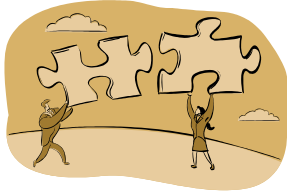


The Puzzle: Lean, 6 Sigma, ISO, Baldrige, and Scorecards



Is the array of improvement methods a little confusing? There are many approaches. Among them are Six Sigma, Lean, ISO, Baldrige, and good old-fashioned process improvement and problem solving. Some techniques go by many names -- continuous quality improvement, total quality management, plan-do-check-act, and so on. Let us take this puzzle apart and see what the pieces represent and how they might fit together.

Six Sigma is a quality improvement approach that uses statistical analysis, among other methods, to analyze processes or products to reduce and prevent defects. The term "six sigma" represents 3.4 defects per million opportunities -- an extremely low error rate.

Lean techniques focus on identifying and eliminating non-value work or features in products and services. "Value" should relate to what customers require or need (internal or external customers.) Non-value added attributes constitute "waste", which must be eliminated or reduced. Waste includes waiting time, inventory, redundancy, motion, and many more.

The International Organization devised ISO standards for Standardization. "Iso" is a scientific term for isotherm lines on a weather map which show equal temperatures. Hence, organizations certified under ISO standards are purported to have quality equal to their peers. "Say what you do and how you do it, and do what you say" is a common description of ISO, which helps organizations standardize their work practices to achieve predictable outcomes.

Balanced scorecards are used to measure and monitor the overall effectiveness of an organization. The measures are "balanced" because they include (1) financial, (2) customer-oriented, (3) process, and (4) employee and learning measures. Each perspective of performance contributes to other aspects of performance. The balanced scorecard (or BSC) was devised to help organizations focus on more than financial results, take a long-term view, and understand the relationships between each of the four measurement perspectives..

The Baldrige Criteria for Performance Excellence, a comprehensive system for managing an organization for success, includes seven categories: (1) Leadership; (2) Strategy; (3) Customer Focus; (4) Information & Knowledge Management; (5) Human Resource Focus; (6) Process Management; and (7) Results. Its holistic questions cause organizations to strengthen every aspect of their business to provide long-term sustainability through good process management, continuous improvement, integration of processes, and use of measurement to guide action. The Baldrige approach embraces all the other pieces of the puzzle.

Some people mistakenly ask, "Which improvement approach should I adopt?"

The answer is they ALL have their unique purposes. Organizations should gain competence in using all the approaches, because they comprise a big toolbox with many tools that needed at various times for different purposes.

None of these approaches contradicts the others. Best wishes on your road to excellent performance!

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