

Six Sigma and Workout



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How to convert the volumes of change management theory into practical, easily applied strategies

Ask successful Six Sigma deployment leaders, or experienced Black Belts, and they will usually report that change management is the most challenging aspect of deploying Six Sigma. For most practitioners, change management is the black art of Six Sigma deployment: What is change management? And how can you convert the volumes of change management theory into practical, easily applied strategies for accelerating the culture change process so critical to sustained Six Sigma success?

A major piece of the Six Sigma change management puzzle is determining how to create broader ownership for Six Sigma, without diluting the rigor of the methodology. The starting point for solving the ownership problem is recognizing that Six Sigma is a relatively low engagement strategy to begin with. It relies on an elite core of highly trained Black Belts, and to a lesser extent Green Belts, to do the heavy lifting of driving change through the organization.

Investing in the development of a relatively small cadre of expert, fulltime problem solvers is a cornerstone for Six Sigma success and has paid big dividends in many companies willing to make the commitment. But this strategy comes with a definite risk – the evolution of a “we/they” caste system within organizations between those deeply involved in Six Sigma (the Belts) and those (the non-Belts) mostly relegated to the sidelines.

The consequences of this non-Belt participation gap that typically surfaces 12-18 months into Six Sigma deployment, include:

- **Slow Implementation and Institutionalization of Six Sigma Project Solutions**
Without a strategy for getting non-Belts into implementation, Six Sigma projects can show great theoretical, or even one-time cost reductions, but still not deliver sustained results.
- **Over-training and Proliferation of Belts**
In the interest of building a Six Sigma culture and getting everyone on board, organizations can end up training beyond the need and capacity to apply classic Six Sigma DMAIC (Define, Measure, Analyze, Improve, Control) tools.
- **The “Balkanization” of Performance Improvement Responsibility**
As Six Sigma takes root in an organization, other non-Belt performance improvement activities are often marginalized or abandoned.

In many successful deployments, this change management issue has been dealt with by brute force. Resistance to change is overcome through the exercise of command and control power by top executives who feel Six Sigma is important enough that its implementation should be simply mandated. Another change management strategy has been to saturate the organization with training and build Belt certification into the criteria for promotion. Both of these strategies are less than optimal and have negative consequences – in fact, over time both feed the development of the we/they caste system mentioned above. They lead to the question of how to break down internal resistance in some other way. After all, not every company looking to benefit from Six Sigma can expect top executives to support the initiative by taking it on as a personal crusade or by betting the company’s future on its success.

One solution is the integration of Work-out tools and techniques first used by GE to create an empowered culture. Work-out tools were largely credited as a critical accelerator of GE’s Six

Sigma effort. Among Work-out's key synergy with Six Sigma is the focus on unleashing the know-how of those closest to the work. In other words, Work-out typically relies for much of its power on precisely the group of employees who often receive only a cursory exposure to Six Sigma tools and concepts.

The Evolution of Work-out

Work-out as a business improvement methodology was birthed at GE under Jack Welch in response to failed TQM (total quality management) efforts and Welch's passion to accelerate change and transform GE's bureaucratic culture. The first Work-out efforts at GE were built on the construct of the town hall meeting – one to three-day gatherings of organization stakeholders designed to discuss and take action on major issues.

The big differences between this first generation of Work-out version and TQM and other continuous improvement methodologies were striking, including:

1. **Speed to Action**
Where TQM emphasized study before acting, Work-out promoted action as soon as a consensus could be reached on a common-sense solution.
2. **Simplicity of Tools**
Work-out favored the use of understandable tools, ready for use by anyone with knowledge of the problem, versus statistical and analytical tools requiring expert training.
3. **Self-confidence to Act**
Work-out meetings encouraged open airing of opinions but also demanded personal commitment to action. This emphasis on individual versus team accountability heightened the personal threat, but clearly enhanced follow-through from Work-out meetings.

Based on GE's success, a number of companies and consultants built on and steadily improved the Work-out concept. The most recent and notable company implementing Work-out principles is General Motors, whose "Go Fast!" program reportedly saved the company millions of dollars since its introduction in 2000. The strengths of Go Fast! are its tight structure, packaging and dedicated cadre of internal coaches. This Work-out innovation has armed GM with a tool for involving thousands of employees in a controlled empowerment exercise.

