# INNOVATING WITH LEAN SIX SIGMA



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#### Understanding the value

Computerized change has become the sultriest trendy expression of this decade. It is the utilization of new, quick and changing advanced innovation to address pressing issues.

New innovations and apparatus are supporting the change excursion of organizations large and small, as they compete to get a greater cut of business in a fast-paced environment. It isn't just about interruption and innovation. It's about worth, individuals, enhancement and adaption through wise utilization of advancements.

However, is it enough to smooth an organization's transformative procedure? Could independent innovation execution eliminate a bottleneck in the creation procedure or backing an investigation to correct a configuration imperfection? Albeit advanced change fast-tracks an organization's development, it must be similarly upheld by the Board, consider strategies for quality control and support business change.

Over the years, Lean Sis Sigma has been refined and cleaned into a sound hypothesis of standards and strategies, focused on business change through a plainly characterized procedure.

If you are just starting to investigate ideas that will streamline business procedure, this article will acquaint you with the procedures of Lean and Six Sigma. Even those with no involvement with this region at present can get an idea of what it is about.

"Measurement is the first step that leads to control and eventually to improvement. If you can't measure something, you can't understand it. If you can't understand it, you can't control it. If you can't control it, you can't improve it." - H. James Harrington

#### Six Sigma

"Without a standard, there is no logical basis for decision making or taking action."

- Joseph M. Juran

#### What is Six Sigma?

Six Sigma is a strategy intended to improve business by decreasing the probability of mistake. It is an information-driven methodology that utilizes a measurable system to eliminate imperfections.

Derived from the Greek image "sigma" or " $\sigma$ ", a factual term for estimating process deviation from the procedure mean or target, "Six Sigma" originates from the chime bend utilized in measurements, where one Sigma symbolizes a solitary standard deviation from the mean.

#### The 5-key principle of Six Sigma

The idea of Six Sigma has a basic objective conveying close to consummate products and enterprises for business change for ideal consumer loyalty. Objectives are accomplished through a two dimensional methodology:

# Identification of the problem

- ~ where does a function deviate from "what should be" and "what is"?
- ~ is it important enough to need corrections?

# Solving the problem

 changing the state of the function from "what is" to "what should be".
ensuring the change is implemented for acheiving desired goals.

Six Sigma is established on five key standards:

#### Focus on the client

The "client is the ruler", thus it is essential to fully understand their needs and what drives deals or loyalty. This requires setting up standards of value as characterized by what the client or market requests.

#### Measure the worth stream and discover your concern

Guide the means in an offered procedure to determine zones of waste. Accumulate information to find the issue that will be tended to or changed. Have plainly characterized objectives for information assortment, including characterizing the information to be gathered, the purpose behind the information gathering, experiences expected, guaranteeing the exactness of estimations and building up an institutionalized information assortment framework. Find out if the information is assisting with accomplishing the objectives, regardless of whether the information should be refined, or extra data gathered. Clearly identify the issue, pose questions and discover the underlying driver.

#### Get rid of the junk

When the issue is recognized, make changes to the procedure to remove varieties, in this manner expelling surrenders. Eliminate exercises in the process that don't add to value for the client. In the event that the worth stream doesn't uncover where the issue lies, devices are utilized to help find the anomalies and issues. Streamline capacities to accomplish quality control and effectiveness. Ridding the garbage avoids process bottlenecks.

#### Keep the ball rolling

Include all partners. Embrace an organized procedure where your group contributes and teams up their differed ability with the end goal of critical thinking. Six Sigma procedures can greatly affect an association so the group must be capable in the standards and strategies utilized. Consequently, preparing and information are required to decrease the danger of task or re-structure disappointments and guarantee that the procedures perform ideally.

#### Ensure a flexible and responsive ecosystem

The substance of Six Sigma is business change and changes. The point when a defective or wasteful procedure is evacuated requires an adjustment in the work practice and representative methodology. A vigorous culture of adaptability and responsiveness to change in techniques can guarantee a streamlined venture usage. The individuals and divisions included ought to have the option to adjust to change effortlessly; to encourage this, procedures ought to be intended for snappy and consistent reception.

