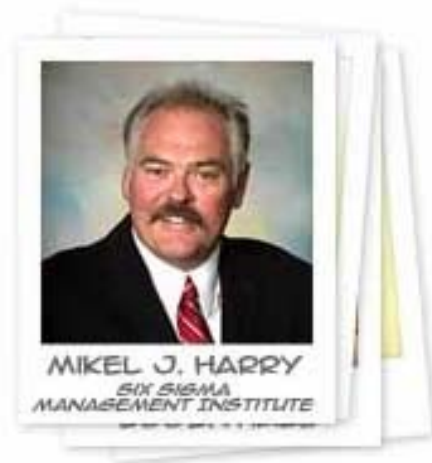


Executive Summit Program



Abstract

The two-day Senior Executive Summit is uniquely offered by the Dr. Mikel J. Harry Six Sigma Management Institute, Scottsdale, Arizona. This summit is essential for any group of business leaders that are interested in pursuing a global or focused installation of Six Sigma. The summit presentations, discussion and activities are specifically designed to provide a functional portal into the world of Six Sigma. Through this portal, a senior executive team can better understand the business nature of Six Sigma and its ability to create quantum change, not just in terms of financial performance, but in the underlying value proposition of any enterprise charged in the delivery of products, services, transactions, and events. The program focuses on the information and strategies necessary to thoroughly investigate what it takes to initialize, deploy, implement, and apply Six Sigma – at the business, operations, and process levels of an enterprise. The principle deliverable for this workshop is a client-centric deployment and implementation roadmap.

Summit Introduction

In today's marketplace companies of all types and sizes are looking for top-line growth, reduction in their total cost structure, increased capacity without capital investment and improvements in customer satisfaction. These companies also seek to eliminate non-value activities, better their investor relations, and institute sound supply chain management practices, not to mention the need to develop a world-class workforce of leaders.

To remain competitive, these companies must deliver an additional 3-6% to the bottom line –

each year. However, many organizations are unaware that the average company (operating at four sigma quality) leaves about 20 to 40 percent of every sales dollar on the table each year – owing to a loss of capability and capacity due to poor quality.

Since its inception in the 80s as a quality initiative at Motorola, Six Sigma has evolved into a world-class system of business management. In this context, Six Sigma provides a means to reach the control function of a corporation and positively alter the genetic code of its leadership and the way it gets business done – in every corner of an organization and in everything it does.

In other words, Six Sigma forces us to reexamine the way we get the work done and not simply modify the existing system for some marginally acceptable level of improvement. Six Sigma is more than a quality improvement initiative. It is a system of business management that produces quantum change – in everything.

Summit Deliverables

The first step toward an effective Six Sigma deployment begins with the top leadership of a corporation, regardless of its type or size. It is at this level that Dr. Mikel J. Harry works with your senior executive leadership team to develop a successful Six Sigma deployment and implementation roadmap.

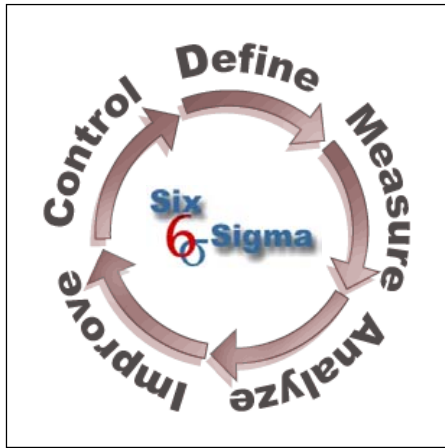
To realize a deployment roadmap, the two-day executive summit provides a balanced mix of instruction, interaction and hands-on planning. This means that the senior executive team will learn what it takes to install and benefit from Six Sigma; the first time, quickly, with the greatest chance of success, and done so in a highly cost effective manner. The primary deliverables of this summit are equally clear-cut:

- ✓ Provide substantive evidence to justify further pursuit of Six Sigma
- ✓ Define key business goals and performance metrics
- ✓ Develop first-order deployment and implementation plans.

Almost without saying, the interactive nature of these three experience-based deliverables offers a solid platform from which to build a Six Sigma initiative.

Summit Content

In support of the aforementioned aims, the two day executive summit features an in-depth overview of the essential Six Sigma values, metrics, concepts, principles, tools and methods, as well as life-like demonstration of the time-proven DMAIC problem-solving methodology.



