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### DAILY MANAGEMENT AND SIX SIGMA: MAXIMIZING YOUR RETURNS

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#### KEY WORDS

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#### SUMMARY

Six Sigma is a useful management philosophy and problem-solving methodology, but it is not a comprehensive management system. Many experienced practitioners of the quality sciences are becoming concerned, as Six Sigma is increasingly the only focus of managers while the day-to-day activities suffer neglect. Managers implementing Six Sigma may wonder where all those past cost savings claimed by the Six Sigma teams have gone since they are not showing up on the bottom line today. This paper presents an integrated daily management technology that complements the project-driven problem-solving DMAIC methodology. This daily management structure systematizes monitoring, prioritizing, and reacting to daily variation in a way that mobilizes the entire workforce to continuously improve the process in a way that compliments Six Sigma and improves your chances of success.

#### INTRODUCTION

The management philosophy, nonconformance measure, and problem-solving methodology collectively known as “Six Sigma” has enjoyed a large increase in popularity and market visibility since its first incarnation in 1987. Six Sigma has done much to revivify the somewhat languishing quality profession over the last decade. After the ignominious demise of Total Quality Management, the “Q-word” (quality) was abhorrent to most managers. For them, quality was a dead issue compared to the need to make money for the company. Six Sigma has publicized the link between the effective use of quality and statistical tools to bottom-line improvements.

However, as is common with popularized management phenomena, people see the commitment large companies and well-respected CEOs have for a program and presume that that program does things that it was never designed to do. Popular media as well as neophyte providers of training for the new program generally encourage this belief. This is due, in part, to the lack of an operational definition of what “Six Sigma” really is<sup>1</sup>.

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<sup>1</sup> In this paper, we will be defining “Six Sigma” as it has been presented in the popular press and high-visibility books such as Harry and Schroeder’s *Six Sigma: The Breakthrough Management Strategy Revolutionizing the World’s Top Corporations*. Thus Six Sigma will be considered *primarily* a problem-solving or gap-closing methodology that follows the Define-Measure-Analyze-Improve-Control (DMAIC) steps and which uses a measure of nonconformance as its primary metric. Many practitioners (including ourselves) have extended their definition of what Six Sigma is in order to align it more closely with their business experiences such that it can also mean those management systems including, but not limited to, DMAIC that enable a business to achieve extremely low nonconformance rates.

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The authors' experiences have shown that managers who are considering or in the process of instituting Six Sigma have unrealistic expectations of what Six Sigma can and cannot do. This paper will briefly examine the benefits and limitations of Six Sigma when properly implemented and describe a successful daily management methodology that addresses many of the gaps left when Six Sigma is used as the only management system. We will also touch on how to integrate these two systems so that the benefits from both are realized.

### STRENGTHS AND LIMITATIONS OF SIX SIGMA

There are issues fundamental to the definition, implementation, and practice of Six Sigma that long-time quality professionals continue to debate. Leaving these issues aside, there are some nearly universally agreed upon strengths of Six Sigma. Additionally, there are areas that Six Sigma was never intended to address which, if other management systems are not present, will cause the Six Sigma effort to fail. The Six Sigma concept was launched while Motorola was working to achieve the Malcolm Baldrige National Quality Award during the 1980s. There are a number of aspects of a well-run business that are part of meeting the award criteria that Six Sigma was not designed to address.

One of the primary benefits of Six Sigma has been to re-emphasize the *importance of linking financial gains to projects undertaken*. Without tracking these benefits, the attention of the manager wanders from "quality for quality's sake" to the day-to-day requirements of running a business – and justifiably so!

Another benefit of the wide popularity of Six Sigma is getting out the "word" that a *methodological approach, advanced statistics, and resources devoted to their use (often full-time) can save large amounts of money*. For example, the gains claimed by companies such as General Electric, Allied Signal, and others through their Six Sigma efforts have been well publicized (Harry and Schroeder, 2000 among many other sources).

A more recent trend in Six Sigma has been its long-overdue *application to non-manufacturing processes*. The incremental savings realized from having transactional, support, service, and other non-manufacturing sectors look at their business as a process for perhaps the first time is anticipated to be large (Reichheld 1990, and Welch, 1995). The manufacturing components of businesses have been repeatedly asked over the years for cost savings and, while there is still much to be gained in manufacturing using these tools, those "turnips" have been squeezed already.

