What is Six Sigma (6σ)?

This presentation provides an introduction to the history and benefits of the Six Sigma
This complimentary presentation is one of several Abidian offers to help our clients better grasp the various improvement tools available. It’s our hope the presentations give you an understanding of how Abidian and the tools might be used to improve the effectiveness of your organization. The presentation itself may be freely distributed and shared with others as long as no changes are made.
The History of Six Sigma

Six Sigma is an improvement process that was originally developed by Motorola.

It became widely adopted after dramatic success seen at GE and others.

A recent study indicates Six Sigma has saved Fortune 500 companies over $427 billion since 1987!
Put simply …

Six Sigma, symbolized as $6\sigma$, is doing something correctly in a quality way $99.99966\%$ of the time. That’s literally near perfection. Reality is most processes operate at about $3\sigma$ or about $65\%$ perfection. Although the issues might sometimes appear small or be unseen by the end customer, about a third of all we do in industry varies and is a potential improvement opportunity.
On the one hand, we don’t want to be alarmists. After all, most of the time, the customer doesn’t know we messed up … or do they??!!
The truth is variation costs, whether the customer finds out or not. There are real costs associated with quality excursions and having to rush or redo work. These costs include expediting, overtime, increased inventory levels, and loss of production capacity. The ultimate impact, if it goes on long enough, is the loss of the customer. “Close enough is good enough” is no longer acceptable for industry-leading companies.
Six Sigma DMAIC+L

To achieve Six Sigma performance levels, a systematic “DMAIC+L” methodology is used to reduce variation …

+ **Define** the business need and benefits

+ **Measure** the process

+ **Analyze** with statistics

+ **Improve** the process

+ **Control** the new process so progress is sustained

+ **Leverage** the improvements across the organization
Long-Term Six Sigma Success

• For sustained long-term results, the improvement effort originates with a well defined implementation process

• This involves educating employees to successfully lead and direct Six Sigma implementation plans

• The elements of a successful Six Sigma initiative typically include:
  + Development of specific business needs/financial goals
  + Leadership development and buy-in
  + Development of cross-functional Champions
  + Training of Green and Black Belt “change agent” project leaders
  + Rigorous project selection and review focused on profitability improvement as driven by customer requirements
Six Sigma Benefits

Six Sigma benefits stem from a step change improvement in process performance, which in turn results in:

- Increased revenue from removing process capacity limits
- Increased revenue from new products and the improvement of existing products
- Reduction in defects, cycle time, and cost
- Reduced reliance on inspection for quality
- Improved customer satisfaction
- Reduced costs from rework and elimination of non-value-added work
Keeping Six Sigma practical …

• Six Sigma is not for the faint of heart

• Successful Six Sigma implementations require a strong, charismatic leadership team

• Most companies begin with Maintenance Excellence and Lean and then follow with Six Sigma (and/or Theory of Constraints)

• Outside coaching and mentoring is suggested
ABIDIAN: Business-Speak for Excellent Change

Over 6000 individuals from North America, Europe, and Asia have attended our workshops, presentations, and improvement events. Abidian has been recognized by the American Society for Quality, United States Congress, and U.S. Commerce Association.
The Numbers …

• 97% of the attendees at Abidian's workshops and kaizens have rated the knowledge of their workshop facilitator as excellent.

• 94% of all workshop and kaizen attendees rated the hands-on exercises and practicality of the illustrations provided as very good or better.

• 100% of all attendees have given their kaizen improvement event or workshop an overall rating of very good or excellent.

• Projected savings identified by our clients from our recent workshops, kaizens, and onsite efforts are well over $80 million.
Questions?

… or looking for help to get started?

Contact Abidian today. You can reach us at 843-536-0942 or info@abidian.com.

Abidian, a recognized leader in productivity improvement, provides hands-on training in Lean, Six Sigma, Maintenance Excellence, Theory of Constraints, and Total Productive Maintenance/Manufacturing.

Learn more about us at abidian.com.