

PMI  
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## **The Lean Six Sigma machine... a synergistic approach to service improvement and cost saving**

**In this issue of *pse*, Lean and Six Sigma, two methodologies already well established in the manufacturing sector, are introduced as key strategies towards achieving the process improvements and cost savings the public sector so desperately needs.**

*A BRIEF HISTORY...*

### **From Iowa chicken farm to Japan's unlikeliest hero**

Iowa-born Dr. W. Edwards Deming first began teaching the principles of sound process management and improvement techniques to Japanese businesses in the 1950s. Through this work, Deming – founder of the W. Edwards Deming Institute and the Deming System of Profound Knowledge – is credited with making a substantial contribution to helping Japan develop the quality and innovation that were the seeds of that country's future economic power.

### **Toyota and Motorola take up the call**

Toyota executive Taiichi Ohno soon began applying Deming's ideas in a repetitive manufacturing environment, giving rise to the Toyota Production System, otherwise known as 'lean manufacturing'. Then, in the late 1980s, Mario Perez-Wilson at Motorola developed Six Sigma as a means to dramatically improve quality and deliver real bottom-line improvements. By the close of the 20<sup>th</sup> Century, nearly two-thirds of Fortune 500 organisations had initiated Six Sigma projects with the aim of reducing costs and improving quality.

### **Prevention is more cost-effective than cure**

Instead of fixing a direct problem over and over again, Lean and Six Sigma are designed to prevent the problem from reoccurring. Through examining the process and making necessary changes, the outcome is dramatically improved through better quality and greater money savings.

Such sustained improvements and economies are achievable, but require commitment from the entire organisation, particularly top-level management, which is where organisations such as Process Management International (PMI) come in.

With many years experience in both Lean and Six Sigma implementation and practice, PMI are able to integrate the two methodologies into a single service improvement system which delivers more than either can alone.

#### **The merits of Lean**

- ✓ Tackles variation through standardisation
- ✓ Has a better understanding of customer 'demand' profiles
- ✓ Offers specific tools for improving velocity of processes – speed in the right direction!

#### **The merits of Six Sigma**

- ✓ Seeks to identify and remove the causes of defects and errors in manufacturing, service and business processes using a set of quality management and statistical methods
- ✓ Has a more sophisticated understanding of customer 'quality'
- ✓ Offers a project structure following a defined sequence of steps and quantifiable financial targets

#### **The merits of using Lean & Six Sigma together**

In recent years, Six Sigma has been combined with Lean in the methodology called Lean Six Sigma. There is no hard and fast rule to using one or both methodologies, but as an example of how they dovetail together, Lean's streamlining processes can allow Six Sigma quality to be achieved far more quickly.

Through in-house and public training programmes, PMI take the best of what Lean and Six Sigma offer to create the mindset that allows managers to make decisions on the basis of verifiable data, rather than assumptions and guesswork.

PMI's clients have covered the whole range of applications from local government through the health sector to manufacturing. If there's room for improvement in an organisation – and there always is – Lean Six Sigma can find it.

PMI's public courses are offered in association with the Chartered Quality Institute (CQI) and are available in the Midlands and London. For more information, go to [www.pmi.co.uk](http://www.pmi.co.uk) or call +44(0)1676 522 766.

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