Six Sigma Implementation for a Bank
The company is a large multi-national bank
Group has Internal Business Excellence Model and has focus on Corporate clients and also has a back end operation to support global operations
Six Sigma was initiated in 2006 to facilitate:
  - Quality improvement in India operations (both front end and back end)
  - Develop a culture of Improvement
  - Face tough competitive challenge in Banking sector
Approach

• Senior team participation
  - Understanding Six Sigma
• Champions Training
  - Finalizing wave 1 projects
  - Preparing project charters.
• Selection of six sigma Green belts in all regions.
• Formal organization, review mechanism,
• Structured training GBs at all regions
• Training of 14 black belts
• Project facilitation was undertaken
• Knowledge management of all projects
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Training</th>
<th>Location</th>
<th>No. of people trained</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Champion Training</td>
<td>Chennai</td>
<td>50</td>
<td>90</td>
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<td></td>
<td></td>
<td>Mumbai</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Delhi</td>
<td>20</td>
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<tr>
<td>2</td>
<td>Green Belts</td>
<td>Chennai</td>
<td>120</td>
<td>200</td>
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<tr>
<td></td>
<td></td>
<td>Mumbai</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Delhi</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Black Belt</td>
<td>Delhi (covering all three locations)</td>
<td>14</td>
<td>14</td>
</tr>
</tbody>
</table>
ELC: Executive leadership committee headed by the President
Typical Projects

- **Quality:**
  - Reduce no. of complaints
  - Reduce pricing errors
  - Improve accuracy of customer data base
  - Customer Satisfaction and Risk Minimisation in Debt Processing
  - Reduce no. of re-do in the operation
  - Reduction in number of RTOs in card operations

- **Cost:**
  - Improve collection process and reduce payout to agents
  - Improve call productivity
  - De-bottleneck the operations to reduce cost and turnaround time
  - Optimize seat utilization in back end operations
Typical Projects

• **Delivery:**
  - Reduce cycle time for opening of new account
  - Reduce turnaround time for migration process
  - Reduce cycle time for e-filing process
  - Reduce cycle time for recruitment of young engineers
  - Reduce cycle time for issue of LC issuance
  - Reduce cycle time for query resolution

• **Employee Morale:**
  - Improve internal communication process.
  - Reduce attrition of employees
  - Crunching the learning curve for new employees
Successful implementation of Six Sigma led to:

- **Tangible annualized Savings of ~ Rs. 150 million, with an ROI of > 1:15.**
- **Intangible gains like:**
  - Ability to solve problems
  - Defect reduction by 10X and cycle time reduction by 35% in critical processes.
  - Time for most meetings reduced from > 3-4 hours to < 20-30 minutes due to clarity in Metrics and data availability
  - Trained pool of ~200 Green belts and 14 Black belts
  - Improvement in productivity & quality
  - Culture of systematic problem solving for chronic issues
  - Concept is now being replicated in the European operations
  - Bank expects the movement will help in business excellence model of EFQM (European Foundation for Quality Management)
Successful implementation of Six Sigma depends upon:

- Project selection: Direct linkage of projects and the company strategy.
- Project definition: Also sometime failure to define ‘pain statement’ clearly leads to unclear direction and hence, Failure of the project
- Selection of right candidates for Black Belts/ green belts. If BBs/ GBs are not analytical or are not result oriented the projects cannot be successful.
• A critical to success factor is the project review by project champions. The success was better (both in terms of results and speed of project completion) where the champion took personal interest...

• It is possible for effective application of methodology and tools in any environment

• **AND MOST IMPORTANT**, how to integrate Six Sigma with business excellence model
FUTURE PLAN

- Training of another batch of BBs.
- Integrating company initiative of Lean with Six Sigma