However, even when properly implemented, problems can arise with Six Sigma if other management systems are not present. For example, if the focus is solely on the "sigma"<sup>2</sup> measure, there is the *temptation to "manage by objective"* and use the "sigma" measure as the primary measure of success. Inappropriate management actions become the norm when only non-conforming rates are used to drive behavior. A balanced set of metrics is required to properly manage any area or organization, and systems must be in place to address all these elements.

The focus on the sigma measure by its nature *encourages managers to focus their efforts on conformance and non-conformance*. Having high conformance to internal and external customer requirements only lets a business play the game – it does not guarantee a win. Eliminating complaints, defects, and errors does not make a potential customer want to buy from you, and a company can go out of business working only on eliminating customer dissatisfaction through loss of the company's competitive position. For example, Ford found in a survey of Granada owners in the early 1980's that while some owners never had anything go wrong with their car, only 75% of these owners would buy the car again. Conformance to specification or expectation is only one part of the perceived value of a product or service. It is important to understand why your customers want to buy from you to guide your new product development and your improvement efforts on existing products. For the

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<sup>2</sup> The spelled word "sigma" is used here to aid in differentiating the statistical measure of standard deviation ( $\sigma$ ) from the Six Sigma measure for long-term conformance (sigma).

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specifications you do have that relate to customer expectations, conformance to target reduces the total cost of use (the well-known Taguchi loss function). Harry and Schroeder raise this issue in their book (p. 5), but then go on to advocate the use of a metric (sigma) that solely measures conformance to tolerance rather than a conformance to target related measure like  $P_{pm}^3$  (Petrovich, 1998 and Herman, 1989). Finally, high conformance to specifications that do not control performance is what can allow, for example, American car companies to recall more cars than were manufactured in the year 2001 in the presence of a high conformance rate. Or, as one author in a prior position reported in another industry as a Senior Product Design Engineer,

“Our testing has shown that our current specifications may not be applicable in many segments of the market. In fact, we are not sure if they are applicable anywhere.”

One must be cautious to insure that a *disincentive to keep problems fixed permanently* does not exist. This occurs when an employee’s position is tied to completing a certain number of projects, or when managers are being “groomed” and need to “do a Black Belt project” to move up. The authors have even heard stories of problems that the local management keep around to be fixed semi-annually by the next fair-haired management trainee. Of course, in these instances the purported cost savings are added to the total each time the problem is fixed, further adding to the “savings” claimed by the local department! These claimed savings of course never make it to the bottom line. Again, a balanced management system should be in place to insure processes do not backslide.

One chief danger that can occur with a Six Sigma implementation is *alienation of the process owners*. Many front-line and area managers have displayed frustration when unasked for help is given to solve a problem in their area. Strangers from “quality” or a Black Belt swoop down from on high, put together a team, find a solution (for which they get the primary reward and recognition) and swoop away to work on another project regardless of the long-term viability of the solution. Justly or unjustly, local process owners (like critics of non-representational art) think to themselves, “Well, sure, I could have done that if I had that amount of time away from my real job!” Or worse, the solution in fact is impossible to implement over the long term due to an incompatibility with the real process or the lack of process auditing and monitoring to maintain interest and control.

Sometimes these feelings of alienation are partially related to envy of the Black Belts’ task of working on the interesting, big-ticket problems, where the local workers get the drudgework of running the process day-to-day. Quality then becomes an issue for the Black Belts or Quality Department and is divorced from the daily process owners. By *not involving the whole workforce in continuous improvement*, and relying solely on Black Belts for a company will eventually lose its competitive edge. As Konosuke Matsushita said in 1988,

“Business, we know, is now so complex and difficult, the survival of firms so hazardous in an environment increasingly unpredictable, competitive, and fraught with danger, that their continued existence depends on the day-to-day mobilization of every ounce of intelligence.” (Matsushita, 1988)

In parallel to this problem, there must be a *system for identifying, prioritizing, and deploying resources against smaller-scale local problems*. A Black Belt project is by its nature a large, high-visibility and/or -return gap that needs to be closed. Conversely, there are many important but smaller projects that through their numbers add significant losses to the system but will be low on the list of priority for a few good Black Belts to work on.

Six Sigma efforts may simply deploy against short-term financial gains. Oftentimes the infrastructure weaknesses are not apparent as primary targets for improvement. For example, one company in the authors’

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<sup>3</sup> This measure is appropriate for continuous data and more accurately reflects the quality experienced by downstream processes and the consumer, given adequate specification definition and a meaningful target.

