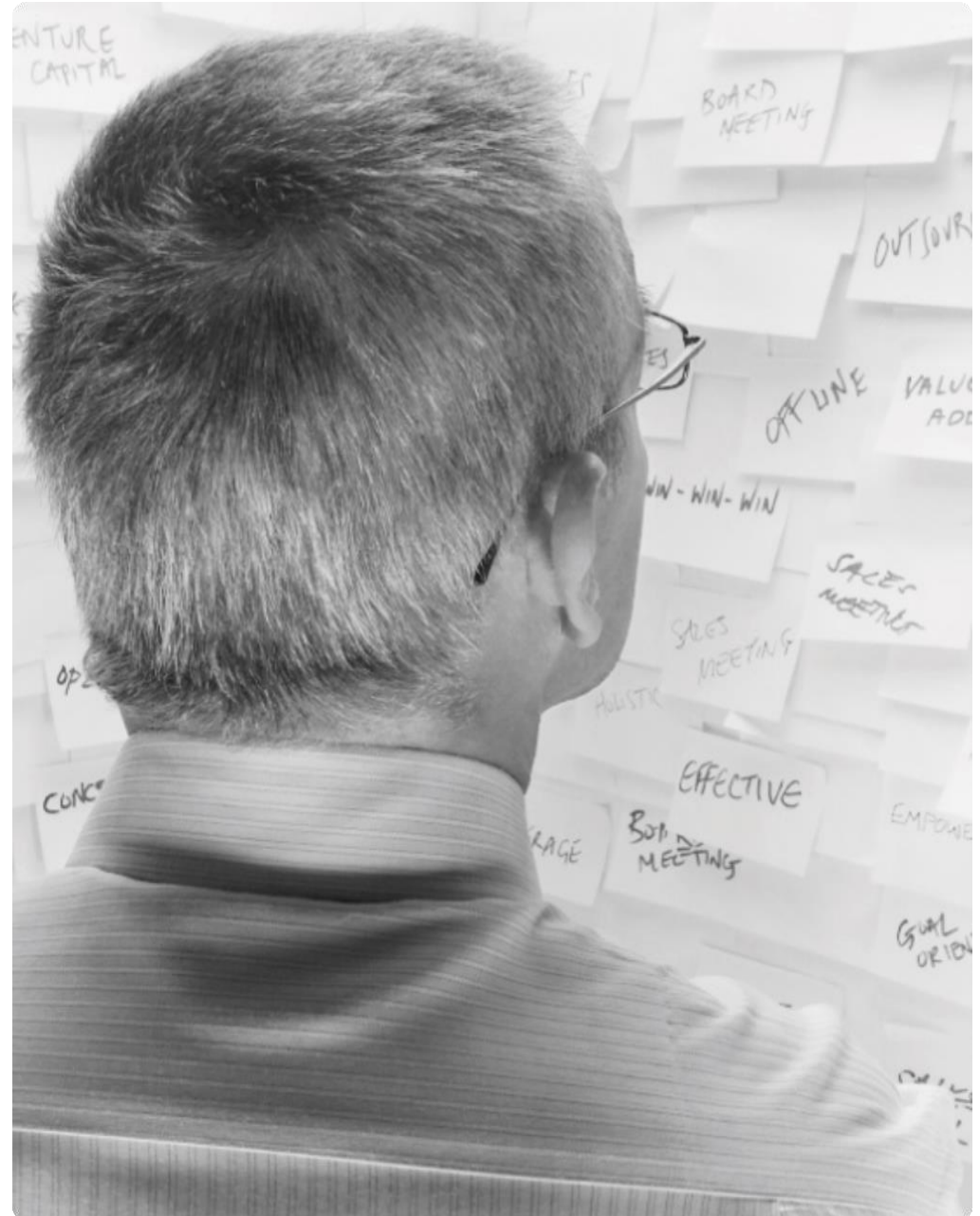




Six sigma is a widely accepted quality concept in the corporate world. It is a data driven, customer focused, and result oriented methodology which uses statistical tools and techniques to systematically eliminate the defects and inefficiencies to improve processes.

