quadrant 9 should already have many if not all of the factors for success in a lean six sigma program established.

LEADING LEAN SIX SIGMA IMPLEMENTATION

Leadership in Designing the Implementation of Lean Six Sigma
Leading Lean Six Sigma Implementation

- **Regardless of the organisation significant time needs to allocated to define and design of the lean six sigma program prior to any delivery or organisational notification**
- ◆ **"Measure Twice Cut Once"**
- ◆ **Organisational Readiness**
 - Educational Framework Requirements
 - Project Management Methodology
 - Quality Management Systems
 - Feedback Loops
 - Process Management
 - Business Frameworks

Get all suppliers and inputs confirmed before outlining the define and design phases of the program – the left hand side of the SIPOC. This includes all current business systems and frameworks in the organisation that fall under the educational framework, project management methodology and quality management systems (including feedback loops and process management) banners.

WORKPLACE EDUCATIONAL FRAMEWORKS

There are several types of competency frameworks to investigate potentially including;

- Australian National Training Framework Competencies
- International Industry and Professional Competencies
- Organisation Specific (Capability Frameworks)
- Business Curriculum Blueprints; Industry Curriculum Blueprints; Professional Curriculum Blueprints

PROJECT MANAGEMENT

Project management is the discipline of planning, organising, and managing resources to bring about the successful completion of specific project goals and objectives. It is often closely related to and sometimes conflated with program management.

A project is a temporary endeavour, having a defined beginning and end (usually constrained by date, but can be by funding or deliverables), undertaken to meet particular goals and objectives, usually to bring about beneficial change or added value. The temporary nature of projects stands in contrast to business as usual (or operations and even program management), which are repetitive, permanent or semi-permanent functional work to produce products or services. In practice, the management of these two systems is often found to be quite different, and as such requires the development of distinct technical skills and the adoption of separate management.

Source: http://en.wikipedia.org/wiki/Project_management

QUALITY MANAGEMENT SYSTEMS

A Quality Management System provides a structure, including documentation and processes, which enables the delivery of products and services to be controlled and managed to consistently meet the specified requirements.

Source: New South Wales Government; Quality Management Systems Guidelines for Construction June 2005

The lean six sigma program falls into all three of these frameworks and the organisational maturity in each level will define the requirements in the design phase of the program. Particular attention may be required in liaising with stakeholders on the requirements of each area and the potential for individual programs or projects external to the lean six sigma program, although directly influencing it, to be created to uplift the organisation if it is deemed immature in any of the requirements. These would have direct impact on the success criteria agreed to prior to any program launch.

WHO ARE MY VOICES?

Leadership in Designing the Implementation of Lean Six Sigma
Who are my voices?

- ◆ **Who are my voices?**
 - ◆ Voice of Customer
 - ◆ Voice of Business
 - ◆ Voice of Process
 - ◆ Voice of Business Entity/Dimension
 - ◆ Voice of Participant
 - ◆ Voice of Program
 - ◆ Voice of Measurement
 - ◆ Voice of Learning
 - ◆ Voice of Problems
 - ◆ Voice of Waste