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experience was averaging over 60 percent turnover per year in its manufacturing operations. There was not an effective training system in place or a standardized process to bring new employees into the workforce. Obviously these are fundamental systems that need to be addressed, but they were initially outside the radar screen for Black Belt projects. They were advised to address these system problems as well as to take employee-turnover as a Black Belt project. Financial quantification is sometimes difficult in these situations.

This lack of deployment against small-scale local problems is why, contrary to what you may have heard, *Six Sigma is not a continuous improvement system*. While it is important to have a system to continuously close major gaps that lead to loss of profit, market share, or even the ability to participate in a market, continuously solving problems is not continuous improvement. Continuous improvement is the ongoing actions of taking process inputs at every level of the business, identifying and prioritizing improvement opportunities, and deploying and monitoring local resources against these opportunities leading to a system which prevents backsliding. Continuous improvement differs from continuous problem solving in that continuous improvement is many people working on improving many small gaps within their span of control which affects how a department runs, where continuous problem solving is a few people working on closing gaps that are important to the company as a whole.

Finally, it is critical that Six Sigma and other management methods *improve the fundamentals of the business; it must be proactive not reactive*. Some recent work on a technology referred to as Design for Six Sigma (DFSS) is beginning to address the aspect of this point that has to do with process and product design, but there are many other parts of a business that need to be optimized for long-term health. We will discuss this more in the section on **Error! Reference source not found.** below.

### DAILY MANAGEMENT

#### *What is Daily Management?*

The term “daily management” can mean many things to many people. The definition we will use is as follows.

Daily management is the system that provides the ability to manage departments, functions, and processes, wherein processes are defined, standardized, controlled, and improved by the process owners.

Daily management is a management system that is part of the organizational improvement structure and has defined roles and responsibilities. The approach advocated here is a team-based approach to carry out the daily management functions. The authors’ experience has been that, while most businesses have some components of daily management, most do not have a complete or fully integrated system.

#### *The Strategic Requirement of Daily Management*

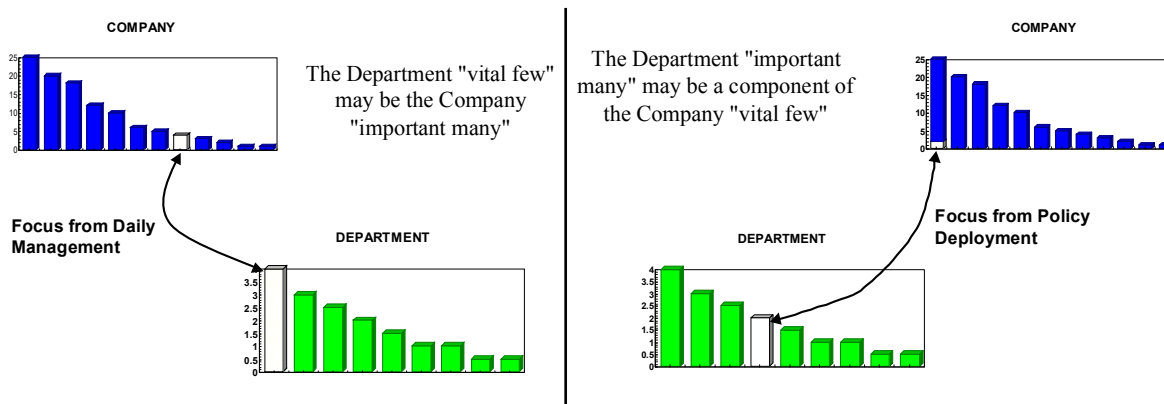
Each year a company must improve certain aspects of itself to assure its future prosperity. A company must enhance its strategic position in the markets in which it chooses to compete, a company must continually enhance its competitive fitness for the future, and a company must continually strengthen the basics of its business. To be successful, therefore, a company must have the right strategy, the right products and services at the right price, and sound execution of the basics. The “basics” concern the infrastructure of a company and how well it carries out its day-to-day business. It is these fundamentals that reflect the internal health of the organization. Daily management has as its primary purpose the strengthening of the organizational basics.

There were three fundamental management systems introduced in the Japanese form of Total Quality Management (or Control): **Policy deployment**, sometimes called *Hoshin Kanri*, is a system for organization-wide breakthrough. **Cross-functional management** improves business processes across organizational departments and prevents suboptimization (see Wheeler p. 88-99 for a great example of suboptimization). **Daily management** is the system that focuses improvement at the departmental level. Six Sigma projects frequently

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come from a system of policy deployment. These projects, though, are often part of an organizational initiative that represents only one aspect in a strategic deployment. Six Sigma projects may also come from cross-functional management, and, as will be seen, they can also come from local process owners through daily management.