The organization that has an eye fixed on the information inspects the primary concern occasionally and changes its procedures where vital can significantly increase competitive advantage.

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# Six Sigma Methodology

The two Six Sigma techniques are DMAIC (**D**efine, **M**easure, **A**nalyze, **I**mprove, **C**ontrol) and DMADV (**D**efine, **M**easure, **A**nalyze, **D**esign, **V**alidate. Each has its own arrangement of prescribed techniques to be actualized for business change.

DMAIC is an information-driven five-stage technique used to improve existing items or administrations for better consumer loyalty. It is applied in the assembling of an item or administration conveyance.

DMADV is a piece of the Design for Six Sigma (DFSS) process, used to structure or overhaul various procedures of item assembling or administration conveyance. The five-stage DMADV techniques is used when existing procedures don't meet client conditions, significantly after advancements, or when it is required to grow new procedure.

#### Six Sigma process of business transformation

The point of Six Sigma is to make a procedure powerful with a deformity-free goal of 99.9999%, implying a process that delivers 3.4 imperfections per million chances or less. Six Sigma is an organized critical thinking procedure. Critical thinking in Six Sigma is realized through the DMAIC structure, referenced below. The hidden structure is a solid client center and strong utilization of information and statics to reach inferences.

# **DMAIC Roadmap**



#### DEFINE

In this stage, venture goals are delineated. An undertaking contract is a significant part of this stage. A venture sanction is an outline archive for a Six Sigma venture. A typical contract contains:

- Business case
- Problem explanation
- Goal explanation
- Project scope
- Resources
- Timelines
- Estimated benefits

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The Six Sigma process starts with a client-driven methodology.

**Stage 1:** The business issue is characterized from the client viewpoint.

**Stage 2:** Goals are set. What would you like to accomplish? What are the assets you will use in accomplishing the objectives?

Stage 3: Map the procedure. Confirm with the partners that you are destined for success.

#### MEASURE

The subsequent stage is centered around the measurements of the task and the instruments used in the estimation. How might you improve? How might you measure this?

Procedure factors are estimated at this stage. Procedure information is gathered. The benchmark is acquired, measurements are contrasted, followed by execution measurements. Procedure capacity is acquired.

Stage 1: Measure your concern in numbers or with supporting information.

Stage 2: Define execution measuring stick. Fix the cutoff points for "Y".

**Stage 3:** Evaluate the estimation framework to be used. Would it be able to assist you in accomplishing your result?

#### ANALYZE

The third stage investigates the procedure to find the impacting factors. Underlying driver investigation is done at this stage. Complex examination devices are used to recognize the main drivers of a deformity. Apparatus like histogram, Pareto graphs, and fishbone charts are utilized to recognize the main drivers. Speculation tests are directed to confirm main drivers, viz relapses test, ANOVA test, Chi-square, and so on.

**Stage 1:** Determine if your procedure is productive and viable. Does the procedure help accomplish what you need?

Stage 2: Quantify your objectives in numbers.

Stage 3: Identify varieties, utilizing verifiable information.

#### IMPROVE

Once main drivers are recognized, arrangements should be framed to improve the procedure. Steps to distinguish, test and execute the answers for takeout main driver are a piece of this stage. Reenactment contemplates, structure of examinations, and prototyping is a portion of the strategies used here to improve and augment process execution. This procedure researches how the charges in "X" impacts "Y". This is the stage where you distinguish how you can improve procedure execution.

**Stage 1:** Identify potential reasons. Test to recognize which of the "X" factors distinguished in investigate process impact "Y".

Stage 2: Discover connections between the factors.

**Stage 3:** Establish process resilience, characterized as the exact qualities that specific factors can have and still fall inside adequate limits, for example the nature of some random item. Which limits need X to hold Y inside particulars? What working conditions can affect the result? Procedure resilience can be accomplished by utilizing apparatus such as hearty streamlining and approval set.

#### CONTROL

Subsequent to actualizing the arrangements, the presentation of the arrangements must be recorded. A control framework must be set up to screen the presentation post improvement and a reaction plan is created to deal with arrangement disappointment. Procedure institutionalization through control plans and work directions is normally a piece of this stage. Control graphs show the procedure execution. Task benefits are Dell.com/certification 7

discussed and confirmed against assessed one. The fundamental reason for this stage is to guarantee holding the additions.