Of particular interest, the summit's content is built around the client's unique business circumstances and data. In this context, the client's senior leadership team can better appreciate the true business impact of Six Sigma. In short, this summit focuses Six Sigma on the *Quality of Business*, not the *Business of Quality*.

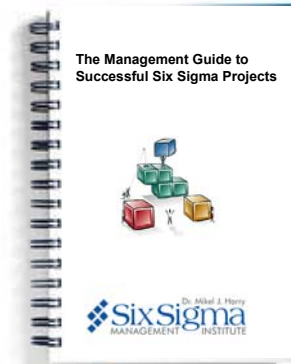
From an operations point-of-view, the summit will zero in on previous client case studies. The selected case studies are thoroughly discussed, especially in terms of "lessons learned" and common success factors.

In support of this aim, the executive summit also highlights the various roles and responsibilities associated with a global roll-out, as well as the cornerstone of Six Sigma – Black Belt and Green Belt projects.

Of course, we can't do what we don't know. Hence, the transfer of knowledge is a vital element to the successful deployment of Six Sigma. After all, this is where the proverbial *rubber of training* meets the *road of execution*, so to speak.

Furthering this discussion, the summit will address the 10 phases essential to the successful management of Six Sigma projects:

- 1) Project Identification
- 2) Project Selection
- 3) Project Scoping
- 4) Project Assignment
- 5) Project Chartering
- 6) Project Initialization
- 7) Project Execution
- 8) Project Completion
- 9) Project Validation
- 10) Project Closure.



In order to better structure the learning experience, several key instructional objectives have been established in advance of the summit. Specifically, the executive summit will:

- Instill an in-depth understanding of Six Sigma and a clear sense of what is required to effectively spearhead and drive Six Sigma deployment on an organization-wide scale
- Demonstrate how Six Sigma methods and tools, in the hands of trained people, can enable a company or business unit to achieve formerly unattainable levels of performance
- Enable the discovery of how Six Sigma improves operating margins, top-line growth, process cycle time, throughput and yield, product/service quality and other aspects of the business
- Develop an understanding of how the DMAIC strategy can be applied to realize significant benefit in key designs, processes, services and transactions
- Guide the formulation of financial goals, stretch targets and operational limits for the Six Sigma initiative
- Create guidelines that will better control the scope and depth of deployment for a corporation or business unit
- Review and interrogate key performance metrics and data so as to ensure the efficient utilization of business resources during the deployment and implementation of Six Sigma

Summit Attendees

Who should attend the Six Sigma Executive Summit? Key executives, leaders, and decision makers are selected to represent their enterprise; thereby forming a corporate leadership team of business-centric executives.

It is highly recommended that the corporate quality leader be among the team members, as well as a corporate finance executive that is familiar with the accounting system and related practices.

Other leaders that should be considered for this team include such areas as engineering, manufacturing, operations, supply chain and human resources.

Once the team has been formed, the members should formally caucus about: 1) the global need for quantum improvement, 2) current issues that might impede or otherwise inhibit the successful launch of an improvement initiative, and 3) the existing internal and external forces that could drive the initiative.

Summit Agenda

The two-day Six Sigma Executive Summit is a highly interactive, hands-on workshop. It is focused on the fulfillment of certain client-specific needs related to the deployment and implementation of Six Sigma.

Morning Session: Day 1

The morning session of Day 1 is concerned with developing an executive-level understanding of Six Sigma and its many benefits, as well as how it fits with other business initiatives. Equally important, this session focuses on the essential elements of a successful Six Sigma deployment and how it can be effectively implemented at the local level of a business enterprise – regardless of the organization's type or size.

Afternoon Session: Day 1

The afternoon session of Day 1 is largely concerned with the key players commonly connected with the installation of Six Sigma. Specifically, the responsibilities and expectations of each Six Sigma role is thoroughly discussed and analyzed. In addition, this session explores how Six Sigma projects can drive bottom-line benefits, as well as how such projects should be selected, executed and managed.

Evening Session: Day 1

The evening session of Day 1 is a hands-on development activity. This activity is dedicated to creating an overall vision for Six Sigma. During this period of time, the client's senior executive team focuses their newly acquired knowledge, previous experience and management judgment to formulate the corporate-level Six Sigma goals and objectives. Following this, the team will define and prioritize a set of Six Sigma deployment guidelines. Of course, such guidelines are ultimately used by the Corporate Six Sigma Champion to devise specific deployment plans.