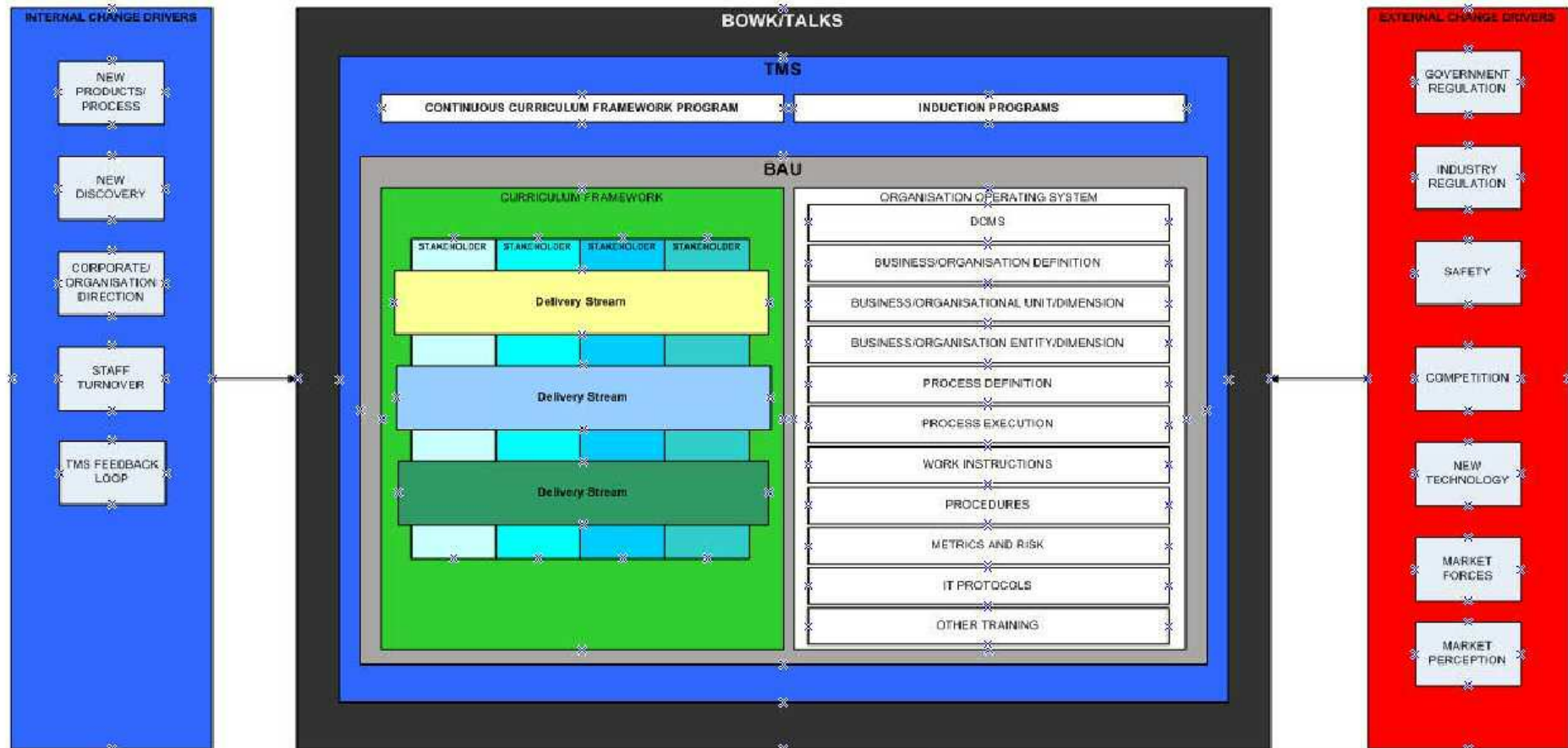
In gathering success criteria to design and define the lean six sigma program and identify inputs into the program all voices need to be consulted. This would include:

- Voice of Customer
- Voice of Business
- Voice of Process
- Voice of Business Entity/Dimension
- Voice of Participant
- Voice of Program
- Voice of Measurement
- Voice of Learning
- Voice of Problems
- Voice of Waste
- Voice of Compliance

In essence any input into the program needs to have a voice. This list could continue to include shareholders, industry professional bodies and so on. In some way each of these could be defined as a customer but it is still a good exercise in program definition to write them all down and identify there inputs. This will help identify resource, success criteria, potential projects, training requirements, program strategy, program key performance indicators, program risk, measures and so on. This is regardless of organisational type and structure.