Stage 1: Validate the estimation framework to be utilized.Stage 2: Establish process ability. Is the objective being met?Stage 3: Once the past advance is fulfilled, actualize the procedure.

# "Without continual growth and progress, such words as improvement, achievement and success have no meaning".

- Benjamin Franklin

#### **Six Sigma Techniques**

Six Sigma additionally uses a blend of measurable and information examination devices, i.e. process mapping and plan, and demonstrated quantitative and subjective procedures, to accomplish the ideal result.



#### Brainstorming

Conceptualizing is the key procedure of any critical thinking technique and is frequently used in the "improve" period of the DMAIC approach. It is an important procedure before anybody begins using any apparatuses. Conceptualizing includes ricocheting thoughts that produce imaginative approaches to move toward an issue through escalated freewheeling gathering dialogs.

#### 1. Root Cause analysis/ the 5 Whys

This method assists with finding a workable pace reason for the issues viable and is utilized in the "dissect" period of the DMAIC cycle. In the 5 Whys strategy, the inquiry "why" is asked repeatedly, culminating in prompting the central issue. Albeit "five" is the dependable guideline; the genuine number of inquiries may be more prominent or less, whatever it takes to pick up clearness.

#### Voice of the customer

This procedure is used to capture the "voice of the client" or client criticism by internal or external methods. It is planned for giving the best items and administrations for the client, capturing their changing needs through immediate and roundabout strategies. The voice of the client system is used in the "characterize" period of the DMAIC strategy, typically to additionally characterize the issue to be tended to.

#### The 5S system

This strategy has its foundations in the Japanese standards of working environment energies. The 5S framework is designed to expel waste and kill bottlenecks from wasteful instruments, hardware, or assets in the working environment. The five stages utilized are Seiri (Sort), Seiton (set all together), Seiso (shine), Seiketsu(Standardize) and Shitsuke(Sustain).

#### Kaizen (Continuous Improvement)

The Kaizen system is an amazing methodology that powers a persistent motor for business improvement. It is a practice used to constantly observe, distinguish and execute enhancements. This is an especially helpful practice for the assembling area. Aggregate and progressing enhancements guarantee a decrease in squander, just as prompt change at whatever point the smallest wastefulness is watched.

#### Benchmarking

Benchmarking is the procedure that uses a set standard of estimation. It includes making correlation with different business to increase a free examination of the given circumstance. Benchmarking may include contrasting significance procedures or office inside a business (inward benchmarking), contrasting comparative work zones or capacities and industry pioneers (useful benchmarking) or contrasting comparative items and administrations and that of contenders (serious benchmarking).

#### Poka-yoke (Mistake proofing)

This present method's name originates from the Japanese expression signifying "to maintain a strategic distance from blunders" and involves keeping the opportunity of missteps from happening. In the jab burden method, workers spot and evacuate wasteful aspects and human blunders during the assembling procedure.

#### Value Stream Mapping

The worth stream mapping system diagrams the present progression of materials and data, to structure a future undertaking. The goal is to expel waste and wasteful aspects in the worth stream and make more slender tasks. It distinguishes seven distinct sorts of waste and three kinds of waste evacuation tasks.

#### The Six Sigma Tools

- i. Cause and effect analysis
- ii. Flow Chart
- iii. Pareto Chart
- iv. Histogram
- v. Check Sheet
- vi. Scatter Plot
- vii. Control Chart

# "The thing is, continuity of strategic direction and continuous improvement in how you do things are absolutely consistent with each other. In fact, they're mutually reinforcing".

- Michael Porter

#### Lean Methodology

"The improvement of understanding is for two ends: First, our own increase of knowledge; Secondly, to enable us to deliver that knowledge to others".

- John Locke

#### What is Lean?

Lean is a methodical way to lessen or kill exercises that don't increase the value of the procedure. It expels inefficient strides in a procedure and makes the main worth included strides. The Lean technique guarantees high caliber and consumer loyalty.

