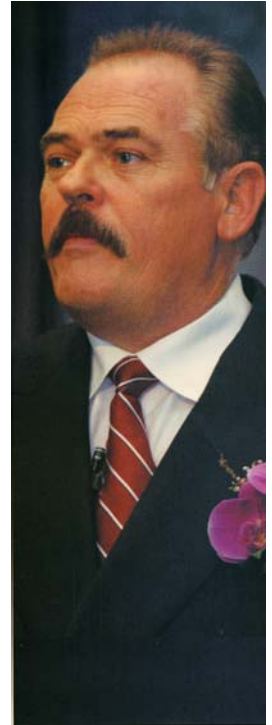


## 3rd-Generation Six Sigma Value Creation Via Innovation

At a time when the keyword in Korea is innovation, a mega 6 Sigma conference was held June 10-11 that generated a wave of consensus and insight into the third generation of quality management among Korean business circles. In particular, 6 Sigma creator Dr. Mikel Harry was in the limelight at the conference, emphasizing new management thinking centered on third generation 6 Sigma.

In an interview published in KSA's renowned "Quality Management" magazine, Dr. Harry answered key questions with regard to the latest 6 Sigma concepts.



**Q: What is the concept and direction of 6 Sigma today?**

**A:** To put it succinctly, the new direction is value creation through innovation. This innovation is based on power thinking and timely value creation. Compared with 2nd generation 6 Sigma, which was tool-set oriented to maximize the zero defect rate for higher profits, the 3rd generation concept has its roots in knowledge management and the knowledge-based society.

Through power thinking, the new 6 Sigma awakens sleeping client needs, going beyond the era of client satisfaction.

**Q: What kinds of innovation are best for creating value?**

**A:** We aim to achieve value utility from the perspective of both the supplier and customer. Innovation is traditionally a mind-oriented process. To change the mindset, we have to develop hidden questions. For example, instead of asking what does the customer need today, we should ask what does the customer want in the future.

Customers do not just buy products; they buy value to satisfy their requirements.

**Q: What are the hurdles in implementing the new 6 Sigma?**

**A:** Presently, most enterprises are concerned about the symptoms of problems rather than the causes. It is common that they do not know what they know. Management should be based on statistical analyses that generate new questions to eliminate vagueness and provide clear direction.

**Q: Korean managers typically emphasize feelings over facts. Are feelings an important factor?**

**A:** Yes, feelings and inspiration are also important. Some facts are based on inspiration, intuition and discernment. However, operating on feelings alone is dangerous, like a pilot that flies without instruments.

In the era of changes that are occurring at light speed, 6 Sigma pursues innovation via the answers to questions based on facts and statistics.

**Q: What should lead the way in implementation of 3rd generation 6 Sigma?**

**A:** Bob Galvin, a former chairman of Motorola, hired an archaeologist because he wanted to locate and analyze old data that was buried in the company archives. To

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