Morning Session: Day 2

The morning session of Day 2 is fully dedicated to an intensive review of the executive team's Six Sigma vision, goals, objectives and guidelines. Naturally, the related feedback and discussion is used to augment, adjust or otherwise modify the team's work. Upon successful completion of the review process, the executive summit is concluded.

Summit Format

The enlightening presentations and interactive discussion that underpins this dynamic workshop are guided by a series of carefully constructed questions.

These time-tested questions have been configured to surface and explore the client's key business issues, management requirements, organizational constraints and operational circumstances related to the installation of Six Sigma.

This focused yet free-flowing approach to workshop organization is an effective way to disseminate, assimilate, synthesize and interrogate Six Sigma. Of interest, this approach stems from the belief that *Questions Lead and Answers Follows*. This means that good answers demand even better questions.

Positioning the right question at the right time is what leads to discovery. Hence, the driving questions take center-stage rather than some artificial grouping of topics. In this manner, the Six Sigma Executive Summit is highly *Customer Focused*.

Six Sigma Questions

What are the core values and essential concepts that define Six Sigma?

How can Six Sigma be used to drive quantum improvement in key business metrics?

How is Six Sigma different from other improvement initiatives?

How can Six Sigma be applied in service and transactional businesses?

How can Six Sigma be used to improve an organization's supply chain?

Who should be involved with a Six Sigma initiative and what roles should they play?

Deployment Questions

What is a Six Sigma deployment strategy and how should it be developed?

What is a Six Sigma deployment platform and how should it be scaled?

How should a Six Sigma deployment platform be organized and managed?

How should a Six Sigma deployment platform balance multiple priorities?

How should a Six Sigma deployment platform measure its progress?

How should a deployment platform capture and integrate best practices?

Implementation Questions

What is a local implementation cell and how should it be activated?

How should a local implementation cell develop and sustain momentum?

How should a local implementation cell focus Six Sigma projects?

How should a local implementation cell align its needs to the business goals?

How should a local implementation cell assess the relative efficacy of its actions?

How should a local implementation cell be dissolved without adverse effects?

Role Questions

What are the roles and responsibilities commonly associated with Six Sigma?

How should each Six Sigma role be developed and leveraged?

How should the Six Sigma roles be filled, and supported to ensure success?

How should each Six Sigma role be aligned to the needs of the organization?

How should each Six Sigma role be measured and evaluated?

How should each Six Sigma role be repatriated following a tour-of-duty?

Project Questions

What are Six Sigma projects and how can they drive value-based benefits?

How should Six Sigma projects aligned to business goals, and objectives?

How should Six Sigma projects be selected, assigned, executed, and closed?

How should Six Sigma projects be reviewed and guided during execution?

How should Six Sigma project benefits be verified and made sustainable?

How should best-practices resulting from Six Sigma projects be leveraged?



Summit Requirements

Owing to the client-centric nature of the two-day Six Sigma Executive Summit, it will be necessary for the client corporation to send SSMI certain business related facts and data – at least two weeks in advance of the workshop.

In turn, SSMI will use this information to prepare various slides, tables, charts and graphs. By design, these things will be used to support several key workshop presentations and activities.

It must be remembered that such information will set the stage for delivering a “significant emotional event.” When client-specific facts and data are cast into the mold of Six Sigma, the resulting picture is nothing short of amazing.

Current Programs

The executive leadership team must come prepared to discuss all of the corporation’s current improvement initiatives, regardless of aim, intent or functional area. For each improvement initiative (i.e., program), the following information is required:

- 1) Program Title (Name of the program)
- 2) Program Acronym (Letters)
- 3) Adoption Date (Month and Year)
- 4) Program Aim (Purpose)
- 5) Reporting Period (Review Interval)
- 6) Reporting Organizations (Quantity)
- 7) Performance Metric (Variable Name)
- 8) Metric Scale (Units of Measure)
- 9) Annualized Performance Goal (%)
- 10) Annualized Performance Value (\$)
- 11) Historical Performance (Hi-Med-Lo)
- 12) Dedicated Employees (Headcount)
- 13) Part Time Employees (Headcount)
- 14) Executive Bonus Linkage (Yes / No)

It is recommended that the requested program information be organized into a matrix format (i.e., Excel spreadsheet). The row variable should be “Program Title” and the column variables should be points 2 through 15 above.

