



APO

Asian Productivity Organization

P-Glossary



Six Sigma

Six Sigma was first launched by Motorola in 1987 which gave it over ten fold improvements. Tomkins defines six sigma as "a program aimed at the near elimination of defects from every product, process and transaction". Others defined it as a strategic initiative to boost profitability, increase market share and improve customer satisfaction through the use of statistical tools that can lead to breakthrough quantum gains in quality. Professor Park believes that six sigma is a "new strategic paradigm of management innovation for company survival in this 21st century, which involves statistical measurement; management strategy and quality culture. If deployed correctly, Six Sigma has the ability to generate a host of benefits to business companies, e.g., improving process speed, raising quality levels, reducing costs, increasing revenues, and deepening customer relationships, among others. Six Sigma is implemented in major companies such as GE, AlliedSignal, Dow, DuPont, Ford Motor Company, Merrill Lynch, Toshiba, and Samsung and LG Group, among others. Six Sigma reportedly enabled billions of dollars in savings as well as sustained earnings improvement. Thus Six Sigma is widely regarded as a new strategic paradigm for management innovation and for survival of business companies. It is used in a variety of industries and business models, from manufacturing to services.