Other organizations, including IMC Global and Standard Register, have directly integrated Six Sigma Work-out to speed solution implementation on DMAIC projects and capture more quick-win gains. Once some of the more complex problems are dissected through data analysis, IMC's Black Belts engage frontline employees using Work-out idea generation, prioritization and action plan development techniques to bring more creativity and ownership to solution development and implementation.

By combining Six Sigma with Work-out tools, IMC Global has engaged 450 employees and managers on Work-out teams to accelerate solution implementation. IMC attributes more than \$3.5 million in savings to the specific contributions made by the Work-out groups. At Standard Register, Work-out teams provide an off ramp for projects that do not require the rigor of heavy statistical analysis but benefit from structured participation by employees closest to the problem.

Combining the Science and Psychology of Change

One of the strengths of the Six Sigma movement appears to be its ability to absorb (although sometimes very slowly) new ideas and approaches. The integration of Lean process design into Six Sigma initiatives is a prime example of how a good system can get better, when practitioners with differing perspectives get together.

The combination of Work-out and Six Sigma is gaining traction as organizations begin to look at addressing the change management challenges of a Six Sigma deployment head-on. Six Sigma

brings an objective, fact-based approach to making decisions about how to improve critical business processes. It relies on the weight of logic and data analysis to break through the technical barriers to change. Work-out, at its core, is a psychological approach to change that taps universal drivers of human behavior: The desire to be listened to and valued; to be supported from those in power; and, to be rewarded for making things better.

While Six Sigma projects may be able to meet the long-term psychological needs for the Black and Green Belts, it is nearly impossible to do so fast enough to meet the expectations and psychological needs of non-Belts. This is particularly true for those in knowledge worker roles and high-touch work environments.

For these managers and employees, who after all, make up a large chunk of the nation's workforce, the real currency of change is the opportunity to quickly put their ideas into action to improve results for their internal and external customers and make a difference in daily work life. Work-out provides the means to close the engagement gap on Six Sigma initiatives by giving all employees a structured format for converting ideas into action and in doing so accelerates short-term results and reduces the cycle time of achieving critical mass in the evolution of a Six Sigma culture.

Keys to Successful Integration

Integrating Six Sigma and Work-out is not difficult, but it does require effective positioning and assignment of roles and responsibilities. The following are guidelines for successful integration:

- 1. Position Work-out as an Integral Part of the Six Sigma Management System**
On the surface, the Six Sigma goal of achieving near perfection in process/product performance might seem at odds with the ideas of speed and self confidence to take action. In Six Sigma organizations, it is important to understand where speed, simplicity and initiative pay dividends and where these attributes create risks.
- 2. Use Work-out to Clear the Path for Complex Problem Resolution**
Work-out tools (structured brainstorming, idea prioritization and action plan development) are ideal for making improvements in process/products performing at levels below 95 percent defect free. Deploying Work-out teams on these problems saves time for Black/Green Belts by draining-the-swamp to reveal the systemic problems requiring advanced root cause analysis and application of statistical methods.
- 3. Deploy Work-out Teams to Accelerate Six Sigma Solution Implementation**
Solutions developed out of Black Belt-led statistical analysis meet their greatest challenge at the implementation stage, particularly when the solution will require many people to change how they do their daily work. Here, the human factor takes over the forward movement of solution implementation. Work-out teams provide the ideal vehicle for engaging those who must live with the solution. Granted, this localization process can result in some variability in how solutions are implemented. However, the risk can be managed through careful designation of boundaries. The gain in ownership and accountability for results far out-weighs any small process deviations.
- 4. Engage Leaders to Build Consensus Improvement Priorities**
Work-out events are very efficient vehicles for aligning leadership teams on priorities for Six Sigma deployment. These high-level Work-outs can sort out the mountain vs. foothills opportunities before resources are committed. This avoids mismatching problems to tools.

For companies already committed to Six Sigma, the addition of Work-out to their ongoing deployment strategy can add 30 percent or more to their savings scorecard and greatly expand employee participation. For companies not ready to invest in Six Sigma, Work-out is a logical on-ramp for clearing the path of low-hanging fruit and for helping employees become confident about making change happen at controlled speed.