



Contrarian Wisdom

By Clay Sherman



Six Sigma Stop Sign

Here we go again.

Six Sigma, lean—the latest labels on the fat diet table. Good for you, or just another program of the month? For most hospitals, the answer is that it's bad because the implementation will fail, and it could be the kiss of death for your at-risk career.

Yeah, I'm for quality—apple pie and the flag, too. But being in favor of quality improvement doesn't mean leaving your management brains parked at the door. Doesn't anybody remember TQM's 1990s history, with an 85% failure rate in American business, a highway collision that repeated itself in hospitals? (Another misdirection from your friends at Joint Commission!)

"But Clay, Six Sigma is different." Granted, the baby's got a new set of clothes. The good news is that evolution in quality management continues; the bad news is that consultants have old stuff in a new package to sell you. Caveat emptor: no matter how much lipstick you put on it, this pig is still a pig. Why?

The problem stems from the misconception that human creativity is linear and flowchart-like. It can be, but more often it's organic, multi-branching, out of the box. People's minds are too powerful, innovative to be simply reduced to Six Sigma logic. And those minds function fast, firing rapidly through thoughts, dreams, and solutions. Stand back, baby, creativity's happenin'!

It's not that Six Sigma, CI, TQM, lean, or whatever quality management flavor can't help solve problems. But like any helpful drug, it has a lot of contraindications. If used right, it's great. But experience indicates it

can imbalance the organization and destroy the underpinnings of an innovation culture.

Business Week's recent cover story tells the tale: "3Ms Innovation Crisis: How Six Sigma Almost Smothered Its Idea Culture." The Six Sigma crusade was carried from GE to 3M by Jim McNerney, and in Tom Peters' words, it "closed the lid on entrepreneurial behavior." The same problem occurred at Home Depot where Bob Nardelli, another GE refugee, also installed Six Sigma. Again from Mr. Peters: "Those damn systems strangled the previously energetic firm and whacked morale and retail customer service along the way."

Tom has a long-standing issue with "systems madness," especially when it devastates innovation in a culture. He's right to sound the alarm. My own view is that hospitals are systems-thinking starved, and getting process tools in place is a needed corrective. But go for balance. Think of it like salt—a little goes a long way.

A balanced approach can wind up being a compromise position that pleases but doesn't deliver. Moderation always sounds nice but often represents a watered down and tasteless brew. Peters thinks balance is bunk, that you should bet big on entrepreneurial spirit and innovation. My balanced position is a copout in Tom's eyes. But since I recommend 90% structured rapid idea innovation and 10% formal systems thinking, I'm closer to Peters' end of the spectrum.

Ultimately, it isn't how we create the solution, it's how many solutions we create, right? Traditional quality improvement methods may be okay, but they are ponderous and slow, implementing only a few ideas

annually. That just doesn't get it done. How about an approach where individuals or small groups do massive implementations in 30-day time budgets, thousands of them each year?

Here's how to create an ideation or problem-solving goal for structured innovation: Take the number of people on payroll, multiply that number by three, and that's the number of ideas to be implemented per person in the next year. Multiply that number by \$3,000, an average ROI value. Yep, we're talking millions of dollars, an accomplishment no client of mine ever failed to achieve.

Three choices: Six Sigma variant, a balanced middle ground that I buy into, or a total innovation culture. Take your choice, and place your bet. After all, it's only your career. Remember, advanced techniques always require a foundation of a healthy organization culture, an ingredient missing in many hospitals today. Without it, good program initiatives when planted will fail for lack of supportive soil.

In the meantime, be nice to your Black Belt buddy—she can help you win some tough fights. But don't forget other problem solving avenues and the contribution they can make—I'd put the bigger bet there. ■

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