

Six Sigma Summit AUGUST 2009

**THE EVOLUTION OF THE SIX SIGMA PROGRAM TO
AN OPERATION EXCELLENCE PROGRAM EMBRACING
ALL THE ORGANIZATION**

ALBERTO PEZEIRO

PARTNER- DIRECTOR

pezeiro@setadg.com.br

TEL.+55.19.3707-1535

CEL.+55.11.8111-0026

www.setadg.com.br

SETA – Managerial Development

Who are us?

- Founded in 2004 by ex-executives from General Electric sited in Campinas city, São Paulo state, working in all America continent: Brazil, Canada, USA, Peru, Colombia, Venezuela, Argentina and Chile
- Trainings in Portuguese, Spanish and English
- Trainings in the Operational Excellence, Lean Six Sigma, People Management, Leadership Development and Commercial Development areas
- All consultants are professionals that worked in international renown companies with large expertise in business management
- Site setadg.com.br

Educational company engaged in the managerial and executive development and training

CURRENT CUSTOMERS:



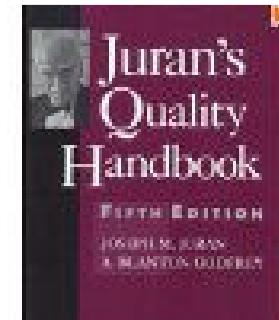
Companhia Brasileira de Alumínio



The profile of the Management professional has been changing along the years

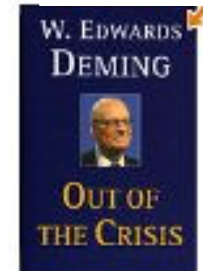
Before the 90's decade:

- Quality Control – focus on product or service
- PDCA and 7 quality basic tools
- Isolated and sporadic use of the most complex tools
- Success Cases : Manufacture and Quality
- Few examples : administratives and service providers
- Routine management is conducted informally



Quality Control Professional

The profile of the Management professional has been changing along



90's decade (transformation decade) :

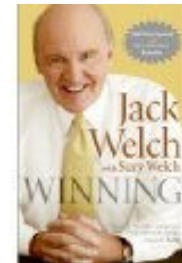
- Quality Management / Quality Assurance – Process and system focus
- Lean + Six Sigma
- Frequent use of the most complex tools with the support of softwares
- Success Cases : Manufacture and Quality, however it have already appeared cases in administrative and service providers
- Malcom Baldrige Award e PNQ
- Certifications helping the Routine Management : ISO 9000 / QS 9000 / CMM

Quality Assurance Professional

The profile of the Management professional has been changing along the years

From 2000 (completely changed the profile of the management professional) :

- Business Management – **Operational Excellence**
- Management System aligned all the methodologies and initiatives and start to include also the Strategic Planning
- Success Cases frequent not only in the Manufacture and Quality but in the administrative and service providers areas
- Management Professional working together with Finance (Results), IT (Technology migration) and HR (Leaders development)
- Management Area created . In many organizations they are a separated administration



Management Professional focused in the Operational Excellence of the organization

Impacts of Evolution of the Management in the Organizations



Leadership competencies of the Management Professional

- Understand that methodology and tools are means not the final objective
- Work strongly with the financial area
- Act in the definition of the technology investments
- Answer for a Manager / Director normally reporting to the CEO
- Involved in the organizational development processes of the HR
- He(she) is a facilitator of all new initiative in the organization
- Spread the Management principles to all organization

Management – Change Management bringing results through the people

OPERATIONAL EXCELLENCE

Embrace the 3 parts of the management system :

Strategic Planning (DMAIC)

Continuous Improvement (DMAIC)

Routine Management(DMAIC)

- Should involve all the administrative areas
- Strongly connected to results
- Should be used to develop the future leaders
- Aligned with the implementation of the new technologies

Leaders and facilitators in front of the implementation of Operational Excellence

The basic elements of the Management System to be followed by the Operational Excellence Professional :

Strategic Planning :

- Lead or participate of the Metrics deployment
- Follow the evolution of the KPI's in the Organization
- Assure that exist the alignment of the compromisse of the KPI's with the variable compensation
- Main Tools : BSC ; BI ; Capex
- Understand the financial results of the Organization
- “ Follow the hot issue “ → To compete is “ foolishness“

DMAIC – Strategic Planning aligned to the Operational Excellence

The basic elements of the Management System to be followed by the Operational Excellence Professional :

Continuous Improvement in Industry :

- PDCA ; Lean ; **Six Sigma**; TOC ; TPM are the main methodologies
- 100% fully dedicated professionals or part time dedicated
- Big focus on cost reduction and improvement of productivity
- To Assure the technical knowledgement of the methodologies and tools
- To support the production area to define new investments

DMaIC - All the methodologies of continuous improvement in harmonic way

The basic elements of the Management System to be followed by the Operational Excellence Professional :