When a Pareto diagram is generated for the improvement opportunities in an area, some perspective is needed on the strategic importance of the opportunities and the systems to address them. Refer to **Error! Reference source not found.**



**Figure 1 - Improvement Opportunities from Daily Management vs. Policy Deployment**

The department “vital few” improvement areas may be, for the company, the “important many.” These are elements that should be addressed through daily management. The department “important many” may also be a component of the company “vital few.” These should be addressed through the policy deployment systems, although local efforts may be aligned and deployed by the daily management system.

Though both systems are crucial to a healthy company, neither the same amount of effort nor the same resources should be devoted to their activities.

“In any company, policy deployment, addressing as it does important issues, makes a roughly 80 percent contribution to management in general. In time allocated, however, the 80 percent contribution belongs to daily management. We tell our clients to keep this kind of perspective. We frequently remind them that policy deployment will suffer if it is not grounded in daily management.” (Koura, 1991 p. 164)

And further, as Greg Watson writes,

“Daily management (*kaizen*<sup>4</sup> applied to the business process fundamentals) is the basic control process of a Japanese business, while *hoshin* is used to align and coordinate the business system for specific strategic change initiatives. However, the amount of time dedicated to *hoshin* objectives varies according to job assignment and level within the company. Senior management may spend more than 80 percent of their time on *hoshin* breakthrough objectives while line employees spend less than 10 percent of their time.” (Akao, 1991 p. xxiv)

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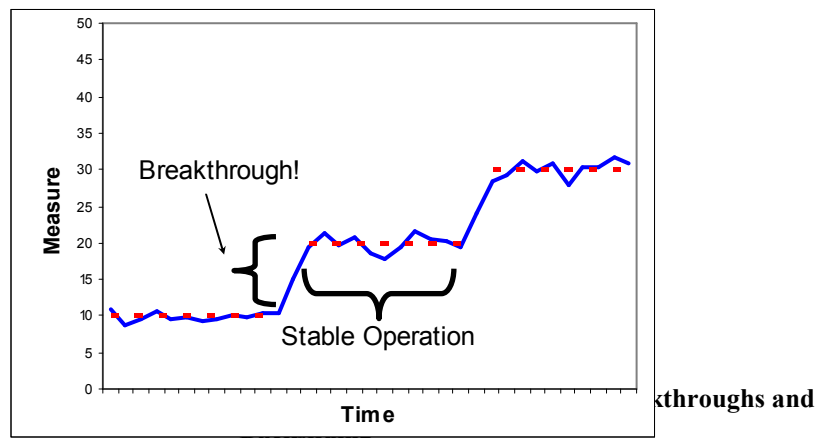
<sup>4</sup> “*Kaizen*” is usually translated as “continuous improvement.”

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This can also be applied to a Six Sigma perspective. While Six Sigma Black Belt projects can represent an important contribution by a few people to business improvement, daily management should represent a higher level of activity involving most of or the entire workforce.

### *Prevention of Backsliding*

If you are not strengthening the basics, you are probably backsliding. Continuous improvement requires continuous effort. In fact, it is very difficult to simply to maintain. **Error! Reference source not found.** shows what most people assume will happen if they implement Six Sigma. As each breakthrough is found and implemented, the process output will get better and better, eventually in this simulation going from a 10 to a 30 on some performance measure. In reality, though, in the absence of a well-run continuous improvement system, **Error! Reference source not found.** is the likely result. Instead of 30 after two projects, we only attain a 20 that itself degrades to a 15 over time. All those cost savings we claimed were not reflected in the bottom line and our big-ticket Black Belt projects are only keeping us afloat! Like the Red Queen in Wonderland, we are running as fast as we can just to stay in place.



With a well-functioning daily management system, however, not only are the gains from the Black Belt projects maintained, but also small local projects have an ongoing incremental effect, as seen in **Error! Reference source not found.** Here, in between each major Black Belt project the local daily management team has been identifying local problems and deploying local resources to solve them. Although not quite as glamorous as the Black Belt projects, the end result is going from a 10 to a 45 in this simulation. The local area-driven continuous improvement, though small at any particular time, was equal to one and a half Black Belt projects by itself over time.

