Enhancing Customer Satisfaction with Six Sigma Methodologies

Define Phase Introduction

Defining Six Sigma:

In the world of business, Customer Satisfaction (CSAT) has long been a pivotal metric for assessing a company's performance. It's an indicator of how well a business is meeting its customers' needs. However, what happens when CSAT results fluctuate on a daily basis? One day, you might receive a stellar 4.8 out of 5, while the next day, it drops to 2.6, only to bounce back to 4.9 the day after. What's causing these variations, and how can we pinpoint the root causes of these fluctuations? Is the true measure of customer satisfaction really the average of 30 days' worth of CSAT data?

But what exactly is Six Sigma?

Six Sigma is a comprehensive approach that places a laser focus on meeting customer needs. It is a methodology that thrives on continuous improvement and data-driven decision-making. Beyond that, it is a daily practice for achieving operational excellence, forging processes that consistently perform at a high level, and, perhaps most importantly, it's a management technique. Six Sigma's primary goal is to adopt a proactive approach, as opposed to a reactive one, by developing processes that yield fewer or ideally no defects.

Experts in the field have defined Six Sigma in two significant ways:

Sigma as a Measure: The term "Sigma" is utilized to denote the distribution or spread of the mean within any process.

Sigma Capability: For a process, sigma capability is a crucial metric. It offers insights into how well that process is performing. The higher the sigma capability, the better the process's performance. Sigma capability measures a process's ability to produce outputs that are entirely free from defects. A defect, in this context, is anything that might result in customer dissatisfaction.

The benefits of using Six Sigma methodologies:

Benefits to Our Business: Understanding the Numbers:

If we can't express what we know in the form of numbers, our grasp of it is limited. To truly control our processes, we need to understand and quantify them. Six Sigma equips us to take charge rather than leaving things to chance.

Benefits to Our Customers: Delivering Quality Care:

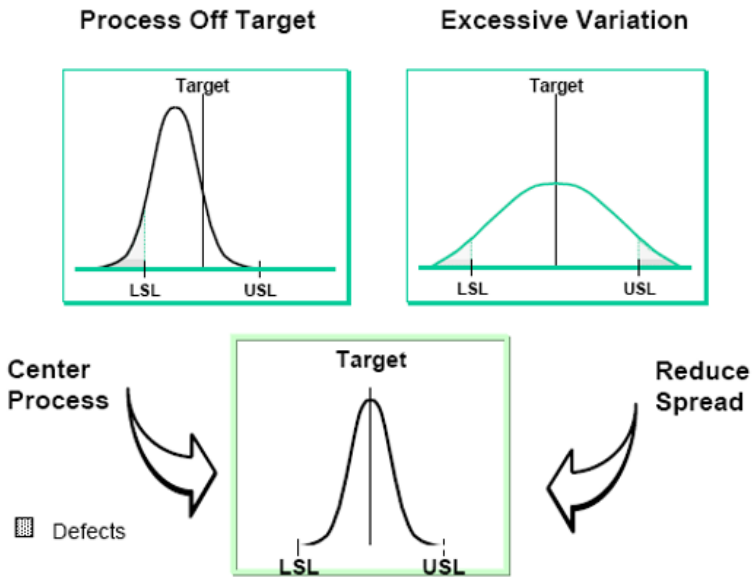
Our customers deserve the best, and Six Sigma enables us to provide quality care. It reduces the time required per customer interaction, leading to more pleasant conversations, and ultimately resulting in higher Net Promoter Scores (NPS).

Benefits to Our Employees: Empowering Our Team:

By implementing Six Sigma, we improve the work-life balance of our employees. It reduces stress associated with producing high-performance results and fosters pride in the services we offer. Personal growth and development become integral parts of their journey, leading to the achievement of remarkable skills.

But how do we achieve these benefits? In the realm of Six Sigma, we employ the **DMAIC** approach. DMAIC stands for **Define, Measure, Analyze, Improve, and Control**, and it's our systematic method for solidifying the performance metrics we measure.

The statistical objective of Six Sigma: In order to have a solid performance day in and day out, we need to have a solid process that produces fewer or no defects. The following table illustrates the main purpose of Six Sigma.