Lean helps:

- Reduce process duration
- Improve item or administration conveyance time
- Reduce or dispense with the opportunity of imperfection age
- Reduce stock levels
- Optimize assets for key upgrades

It is an endless way to deal with squander expulsion and advance a persistent chain of enhancements.

#### What is "Value"?

We should understand what "Worth" in the above definition is on lean. Contingent upon the sort of business process and industry setting, the client characterizes "esteem".

"Worth" is identified with a client's view of product(s) or service(s), which he/she is eager to pay for. A procedure is a set of exercises, which changes over contributions to yields utilizing assets. In a procedure, these exercises can be grouped into three sorts. They are:

- Non-Value included movement: These exercises don't enhance the processor items. They structure the inefficient advances. A client doesn't pay for the expenses related with these exercises energetically. Or maybe, if present unnecessarily they bring about client disappointment
- Value-included action: These exercises increase the value of the procedure and are basic. They improve forms for efficiency and quality.
- Enabling esteem included movement: These exercises don't enhance a client. They are important for progression of a procedure.

In any procedure, 80-85% exercises are non-esteem including exercises. The point of LEAN methodology is to recognize them simultaneously. What's more, utilize explicit lean devices to dispense with or lessen them. Along these lines, Lean improves process effectiveness.

#### **Removing Waste**

Lean ideas stem from Toyota Production System (TPS), a model ordinarily appropriate for High Volume Production conditions. Lean discovers its application in any condition where procedure squanders are seen. Lean can be applied to assembling as well as administrations enterprises. These days, Lean is embraced by administrations divisions with the two arms. Procedure squander recognized in Lean strategy is known as "Muda", a Japanese group for squanders presented by the Japanese architect Taiichi Ohno of (Toyota) in the 1960s. Utilizing the lean system, you can evacuate eight kinds of waste referenced below ("DOWNTIME" is the abbreviation for the eight squanders).

Waste	Reasons	Definition of waste
D	Defects	The endeavors included reviewing for and fixing blunders, botch through revamps.
0	Overproduction	Producing more items or administrations than the client requires or downstream procedure can utilize.
W	Waiting	Idle time when material, data, individuals or hardware isn't prepared. It incorporates high occupation set up time in assembling. Or on the other hand, unnecessarily high information handling time in the administration business.
N	Non-Utilized Talent	Not sufficiently utilizing relationship building abilities' and innovativeness. Representative strengthening can counter this loss as upheld by Japanese quality pioneers.
Т	Transportation	Moving items, gear, material, data or individuals starting with one spot then onto the next, with no worth expansion to definite item or administration.
I	Inventory	Unnecessary/Unwanted legging or capacity of data as well as material (WIP-work in progress/WIQ-work in queue)
M	Motion	Unnecessary development of individuals or machines that requires significant investment and utilization vitality. May exhaust worker because of undesirable development of a body.
E	Extra Processing	Process steps that don't enhance the item or administration, including doing work past a client's determination.

# The Five Principles of Lean

These Lean standards can be applied to any procedure to diminish the squanders.



#### **Define Value**

The client characterizes the estimation of an item or administrations. Consequently, the initial step is to distinguish clients. Ask yourself, what does the client esteem? Make sense of client's desires from your items or administrations. Characterize the procedure exercises into Non-Value included, Value included, and empowering esteem included.

#### Map the Value Steam

The worth stream mapping shows the work process ventures for an item or administration. The worth stream mapping help recognize and wipe out NVA exercises. In the long run, this enables you to diminish procedure delays and ultimately improve nature of item/administration.

#### **Create Flow**

Make flow to the client by guaranteeing a ceaseless stream framework in delivering item or administrations. Stream will enhance the procedure to augment process proficiency.

#### **Establish Pull**

Build up pull approach by meeting framework beat time, the rate at which an item should be prepared to fulfill the client need. Just-in Time (JIT) is a device-advancing force framework that guarantees smooth work process of the procedure with no disturbances. It additionally assists in decreasing stock level.

#### **Seek Continuous Improvement**

At long last, you should put reliable endeavors to improve the current business procedures to cook everchanging client needs. This guarantee disposing of waste and imperfections free items and quality administrations to clients.

