Where Does Six Sigma Fit into Evolving BPM?
10/06/2015
Mike DiLeo

The use of Six Sigma within an overall business process management (BPM) framework is increasingly common, but understanding the difference – and the synergy of what their implementation delivers when used together – isn't always as clear to the people who are tasked to achieve value using both.

Before employees and their leaders understand what they can achieve with integration of the two, it's helpful to clarify the models and metrics, and the outcomes, that each of them is designed to do. A new report from Datamark looks at the different answers you get when you ask, across the enterprise, what BPM actually is. The C-level executives think it's a method to manage core processes across the entire organization, while an operations manager may think it's a way to evaluate the specific process they know. In the IT department, BPM means suite: the software used to deliver process workflow metrics.

This difficulty with definitions is acknowledged in the Business Process Trends 2014 survey report, but different perspectives all align with the goals of cost reduction, and efficiency and quality improvement. They're all right. They're all geared toward data-driven decisions, improved performance visibility and the ultimate goal of continued process improvement. Datamark's paper uses a definition offered by the Association for Information and Image Management, which calls BPM simply "how we study, identify, change and monitor business processes to ensure they run smoothly and can be improved over time."

So how does Six Sigma fit into an environment where BPM is implemented? There are similarities to the steps of most BPM assessment tools, and the Six Sigma DMAIC – define, measure, analyze, improve, control – process designed to deliver value. But where BPM is evolving from process improvement to business transformation, especially driven by mobile- and cloud-based business model changes, the strength of Six Sigma usually rests in trained people, and their focus on specific projects and outcomes.

Many companies continue to improve process with Six Sigma projects. The 2014 survey found that 23percent of respondents worked in firms with Six Sigma process-level improvement projects under way. Among those using incremental approaches, they're most often using Lean at 34 percent, Six Sigma at 23 percent – or combined Lean Six Sigma at 36 percent. As for respected standards, the authors note, "In effect, bodies of knowledge with certification exams have emerged as a new type of standard companies can support." Now, what many firms consider as optimal is the use of both BPM and Six Sigma standards.

That's the argument made by the German study of "Six Sigma and BPM," which proposes that Six Sigma, as a method of more isolated sub-process optimization, needs to be integrated into a systemic BPM model. It's also the view held by industry experts who believe that the strengths of Six Sigma – with its emphasis on metrics and reducing variability to improve quality – work well within the overarching

framework of the automated BPM systems that are designed to deliver results across the enterprise.

This trend can't be overstated in a real-time business climate oriented toward the customer, and one that will only continue to rely more heavily on seamless end-user experiences and the soft processes needed to deliver them. Some thought leaders see a Six Sigma advantage here, while acknowledging the data-driven improvements and standards that BPM automation delivers. But both have value, and they likely achieve more together within an organization than either Six Sigma or BPM models would apart.

Author

Mike DiLeo is the president and cofounder of the Management and Strategy Institute. He is a U.S. military veteran and holds a bachelor's degree in business management. He works with veterans, and unemployed and underemployed professionals, to enhance their credentials through training and skill certification. He lives in Downington, Pennsylvania, with his wife and daughter. You can contact him or Twitter at @msicertified. Visit Mike's website at www.msicertified.com.