**Figure 4 - Actual Results with Breakthroughs and Continuous Improvement**

The efforts of some organizations to implement Six Sigma resemble trying to win an automobile race by putting a new engine in a broken down automobile with four flat tires. Unless you have a system to put continuous improvement on automatic, Six Sigma will not give you the benefits you are expecting. Daily management is the system that prevents backsliding by putting control and improvement on automatic at the local level.

### *The House Of Daily Management*

Our model of a complete daily management system is shown in **Error! Reference source not found.**

**Figure 3 - Assumed Results with Breakthroughs**

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The elements or “rooms” in the House of Daily Management System are defined as follows.

- **Daily Work:** This is the day-to-day activity, or primary purpose of the area. The other rooms support the “roof” of the house.
- **Establish Ownership:** This involves the establishment of the roles and responsibilities for the area. The “foundation” of the house upon which all the other “rooms” rest.
- **Define and Standardize:** The area’s processes are defined and the development and implementation of common operational practices are performed.
- **Daily Control:** This involves the monitoring, control, and reaction activities of important processes to maintain performance levels and prevent backsliding.
- **Daily Work Improvement:** This is the system that takes system input, prioritizes opportunities, and deploys and monitors local resources. Some of these improvement actions may be Black Belt projects.
- **Data-Based Communication:** This is the ongoing communication of information to provide system feedback, focus, and alignment within and between areas.
- **Process Quality Management:** These are the rooms or systems of daily management that bring about definition, control and continuous improvement of the area.

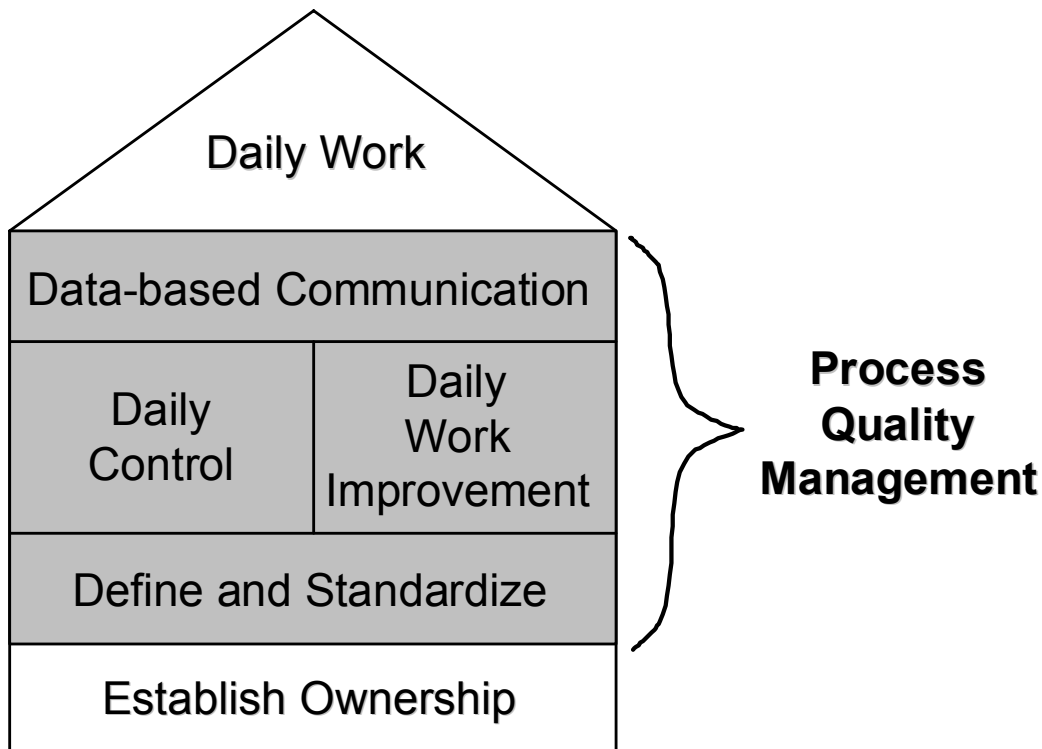


Figure 5 - The House of Daily Management Model

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### *Team-Based Daily Management Implementation*

On-line process improvement is where improvement is attempted during operation of a process. This method is extremely difficult. The assumption that improvement can be done on-line has led to many ineffective improvement initiatives. Off-line process study and analysis are far more effective for process improvement. This involves taking operators and others responsible for a process away from the process to study, prioritize, and deploy local improvement activities. The authors have found this to be the most effective means for institutionalizing daily management systems within an organization.