Continuous Improvement on Service Providers :

- BPM ; PMI ; **Six Sigma**; are the main methodologies
- Process Mapping Culture
- Strong synergy with IT area
- Big focus in problem solving in the field
- Adapted trainings to be more “user-friendly” for administrative areas

DMaIC – Continuous Improvement and IT working together

The basic elements of the Management System to be followed by the Operational Excellence Professional :

Routine Management in Industry:

- Operational Procedures and job instructions
- Standard procedures and Control Plans
- Metrics Management and Operational Revisal Meetings
- Certifications and Regulations of the sector
- ERP e Industrial Systems
- MASP (Problem Solving Methodologies)

DMAI **C – Assuring the maintenance of the Operational Excellence level**

The basic elements of the Management System to be followed by the Operational Excellence Professional :

Routine Management in Service Provider:

- In many cases is still informal
- Processes Mapping
- BPM
- ERP and Self Systems
- Certification ISO 9000 / CMM
- Scripts e Protocols

DMAI **C – Formalizing the Good Operation Practices**

Management Models :

- Validated models as PNQ ; Malcom Baldrige Award
- Proposed models by Consultancies
- Self Models :
 - Braskem Mais
 - Whirlpool – Opex / CCOpex
 - Votorantim – SGV – Sistema de Gestão Votorantim
 - AES – APEX
 - Nestlé Management System
 - Nextel – Sistema de Gestão Nextel
 - Siemens Management System

Organization adopt current model or develops its own model

What is the profile of the Future Leader of Operational Excellence?

- Technical Knowledge is important
- Business Knowledge + Leadership is Essential
- Facilitator and Change Agent
- Communication and Interpersonal relationship
- Representatives in all areas of the Organization
- Support the Top Management in the fulfilment of the metrics

Operational Excellence Area is a pilot for Leadership

Think....

- There are more and more professional of Management / Operationa Excellence occupying top leadership positions
- The market is “booming” for Management Professional
- Potential Leaders being tested in new initiatives of Management/Change
- Organizations changes professionals in the Management area in order to all can acquire the Management competencies

Good Facilitators in the Present – Future Leaders

10 basic competencies of a Management Professional of high performance :

1. Put focus on the important projects of the organization – “Hot Points”
2. Tools are consequence but help people to get skills to use them daily
3. Train a big number of internal consultants
4. Set the Six Sigma in the Current Management Model...Not disrupt anything
5. Be smart : reporting the year result, leave the areas to report the processes and numbers. The Management Area reports the results as monitoring / facilitator

Remember: “It’s all Business”

10 basic competencies of a Management Professional of high performance :

6. Customize the trainings and certifications

7. Doing project reviews, put focus on the results and impact to the organization...Do not put focus on the tools

8. Be recognized as a talent developer

9. Develop your politic and leadership skills. Do not “hit against” anyone

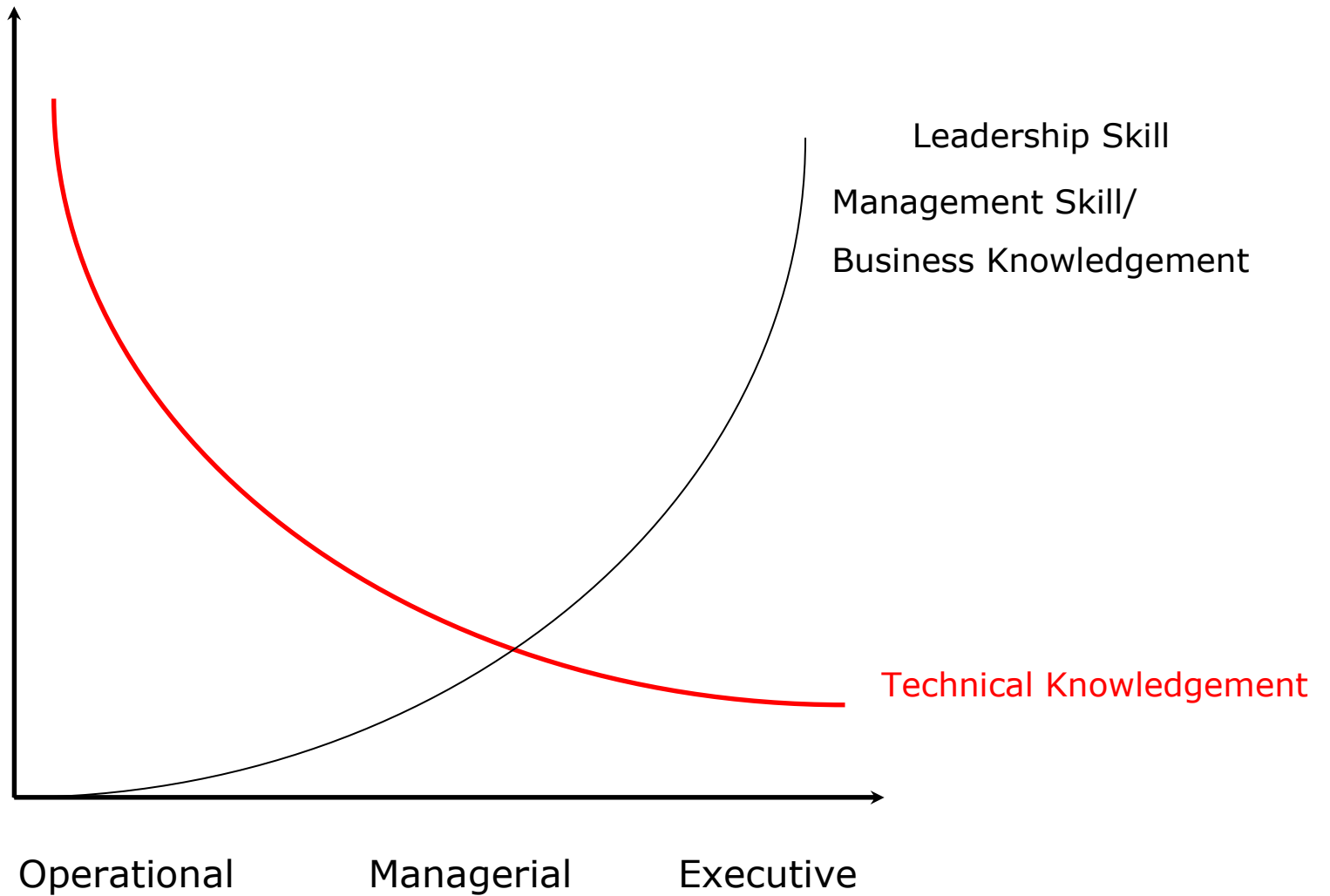
10. Join yourself with the HR. You will help them to find and to develop talents...In another hand, you will be supported in the communication process, training and certifications