WHO ARE MY VOICES? – BODY OF WORKING KNOWLEDGE (BOWK)

TALKS - BOWK



TERMS

BOWK – Body Of Knowledge
 TMS – Training Management System
 DCMS – Document Control Management System

BOWK is the entire knowledge base of the organisation which expands and contracts on the basis of internal and external change drivers. The BOWK is generally greater than the knowledge to be transferred in the TMS as defined by the curriculum. In rare cases the gap between BOWK and the TMS can be significantly reduced by the internal change of staff turnover and the loss of legacy data that has not been transferred into the TMS and hence into BAU. The BOWK feeds into the TMS and hence the curriculum as a subset of knowledge which is transferred into the day to day activity of the organisation and becomes BAU. BAU activity is a subset of the courses and activities undertaken in the TMS and in itself feeds back into the TMS to alter the BOWK and the structure of the TMS and the courses and activities themselves. The proposed high level view of the continuous curriculum framework program in the TMS is represented in the diagram as part of BAU as a subset of the TMS. The set up development, implementation and assessment of the continuous curriculum framework program in the TMS to filter into and become a subset of BAU should be a key focus of all curriculum projects.

WHO ARE MY VOICES? – BODY OF WORKING KNOWLEDGE (BOWK)

BOWK is the entire knowledge base of the organisation which expands and contracts on the basis of internal and external change drivers. The BOWK is generally greater than the knowledge to be transferred in the Training Management System (TMS) as defined by the curriculum. In rare cases the gap between BOWK and the TMS can be significantly reduced by the internal change of staff turnover and the loss of legacy data that has not been transferred into the TMS and hence into Business As Usual (BAU). The BOWK feeds into the TMS and hence the curriculum as a subset of knowledge which is transferred into the day to day activity of the organisation and becomes BAU. BAU activity is a subset of the courses and activities undertaken in the TMS and in itself feeds back into the TMS to alter the BOWK and the structure of the TMS and the courses and activities themselves. The proposed high level view of the continuous curriculum framework program in the TMS is represented in the diagram as part of BAU as a subset of the TMS. The set up development, implementation and assessment of the continuous curriculum framework program in the TMS to filter into and become a subset of BAU should be a key focus of all curriculum projects.

The lean six sigma program should tap into the curriculum view of the organisation where possible as it contains and exists within the requirements of a curriculum wise organisation that delivers work based learning programs. Much of our work in delivering organisational business curriculum requirements has interface in the way mature lean six sigma programs are conducted with training integrated into live on the job experiential learning.

In Part C we will look further into links with the Lean Six Sigma Implementation SIPOC, Lean Six Sigma Success Factors, Business Links and Moving from Define and Design to Deploy and Deliver.

More information request Kelly 0302
in the Subject Line to progbus@pb institute.net



The World trusts Minitab for the right tools.

Chefs know the right pan for their dish. Carpenters know the right blade for their wood. Artists know the right brush for their paint.

Quality professionals know Minitab makes the tools they need to deliver results. And research has shown Minitab customers get better results from their improvement projects.

That's why thousands of organizations in nearly 90 countries trust Minitab for the right tools.



Minitab Statistical Software
for analyzing data

Quality Companion
for managing projects

Quality Trainer
for learning statistics

[TrustMinitab.com](https://www.TrustMinitab.com)

Minitab®, Quality Companion by Minitab®, Quality Trainer by Minitab®, and the Minitab logo are all registered trademarks of Minitab, Inc., in the United States and other countries.

herramientas adecuadas

올바른 도구

outils adaptés

správné nástroje

価値あるツール

правильный инструмент

odpowiednie narzędzia

Passende Werkzeuge

权威的工具

ferramentas adequadas



Continuity Forum^{PTY LTD}

Sharing knowledge, experience and promoting best practice in business continuity and disaster recovery planning



We are an active network of organisations that share an interest in seeing that their business continuity and disaster recovery plans are resilient and continually reviewed.

Our goals:

- Provide a forum for discussion on business continuity and disaster recovery
- Educate and inform members and the business continuity community
- Encourage development and implementation of business continuity plans

Our members:

A variety of blue-chip companies from:

Banking and Finance
Government
Security
Transport
Utilities
IT and Telecommunications
Manufacturing
Retail

Member benefits:

- Member and specialist meetings in Australia and New Zealand
- Conferences and Training
- Surveys and Benchmarking
- Resources and Member Support

EventsCalendar@www.continuity.net.au

Visit our website www.continuity.net.au for more information or email support@continuity.net.au to be added to our email alert list.