A “Process Management Team” (PMT) or “Process Lead Team” performs the ongoing process quality management. This may also be accomplished by a “natural work team” setting aside specific time for Process Quality Management. Daily management team members might include representatives of the natural work team, additional technical specialists, other support services, and supervision. The mission of the Process Management Team for an area or department is to manage implementation of quality systems, assess area performance, identify and prioritize improvement needs and opportunities, and manage the deployment of those improvements.

### *Implementation Steps*

Listed below are the steps that need to be accomplished to implement a fully functional daily management system.

- Define Area Scope and Boundaries
- Establish Process Management Team
- Audit Area Daily Management
- Establish Ownership
- Define Process(es)
- Establish/Adopt/Link Measures
- Address Area Basics
- Establish/Adopt Communication System
- Establish/Adopt Standardization System
- Establish Daily Control System
- Establish/Adopt Daily Work Improvement System
- Provide Training and Transfer Accountability and Responsibility
- Ongoing Operation and Improvement

During implementation, one needs to put systems in place at the department or area level that facilitate local improvement and strengthen the area basics places continuous improvement of the department or area on automatic, and facilitates sound business management within the department or area.

Sound business management includes:

- Having measures to understand all aspects of a department/area including products and services, people, processes, and finance
- Clearly understanding the needs of internal and external customers and translating those needs into improvement priorities and operational practices
- Creating systems which maximize employee involvement
- Systematically developing methods for the control of department characteristics
- Clearly understanding the department purposes, roles, and responsibilities

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- Sound planning which continuously improves the department/area and aligns the department/area with the company direction.

The authors have found the following points to be critical concepts for effective implementation:

- The key is the continuous improvement and sound management of the department/level
- The intent is not to create a bureaucracy and piles of paperwork
- Daily management is not a checklist of things to do, it is a system to manage an area
- Minimize the structure and formality as much as possible
- Use a proper balance between system development and improvement efforts
- If the efforts are not perceived by the area management and personnel as valuable, they should not be continued.

### **BENEFITS OF DAILY MANAGEMENT**

A well-designed daily management system has a number of benefits and will enhance any Six Sigma effort.

*It insures a balanced set of metrics* since all the local metrics have been cascaded down from the highest level of the business. Once compiled, this list of measures and the relationships they have to higher-level measures shows area managers the linkage and interconnectedness of measures in their span of control. This is a much more realistic portrayal of how to manage an area than using just the safety, sigma, overtime, and production measures many managers use.

The holographic measures that emerge from the implementation work will by their nature *avoid focusing on merely the non-conformance rate*. When the local measures are linked to the outputs of the business as a whole, the diversity of appropriate measures of an area's health is apparent. Instead of one measure based on non-conformance, or more commonly far too many measures to comprehend, only the critical measures are identified, tracked, and reacted to. People with control over those measures are identified and everyone clearly knows what they are to track, and when to react to it. Reaction plans and containment policies insure that all metric owners react consistently.

This *ongoing process tracking provides the incentive for keeping problems fixed* in two ways. First, individuals are tasked with process tracking as part of their job duties, and since these data are linked to other, higher-level measures, it is easy for them and their managers to see when the tracking and reactions are insufficient. Secondly, since the people tracking the measures have control over them, their jobs become easier when those measures remain constant or improve.

This involvement of the process owners in the development and ongoing use of their own daily management system *prevents the alienation of the process owners* we see in environments using only Six Sigma. Additionally, it provides a way for the entire workforce to participate in managing the process at the appropriate level. Employees now have an existing system at the local level to analyze and prioritize suggestions, and the decision on how to proceed is quickly given back to the suggestor. Managers now are able to spend less time with the tactical issues and more time on what the area needs strategically. Front-line supervision now has both the critical measures of their success and an understanding of what impact these measures have in the business as a whole.

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When problems come up on a daily basis, the *problems are categorized, prioritized, and local resources are deployed to correct the issue*. When a problem exceeds the ability or resources of the local area, it is the local management that brings in outside help (perhaps Black Belts) to solve the problem.

Since the daily management team is constantly tracking the process output and working on these smaller scale problems, *it provides a continuous improvement system* that will maintain the gains had from strategic projects, such as Black Belt projects, while gradually improving other process metrics.

And finally, daily management *works on the fundamentals of the business* by identifying the key measures of success for each area and linking these to corporate metrics as well as providing a structure to make incremental changes to the way business is done.

For example, in one company of an author's experience (Petrovich) which was not employing a Six Sigma initiative, customer complaints dropped 40 percent in one year simply through daily management implementation. In this case, daily management teams owned the individual customer complaint and addressed the problems. Often, problems were fixed simply by updating standard operating procedures.