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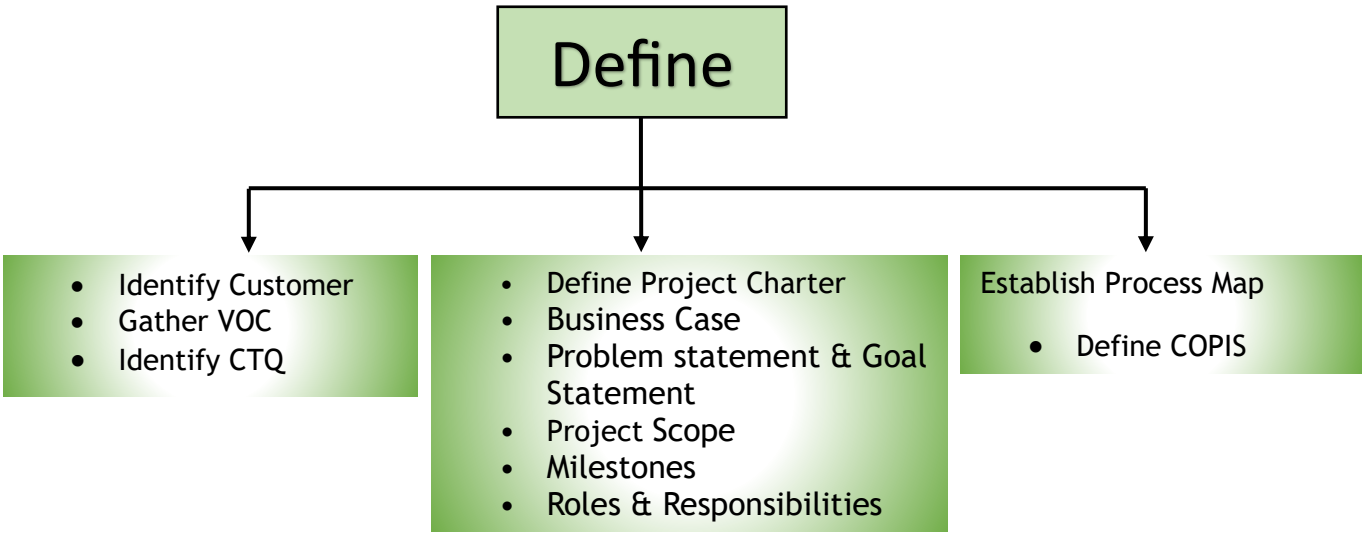


DEFINE step of a project begins with an idea to proactively enhance performance:

I have an idea; will it make any difference in the performance output? Ask yourself these questions:

- Who is the customer?
- What does the customer think is critical to quality?
- What are the processes involved?
- What is our company's strategy?
- Who are the business stakeholders regarding my idea?
- Who can be part of the team to define the concerns and develop my idea?
- What are the elements that my idea will address? CSAT, ESAT, or Financial Performance?
- How do we gather the Customer Voice (VOC)
- What is the Y Metric which is the outcome or output that I want?
- How do I develop the Project Charter to clearly define what I want to address?
- Who has the High-Level Process Map? Or do I need to create one?

Answers to all these questions will be crucial to developing a Project Charter for a DMAIC project. A Project Charter specifies all details of the project we are about to start.

Voice Of Customer:

The "Voice of the Customer (VOC)" refers to the feedback collected from both internal and external customers to establish the requirements of a project outcome. This feedback is instrumental in comprehending customer expectations.

Identifying the Customer:

Customer is anyone who receives the output of a process, for example, we have a call-handling process and the person receiving our services is the customer. There are two types of customers when we define a project:

Internal customers: People within the company such as agents, supervisors, managers, stakeholders, etc.

External customers: People outside of our organization, such as callers, clients, etc.

External Customers VOC:

- Complaints
- Surveys
- Contact Monitoring
- Cold Calls to collect feedback.

Internal Customers VOC:

- Observation
- Focus groups.
- Direct discussion
- Identifying the likes and dislikes of the audience.

Effectively utilizing these tools ensures a comprehensive understanding of customer needs and expectations, laying a solid foundation for successful project outcomes.

Critical To Quality (CTQ):

CTQ represents the pivotal measurable attribute of a product or process, where adherence to performance standards or specification limits is essential to meet customer satisfaction. Essentially, CTQ summarizes the customer requirements for a given product or service.

In simpler terms, if the 'Y' is measured with a focus on customer requirements, it is designated as CTQ (Critical To Quality), while the 'Xs' are referred to as CTPs (Critical To Processes).