Six Sigma started its journey in the 1980s as a data driven method to reduce variation in electronic manufacturing processes in Motorola Inc. in the USA. Six Sigma became famous when Jack Welch made it vital to his successful business strategy at General Electric in 1995. Today it is used as a business performance improvement methodology all over the world in diverse industry including general manufacturing, construction, banking and finance, healthcare, education, government, KPO/BPO, IT/ Software. At present IT/ ITES sector companies are dynamically implementing Six Sigma and it is no more confined into manufacturing sector only.

The term 'six sigma' comes from statistics and is used in statistical quality control (SQC) which evaluates process capability i.e. the numerical measure of the ability of a process to meet the customer specifications. A six sigma process is the one which produces 99.99966% statistically defect-free outputs which is equivalent to 3.4 defects per million opportunities (DPMO). Each six sigma project carried out within an organisation follows a defined sequence of phases with quantifiable value targets e.g. reduction in process cycle time, reduce cost, increase in quality rating/ customer satisfaction index, reduction in defect rate.



Why Use Six Sigma

Key benefits of using Six Sigma:

- Six Sigma helps companies to reduce cost and improve productivity
- Six Sigma improves quality of projects output by reduction of inefficiencies and defects
- Six Sigma increases customer satisfaction, and Loyalty
- Certified Six Sigma Professionals can help increasing ROI significantly

Six Sigma vs Traditional Quality

Six Sigma	Traditional Quality
Decisions are driven by data	Decisions are taken based on a combination of data and 'gut feel'.
Control process inputs (Focus on X's)	Inspection method (Focus on Y)
Structured use of statistical tools to help in problem solving	No formal structure exists for the application of tools
Structured training in applied statistics	Lack of structured training
Root cause approach	Band aid approach
Prevention over inspection	Inspection over prevention

Six Sigma Characteristics

- Customer centric
- Process focused
- Data driven
- Involvement and support of the top management
- Cultural change
- Breakthrough performance gains
- Structured improvement deployment
- Validation through key business result
- Reduction in variation
- Elimination of defects
- Improvement in yield
- Enhancement in customer satisfaction
- Strengthening of the bottom line



All leading companies in the world use Six Sigma

Six Sigma has come a long way since its inception in the mid 80's. In the present day, Six Sigma is one of the most widely applied methodologies for improvement projects globally. Also, the widespread increase in the demand for certified Six Sigma professionals is a testimony to the fact that Six Sigma is here to stay.

Before, 1987, Six Sigma was solely a statistical term. Since then, the Six Sigma crusade, which started at Motorola, has spread to other companies who are continually striving for excellence. Over the last two decades it has evolved from a problem-solving technique to a quality strategy and ultimately into a sophisticated quality philosophy. After GE's Jack Welch made it a central focus of his business strategy in 1995, looking at the success, all other leading companies started following the trend. And today, Six Sigma is the fastest growing business management system in industry.

GE and Dow have been using Six Sigma for new product development and customer support to reduce costs, improve performance, and increase profitability