Another author's example (Ouellette) in 2001 was a daily management implementation pilot at a location using Six Sigma that resulted in a machine uptime improvement from 60% to 90% after only a few weeks (Gillespie, 2002). This was achieved primarily thorough process definition and standardization.

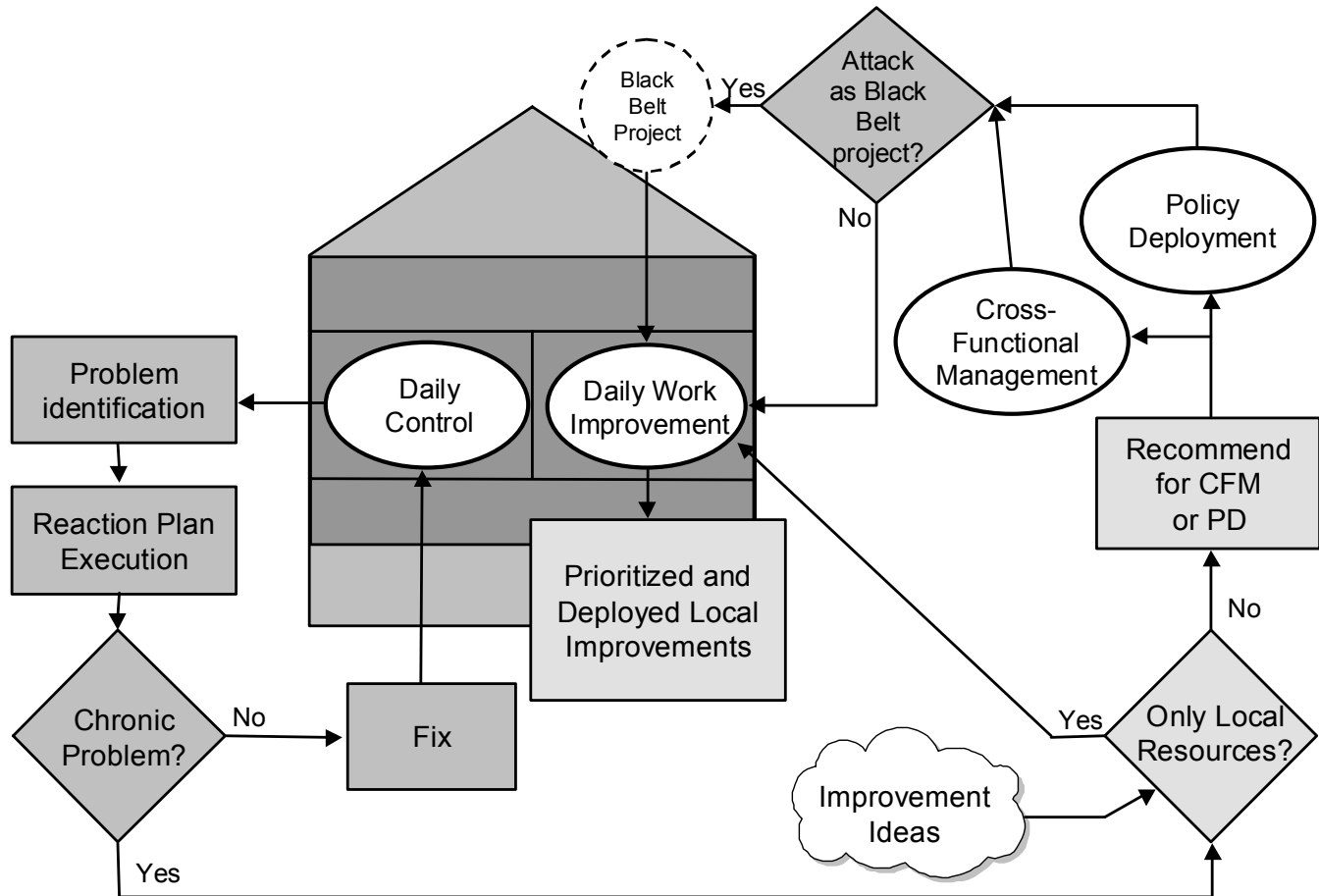
In both examples, these were the immediate quantifiable gains, but the improvement in the system of managing a process has longer-term benefits. Instituting daily management drastically improves department efficiency, management, and focus, fosters a clear understanding of expectations, and addresses minor problems with local resources that never would have come up on the Black Belt priority list.

