

# MANUFACTURERS

## FIND AN ALTERNATIVE TO SIX SIGMA

The outlook for the U.S. manufacturing industry is currently not a bright one. In nearly every industry, from automotive to textiles and everything in between, business is deteriorating. Consequently, American companies increasingly find outsourcing an attractive strategy for controlling production and labor costs; only, it comes at the expense of American workers and the economy at large. This dilemma has prompted many

companies to seek professional process improvement advice for guidance in identifying ways to maximize productivity, boost morale and save capital. Now more than ever before, American companies need to increase their productivity.

To succeed in improving the U.S. economy, American companies must embrace better approaches to performance improvement. Reliance on self-proclaimed experts such as large consulting firms is rarely productive. Improvement approaches such as Six Sigma require significant investment and, at best, provide slow, incremen-

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tal improvements. More often, however, the result of such approaches is a net negative impact on company performance. Companies must harvest the creativity of their work forces by soliciting ideas for improvements from anyone and everyone within the organization, testing to separate good ideas from bad, and implementing the good ideas while actively avoiding the bad ones. By doing so, companies can quickly make true, beneficial breakthroughs in productivity and quality with little to no incremental investment.

For more than a decade, Six Sigma has been a popular method relied upon by many major companies who hoped to solve their business issues. But is this

tom line and overall operations.

Over the past three decades, more than 400 manufacturing companies and 600 service companies, including Bridgestone/Firestone, BASF, Olin, Carmax and Lowe's, have used multi-variable testing (MVT) to reduce costs, improve sales, increase throughput, raise quality, enhance safety and achieve higher profitability. The MVT process provides a proven alternative to Six Sigma and has worked for numerous companies that had previously employed Six Sigma strategies. MVT is a performance-improvement process, based on advanced mathematical methods, that allows for the simultaneous

infrastructure and operations.

Unlike Six Sigma, MVT allows flexibility. In order to achieve company-wide goals, MVT may be applied broadly as well as narrowly to concentrate on specific opportunities – a component that is particularly important considering the changes that occur in an industry from year to year.

A definitive characteristic of MVT is the gathering of ideas from staff working at all levels and areas within an organization. The core participants of MVT projects are established mid-management, supervisors, professional and technical staff and selected local work force management within an organization. MVT harvests the creativity of a company's work force by soliciting ideas for improvements from anyone and everyone within the organization, testing to separate good ideas from bad, and implementing the good ideas while actively avoiding the bad ones. By doing so, companies can quickly make true beneficial breakthroughs in productivity and quality with little to no incremental investment. Soliciting company-wide input not only fosters a sense of morale-boosting empowerment, but also builds enthusiasm among employees who eagerly submit their own improvement strategies for implementation.

In today's tumultuous economy, there is little room for error. MVT discovers any errors that may be detrimental to a business and is able to identify positive alternatives that achieve performance breakthroughs.

Perhaps Ed Mueller, chairman and CEO of Qwest Communications International Inc., put it best when he said: "I have never come across a more powerful business tool than MVT to identify what needs to be done." **mt**

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method effective? Unfortunately, Six Sigma has a 90 percent failure rate, which has left numerous companies with negative results, as well as considerable wastes of time, energy, labor and financial resources.

This system allows the general work force only a limited understanding and involvement in the process of determining which actions should be taken. Six Sigma's preconceived program is inflexible and demanding, and thus simply incompatible with today's fast-paced market. The program's rigid structure cannot be applied to all the organizational structures and dynamics that exist in the corporate world. Firms have difficulty implementing the program into their regular practices because Six Sigma forces them to alter themselves to adhere to its strict procedures.

Perhaps the greatest problem with Six Sigma is its ineffectiveness in performance breakthroughs. Six Sigma is designed for slow, gradual improvement. Because breakthrough improvements require fundamental change, Six Sigma is an ineffectual method for firms to achieve measurable impact to their bot-

testing of numerous suggestions for empowerment. The ability to simultaneously test multiple suggestions leads to the rapid discovery of ideal combinations that provide the best possible benefit to a company.

MVT's methods are time, government and private industry tested. The method was first applied in the late 1960s to improve the rejection rate of nuclear weapons components, and has since extended its application to solve manufacturing and service industry problems through its simple 12-step technique. This technique sifts through dozens to hundreds of potential solutions, applying proven statistics to accurately identify the few that will actually lead to performance breakthroughs.

MVT applies practical, fast and cost-free changes to an organization. These changes typically deliver a substantial return on investments of five to 100 times within the first year. MVT produces fast results, often showing these results in just a few months after its inception, while concentrating on testing and implementing ideas in such a way so as not to disrupt already established

**Dr. Charles Holland** is the founder of QualPro, a business performance-improvement firm in Knoxville, Tenn., and author of "Breakthrough Business Results with MVT." Dr. Holland believes the MVT methodology and unique implementation approach identifies actions that a company can take to dramatically increase sales, reduce cost and improve quality in only a few weeks or months. For more information please visit [www.qualproinc.com](http://www.qualproinc.com) or call 800-500-1722.