#### **Introduction to Lean tools**

#### VSM (Value Stream Mapping)

VSM assists with recognizing process squanders and reasons for these squanders.

#### KAIZEN

A nonstop improvement approach concentrating on little enhancements. It includes dedication of down level individuals in the association towards process upgrades, encouraged by subordinates and bolstered by the board.

#### JUST IN TIME

It's a force way to deal with fulfill client needs as and when it streams from a client.

#### SMED (Single minute exchange of dies)

Improves hardware changeover time. It aims at a standard of lessening changeover time to inside ten minutes.

#### **POKE-YOKE**

A slip-up sealing gadget utilized in get together to alert administrators of imperfections or disappointments.

#### JIDOKA (Automation)

Otherwise called astute robotization. It stops the get together or generation line if an imperfection occurs.

#### **HEIJUNKA**

The idea of line adjusting. The point is to equitably circulate the heap by adjusting creation traps.

#### GEMBA (Go & See)

The point is to go to the genuine work environment. Watch the procedure and executions progressively with care. Record the perceptions. It's another method to discover process traps.

#### KANBAN

A sign framework to oversee stock level. Kanban loads can be shown to determine how to see present stock levels consistently. It likewise cautions the administration to consider extreme stock and its impact on working capital and squares it from profitable use.

#### **Experiencing Change with Lean Six Sigma**

The American Society for Quality (ASQ) states, "Lean Six Sigma is a reality based, information driven way of thinking of progress that qualities deformity counteraction over imperfection identification it drives consumer loyalty and primary concern results by decreasing varieties, burn through and process duration while advancing the utilization of work institutionalization and stream, in this manner making an upper hand. It applies anyplace variety and waste exist and each representative ought to be included".

Lean Six Sigma consolidates the system of Lean and Six Sigma. Lean standards help decrease or eliminate procedure squanders. Six Sigma centers around varieties decrease in a process. Along these lines, the standards of Lean Six Sigma help improve effectiveness and nature of the procedure.

# Lean Focus on Waste Elimination supports Six Sigma Quality

(waste elimination eliminates an opportunity to make a defect)

# Lean

Goal: Improve process performance through waste elimination & cycle time reduction

Focus: Bias for action Method: Implement Lean tools such as Kaizen events, Value Stream Mapping, 5S, TPM etc. Deployment: Implicit infrastructure Six Sigma

Goal: Improve process performance in relation to what is critical to the customer

Focus: <u>Bias for analysis</u> Method: Uses the DMAIC method and quality tools

Deployment: Explicit Infrastructure

Speed, Flow, Cost

ustomer Satisfaction

Six Sigma Quality supports Lean Speed (less rework means faster cycle times)

# Why is Lean Six Sigma gaining the importance in today's scenario?

The present condition is dynamic. Lean or Six Sigma approach in this unique condition can't carry maximum capacity to enhancements when applied in seclusion. Coordination of Lean and Six Sigma guarantees excellent enhancements. In this administration approach, customarily the Lean technique is utilized first to evacuate the loss in a procedure. Afterward, the Six Sigma apparatuses are utilized to improve process varieties. These two techniques are connected at the hip. A definitive target is to improve forms by diminishing varieties and dispensing with squander. It's a ceaseless improvement process, where Lean techniques and Six Sigma approaches both go ahead during PDCA. The degree of approaches may vary contingent on process complexities or improvement sought. The blend of these two strategies assists with creating streamlined procedures with excellent results. It enhances benefits and helps meet business objectives.

By incorporating Lean Six Sigma, the executive's approach is being utilized across divisions and enterprises. Lean Six Sigma technique improves procedures and makes them proficient. The key achievement is the executives and commitment to improving consumer loyalty.

### **Final Takeaway**

In a nutshell, Lean strategy focuses on squander decrease in process while Six Sigma focuses on decrease of procedure variety. Both the methodologies are inseparable to understanding the maximum capacity of procedure upgrades. An integrated methodology of Lean Six Sigma helps improve procedure productivity, advance assets and expand consumer loyalty, while improving benefits and reducing cost.

"If you want to sustain excellence over a long time, you should better come up with a system that works well. Anyone can sprint for little while, but you can't sprint for years".

- Michael Dell

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