Work Processes

For purposes of the workshop, the executive team must identify at least 10 key work processes that are representative of the organization’s daily activities. The documentation related to these core processes must include the following information:

- Process Type (Name)
- Output Unit (Description)
- Average Output Volume (Per Time Period)
- Number of Operations or Steps
- Average Yield (Per Time Period)
- Average Defect Rate (Per Time Period)
- Average Cycle Time (Per Time Period)
- Maximum Capacity (Per Time Period)
- Dedicated Employees (Headcount)
- Part Time Employees (Headcount)
- Average Cost per Unit of Output

It is recommended that the requested process information be organized into a matrix format (i.e., Excel spreadsheet). The row variable should be “Process Name” and the column variables should be labeled in accordance to the remaining bullet dots.

SSMI fully understands that the client corporation may not have access to all or portions of the requested information. In this event, the executive team (or representative thereof) should set-forth rational estimates or approximations where appropriate.

Corporate Values

During the workshop, corporate values will be openly and actively discussed. The importance of corporate values can not be understated where the deployment and implementation of Six Sigma is concerned.

In the interests of this aim and related discussions, the client company is requested to document their current values. Examples of such corporate values are inclusive of, but not limited to customers, profit, community, employees etc.

Summit References

Harry, M. J. and Schroeder R. (1999) *Six Sigma, The Breakthrough Management Strategy Revolutionizing the World's Top Corporations*. Currency; 1st edition. ISBN: 0385494378

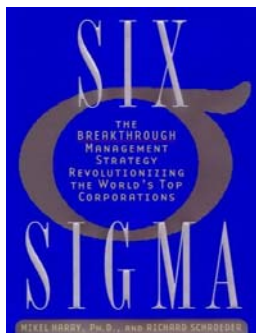
Book Review: Six Sigma is the most powerful breakthrough management tool ever devised, promising increased market share, cost reductions, and dramatic improvements in bottom-line profitability for companies of any size. The darling of Wall Street, it has become the mantra of Fortune 500 boardrooms around the world because it works.

What is Six Sigma? It is first and foremost a business process that enables companies to increase profits dramatically by streamlining operations, improving quality, and eliminating defects or mistakes in everything a company does, from filling out purchase orders to manufacturing airplane engines. While traditional quality programs have focused on detecting and correcting defects, Six Sigma encompasses something broader: It provides specific methods to re-create the process itself so that defects are never produced in the first place.

Most companies operate at a three- to four-sigma level, where the cost of defects is roughly 20 to 30 percent of revenues. By approaching Six Sigma -- fewer than one defect per 3.4 million opportunities--the cost of quality drops to less than one percent of sales.

This is because the highest quality also results in the lowest costs. When GE reduced its costs from 20 percent to less than 10 percent, it saved a billion dollars in just two years--money that goes directly to the bottom line. This is the reason Wall Street and corporations as diverse as Sony, Ford, Nokia, Texas Instruments, Canon, Hitachi, Lockheed Martin, American Express, Toshiba, DuPont, and Polaroid have embarked on corporate-wide Six Sigma programs.

Six Sigma should be of paramount importance to every forward-thinking executive and manager determined to make their company world-class.



Six Sigma Testimonials

"[Six Sigma] is the most important initiative GE has ever undertaken--it is part of the genetic code of our future leadership."

Jack Welch, CEO, GE

"We've taken the difficult but basic Six Sigma skill of reducing defects and applied it to every business process, from inventing and commercializing a new product all the way to billing and collections after the product is delivered. Just as we think we've generated the last dollar of profit out of a business, we uncover new ways to harvest cash as we reduce cycle times, lower inventories, increase output, and reduce scrap. The results are better and more competitively priced products, more satisfied customers who give us more business, and improved cash flow."

Larry Bossidy, CEO, AlliedSignal

"Mikel Harry's innovation of Breakthrough Strategy has taken quality into America's boardrooms. While Dr. Deming's theory of profound knowledge built management awareness and Dr. Juran's trilogy helped to establish the foundation of a solid quality 'science,' Dr. Harry has demonstrated how to make theory become practice at companies like Motorola, ABB, AlliedSignal, and GE."

Gregory Watson, President, American Society for Quality

"The [Six Sigma] Breakthrough Strategy gives new structure to the tools we already had. Structure has been the key element missing in Polaroid's drive for quality. I keep telling my people that the Breakthrough Strategy cookbook tells us how to use time-tested ingredients in new ways--For us, the results from the Breakthrough Strategy have been quick and powerful."

Mike Hart, Black Belt Engineer, Polaroid