

Lean and Six Sigma FAQ's



Do Lean and Six Sigma both belong in my organization?

Lean and Six Sigma belong together just like a hammer and a screwdriver in a carpenter's tool-bag. They are both different tools with different purposes that are very good at what they do. Both are proven improvement methodologies with Lean all about eliminating waste to improve process velocity and flow. Six Sigma seeks to reduce variation in the output. $Y=f(x)$ is an equation that describes the relationship of process inputs and their effect on the output of the process.

In our experience, operating excellence is a key driver of economic margins with analysis revealing that 30-50% of the costs in many organizations today are pure waste. Eliminating waste not only reduces costs, but more importantly allows a business to become faster and much more responsive to its customers, driving revenue growth. Implementing Lean and Six Sigma helps drive broad cultural change, create a common operations language and place great emphasis on creating the internal capability required for continuous improvement.

How do they work together?

Every issue you're likely to face can best be solved by applying both tools as needed. Six Sigma tools can point to problems in the process that are usually solved by applying Lean tools. Both Lean and Six Sigma have a positive impact on Quality, cost reduction, and customer satisfaction.

When do I use Lean?

Lean can be used to remove the blockages (or stopping points) inherent in any process and the emphasis is on making the physical and system changes that promote flow. Lean has a proven set of tools for eliminating common forms of waste in all types of organizations.



When do I use Six Sigma?

- a) When you don't know what to do to fix a problem, simple Six Sigma tools can point you in the right direction. Also when excess variation makes a process somewhat unpredictable or failure/scrap rates are higher than expected.
- b) When you have a nagging problem that has not been solved despite previous attempts.
- c) When you need the discipline of a longer term project-driven solution, like before committing capital for new equipment.

What about kaizen events?

Very often, successful Six Sigma projects utilize kaizen events to drive the improvements identified in the Analyze Phase. Kaizen events are usually short-term (less than a week in duration) and have a very specific goal that can be achieved by a team of 5 -7 people. For instance Six Sigma tools used in the Analyze phase of a project can point to lost capacity from excessive setup (or make-ready) time. The best way to reduce setup time is to perform a kaizen event aimed at setup reduction, which has an initial goal of reducing time lost to setup by 50% or more.