### INTEGRATING DAILY MANAGEMENT AND SIX SIGMA

As discussed above, daily management and the Six Sigma projects support one another. Six Sigma projects might come from strategic objectives and policy deployment, cross-functional management, or they might come from daily management itself. Refer to **Error! Reference source not found.** to see how daily management identifies, prioritizes, and resolves problems that come up, and how a Black Belt might be requested to help. When an issue is identified through the Daily Control system a Reaction Plan is executed to stop the occurrence and, if necessary, to contain or quarantine the output at risk. If this is not a chronic problem, the local resources will deploy to fix the problem and record the occurrence for longer-term planning. If it were a chronic problem, the PMT would address it at their weekly meeting. If only local resources are needed to fix the problem, it would enter the Daily Work Improvement system and be prioritized against all the other potential improvements. If it requires more than the local resources and/or involves more than the local department (for example an output from a previous operation is suboptimizing the process), then the PMT would recommend that the problem be assigned to the Cross-Functional Management Team. If the problem goes beyond that which can be addressed via cross-functional management (for example, a major strategic effort like installing a new production line), the PMT would recommend that the project be added to the list of company focal points for policy deployment. Either policy deployment or cross-functional management projects can be run as Black Belt projects. If it is determined that a Black Belt project would be most efficient, the appropriate Champion or Master Black Belt would then prioritize, select, and assign resources for the project. Note that the source of the project (CFM or PD) will affect the Black Belt selection, team membership and mission.

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The other way that Six Sigma projects interact with daily management is when a Black Belt completes a project in an area. Without a firm daily management system in place, the Black Belt will not be able to hand off the countermeasures that came out of the project. Without daily management to track and maintain them, the countermeasures will eventually be dropped or forgotten when the next crises comes along – or even continue to be maintained in the absence of the conditions which led to the original problem.



**Figure 6 - Local Problem Identification, Prioritization, Resource Allocation, and Resolution**

**CONCLUSIONS**

The popularity of Six Sigma has had many beneficial effects for the quality sciences and the businesses that have used the techniques to improve their profit. However, Six Sigma as represented in the literature is not a intended to be a fully integrated management system. A comprehensive quality management system is required to give businesses a competitive edge and enhance their long-term profitability. Without other management systems, Six Sigma will be less effective, waste resources, and perhaps even be harmful to the organization. One of these systems, which we call daily management, is needed to support the daily work by identifying, prioritizing, and assigning resources to continuously improve the process within a team-based framework. See **Error! Reference source not found.** for a summary comparison of the two systems. In the presence of a Six Sigma initiative, daily management provides a source of Black Belt projects as well as a system to hand off successfully completed Black Belt projects. Without some sort of daily management, Six Sigma runs the risks of management by objective, focusing on non-conformance only, recurring problems thought to have been solved with Black Belt deployment, alienation of process owners, limited involvement of the workforce, a lack of a system for local problem solving, a lack of continuous improvement, and an absence of work on business

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fundamentals. Daily management systems are the management systems that hold the gains and put control and improvement on automatic by tapping into the full potential of the workforce.

It is the authors’ opinion that Six Sigma will fall into obscurity as another fad that failed to produce what was promised unless daily management is recognized as a necessary adjunct to achieve and maintain both the Six Sigma level of quality (3.4 ppm) as well as the bottom line results. Quality professionals need to stop thinking of these two methodologies as separate and unrelated. We must combine these two systems, and a few others, so that there is no “Six Sigma” or “Daily Management,” but rather tools used in different areas for different purposes that are just the way business is done.

**Table 1 - Comparison of Six Sigma and Daily Management Characteristics**

	<b>Six Sigma</b>	<b>Daily Management</b>
Purpose	Strategic problem-solving aligned with business objectives	Tactical monitoring and reaction as well as continuous improvement
Scope	Few, large breakthrough projects	Many, small impact efforts
Effect	Large impacts adding up to \$\$	Small, numerous, ongoing improvements adding up to \$\$
Participation	Few experts (Black Belts) working with a few local area experts.	Every person in every area involved in some part of Daily Management.
Management	High-level (Master Black Belt / Champion) prioritizing, deploying, and monitoring projects and improving Six Sigma process.	Local area process leaders organizing and driving process and improving Daily Management process.
Activity modality and length	Team-based or individual – clear completion criteria with relatively short time to completion	Team-based – permanent management team spawning improvement sub-teams or individuals with clear local area completion criteria

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