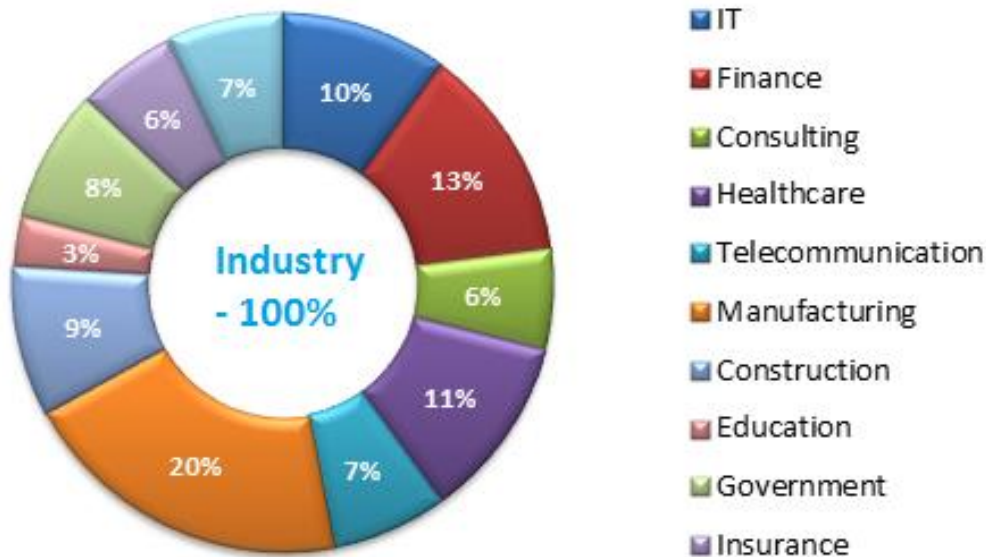
Citi bank uses six sigma to reduce variability in cycle times, error rates, costs, "days to pay" of accounts payable, and improve employees' productivity ratios.

Accenture uses six sigma to eliminate waste and become faster and much more responsive to its customers, driving revenue growth.

Who is Using Six Sigma

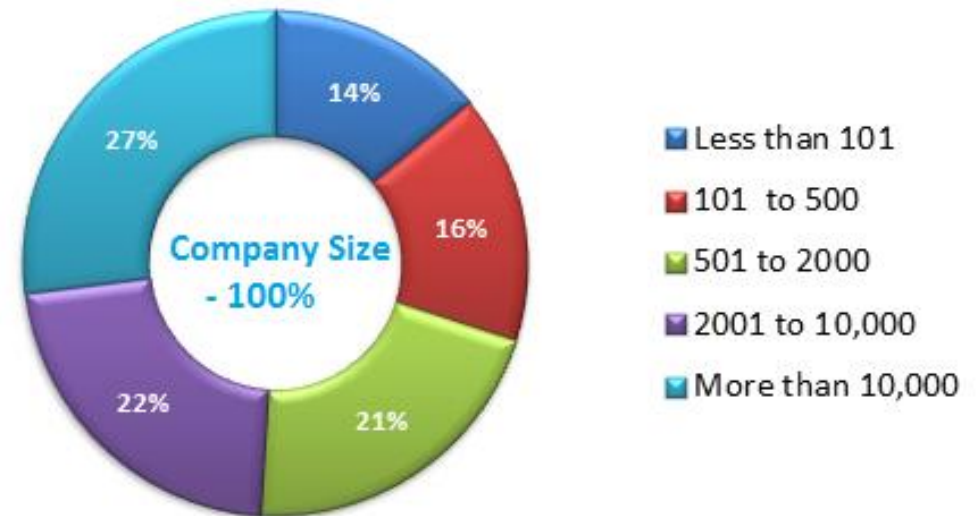
The figure below shows that Six Sigma is not only adopted by manufacturing companies. Six Sigma is increasingly being applied outside of the traditional manufacturing industry because of its inherent benefits. Today's competitive environment leaves no room for error. We must delight our customers every time and relentlessly look for new ways to exceed their expectations. Six Sigma plays a huge role in doing so irrespective of industry.

Many say that Six Sigma is only for large companies where they follow lot of processes. However, survey conducted by 6sigmastudy revealed that it is equally adopted by small to medium sized organizations as well. The figure below shows the distribution of companies by employee count.



Distribution of companies using Six Sigma by industry

Demand for Six Sigma – 6sigmastudy survey - 2013



Distribution of companies using Six Sigma by employee count

Demand for Six Sigma – 6sigmastudy survey - 2013

