

The Mechanism and Six Sigma

Driving Sustainable Marketplace Advantage

White Paper

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Six Sigma Alone is Not Enough

According to recent research from the business advisory firm [The Hackett Group](#), Six Sigma is far from a "silver bullet," for executives seeking to reduce cost and improve overall quality of back office operations. Many executives use Six Sigma or other continuous improvement programs to drive enhancements in finance, information technology, procurement, human resources, and other selling, general and administrative functions. But according to Hackett research, many executives fail to realize the benefits of these initiatives because Six Sigma is, by definition, an incremental process improvement methodology and is not appropriate for situations that require significant transformational change.

Six Sigma is a Measurement Method

Six Sigma is a measurement method intended to highlight process or production imperfections and stands for Six Standard Deviations (Sigma is the Greek letter used to represent standard deviation in statistics) from mean. The Six Sigma methodology was started in Motorola, in its manufacturing division, where millions of parts are made using the same process repeatedly. This methodology provides the techniques and tools to improve the capability and reduce the defects in any process. While its origins are rooted in manufacturing, you can apply Six Sigma to diverse, high-transaction fields such as Services, Medical and Insurance Procedures, and Call Centers, to name a few.

The basic principles and techniques used in business, statistics, and engineering form the core elements of Six Sigma. Six Sigma improves the process performance, decreases variation and maintains consistent quality of the process output. This leads to defect reduction and improvement in profits, product quality and customer satisfaction. The objective of Six Sigma is perfection. It allows for only 3.4 defects per million opportunities for each product or service transaction. The calculation translates to the following:

$3.4 \text{ defects} / 1,000,000 \text{ opportunities} = 99.9997\%$
of all products produced in a process are of acceptable quality.

Six Sigma methodology improves any existing business process by constantly reviewing and re-

tuning the process. To achieve this, Six Sigma uses a methodology known as DMAIC (Define opportunities, Measure performance, Analyze opportunity, Improve performance, Control performance). Six Sigma methodology can also be used to create a brand new business process from ground up using DFSS (Design For Six Sigma) principles. Six Sigma methodology is also used in many Business Process Management initiatives that are not necessarily related to manufacturing.

The Mechanism™ Unlocks Potential

The Mechanism™ facilitates enterprise-wide change and transformation. It has emerged over the last decade from an array of applications conducted in a spectrum of industries and has involved a wide range of business challenges.

In essence The Mechanism™ is comprised of five interrelated or gears. Those gears are:

- **Envision** - Defines and builds consensus on the desired destination and mission-critical business priorities while ensuring the framework of specific measurements and goal are established to ensure success of the endeavor.
- **Innovate** – Using creative thinking techniques to foster break-through ideas, develops the pathways needed to reach the destination and realize measured success.
- **Create** - This details the specifications of the most desired pathway in terms of business process, organizational needs, application systems and technology to develop a blueprint that includes the business, technical and economic feasibility of the solution.
- **Mobilize** - Using the detailed solution blueprint, this step entails the actual implementation of the solution.
- **Optimize** - Once implemented, this step ensures the solution is optimized with continuous enhancements and refinements as required.

At the foundation of The Mechanism™ is a set of heartfelt tenets, principles and beliefs. More than anything, these are the true differentiators of this virtual device that include:

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About the Author

Thomas C. Wojcik, Jr. is an accomplished senior member of Encore's Business Consulting practice. In his 19-year career in Information Systems and Logistics, Tom has successfully created, staffed, managed, and delivered innovative solutions to his client's business issues through the use of tight project management, thoughtful business process engineering, and prudent implementation of technology.

- **Get Real Results, Real Fast** – Stay grounded in the reality of today's business needs and generate meaningful and tangible benefits. Strive to generate a series of small successes. This will build momentum and excitement for change.
- **Keep it Simple** – Avoid acronyms and buzzwords. Instead accentuate three essential attributes: simplicity, logic, commonsense.
- **Don't Pay Someone to Learn What You Know** – Companies have a better understanding of their operations, customers, competition and trends than any outside interest. Create an environment that is conducive to leverage this knowledge, experience and, most importantly, creativity to foster break-through innovation.
- **Imagination is the Gateway to the Future** – Although knowledge and experience are important, they define 'what-is' and by themselves will perpetuate meritocracy. The only way to reach beyond the visible horizon, to see what others have not seen is through the imagination. Knowledge and experience is important but absolutely essential is the imagination of our client's organization. This is the fuel of The Mechanism™.
- **The Golden Egg is Good but ...** – The instance of an idea or a solution (e.g., the golden egg) is good but the value of the goose (e.g., the process generating the idea) is immeasurable. Give a client the goose.

Companies employ The Mechanism™ when they recognize the need to unlock the potential of their organization. Those that use The Mechanism™ recognize the need to challenge conventional thinking. The Mechanism™ is a reusable framework that exists within a client environment and enables innovation and change. Clients use this framework to: (1) reliably and continually keep their organization focused on its mission-critical needs; (2) optimally align and deploy its resources to priorities of the business; (3) induce innovation and break-through thinking for large or small business problems; and (4) facilitate the adoption of change. The Mechanism™ is a proven set of tools that will help you and your organization think about your business like you have never thought about it before.

Six Sigma and The Mechanism™ Work Together

So why would a company employ The Mechanism™ and Six Sigma? The short answer is to innovate and successfully operationalize new ways to drive top-to-bottom-line business performance. It's important to note that:

- Both The Mechanism™ and Six Sigma are important to any business and promise to contribute to the value and performance of any company.
- They are complementary and accentuate the impact and results of the other.
- The Mechanism™ transforms thinking, fosters innovation and facilitates change in a single individual, a team and across the entire enterprise. It ensures you are doing the right things to achieve your goals and objectives.
- Once you have determined the right things to do, Six Sigma ensures you are doing those right things very well. It helps to eliminate variability and eliminate non-value activities to achieve high efficient and effective operations.

Conclusion

In closing, The Mechanism™ removes the thin but binding facade of habit and perception to reveal untapped opportunities within your organization. It is a framework for thinking, innovation and change that unlocks the secret of sustainable advantage for business. Six Sigma is a method to induce repeatability and control to business processes. It eliminates waste to drives improvements into business functions. Combined, The Mechanism™ and Six Sigma reveal a powerful set to philosophies, tools and techniques to create impressive improvements to the performance and success of any company.

Encore Business Consulting Practice

For more information on this topic, or other business performance questions, please contact Steve Wilt, Partner, at swilt@encore-c.com or review our capabilities on the web at www.encoreconsulting.com.