It should proceed as a facilitator, never as a barrier

Leadership

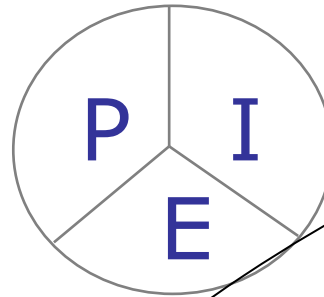
General Aspects
Desired Leader characteristics

Importance



The Brand

General Aspect PIE Model



Performance:

- Its your business card;
- Techical knowledgement;
- Business knowledgement;
- Leadership capacity;
- Execution capacity;

Image:

- What they think about you;
- Personal Market;
- Politic Aliances;
- Market recognition;
- Posture;
- Past Messenges;

Exposure:

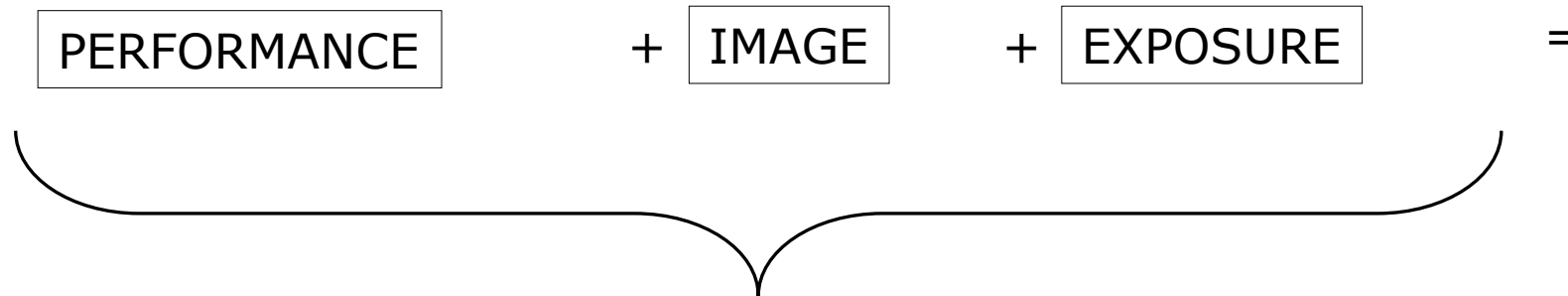
- Participate of External Events;
- Managerial Presentations;
- Trainings;
- Improvement Projects;
- New areas experience.



**Soft Skills – vital
the role of the
management of
2000's.**

Leadership

General Aspect
PIE Model



REPUTATION



YOUR BRAND = CREDIBILITY TO PROMOTE THE CHANGES

Soft Skills (Image + Exposure) = begin to be crucial!!!!

Thanks!

Many Thanks!

Alberto Pezeiro

Partner Director

pezeiro@setadg.com.br

TEL.+55.19.3707-1535

CEL.+55.11.8110-0026

www.setadg.com.br