In summary, CTQ denotes the critical output or the 'Y,' and CTPs represent the key inputs or the 'Xs' in the overall process.

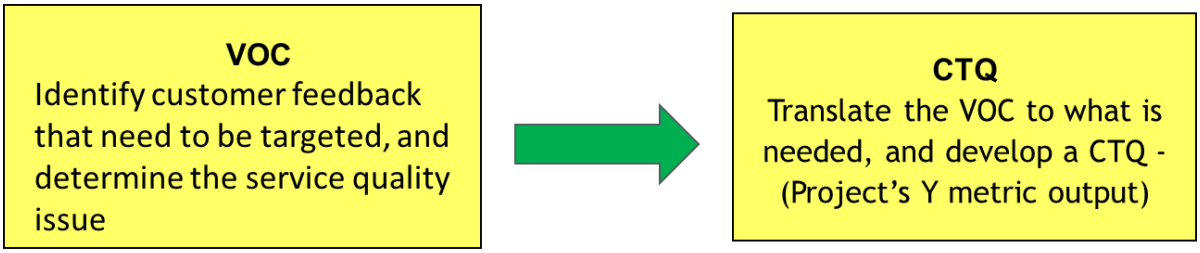
The CTQ or "Y" should always be:

- Be important to the Customer.
- Have an acceptable defect definition.
- Have an acceptance range.
- Have a Target.
- Be Measurable.

So to address the Y, should we focus on Y or X's?

The optimal approach is to consistently concentrate on the 'X's to effectively address the 'Y.' For instance, in a project aimed at reducing Average Handling Time in a call center (Y), attention should be directed towards aspects such as the type of calls, agents' skill set, hold time, mute time, and other relevant 'X's. CTQs serve as the crucial link connecting the process output to customer satisfaction, emphasizing the importance of understanding and refining the key inputs to achieve the desired quality in the critical output.

How to define CTQ's based on VOC's:



Project Charter:

Once we complete the Project Charter table below, we will have a clear understanding of what we want to address, who will be part of the team to work on the project, and what outcomes we should expect.

Examples of outcomes are:

- CSAT Improvement
- NPS Improvement
- Employee Satisfaction Improvement
- Revenue Generation
- Cost Avoidance
- Revenue Retention
- AHT Improvement
- ASA Improvement
- Hold Time Improvement
- … and more

Project Charter Template:

Element	Description	Charter
Project and Purpose	What is the project? What are the defects? What are the top-level goals?	
Business Importance	Why should the business and employees care? Why should the project be initiated now? What would happen if the project is delayed?	
Target Customer(s)	What customers will benefit from this project and how?	
Scope	What are the boundaries? What components of the opportunity will be addressed? What won't be included?	

			Annualized dollars	Description:
Opportunity and Financial Impact	What is the targeted net return in dollars?	Savings:		
		Cost avoidance:		
		Revenue Generation:		
		Revenue Retention:		
		Cost:		
		Net Financial Impact:		

		Metric	Baseline Date Range	Baseline Performance	Target Performance
Primary Metric	What is the metric to be improved?				

		Projected Start Date	Actual Start Date	Projected Completion Date	Actual Completion Date
Start and Completion Date	Project start and estimated end date				

	Identify Critical Milestones	Projected Start Date	Actual Start Date	Projected Completion Date	Actual Completion Date
Key Milestones	Define				
	Measure				
	Analyze				
	Improve				
	Control				
Core Team	Who are the Core Team Members?				

Project Selection Criteria:

Outlined below are the key success factors for project selection:

- **Manageable Project Scope:** Ensure that the project's scope is realistically manageable.
- **Identifiable Defects:** The project should involve defects that can be clearly identified.
- **Impact on Process/Outcome:** Assess whether the project has a meaningful impact on the overall process or outcome.
- **Stakeholder Alignment:** Confirm that stakeholders are aligned with the objectives of the project.

Common Project Pitfalls:

- **Duplication of Completed Projects:** Avoid replicating projects that have already been successfully completed.
- **Insufficient Resources:** Ensure that there are enough resources to successfully complete the project.
- **Loss of Momentum Due to Project Duration:** Guard against extended project timelines leading to a loss of team momentum.
- **Addressing Easy Defects Instead of Critical Ones:** Be cautious not to focus on easily fixable defects at the expense of critical issues.

Avoiding Pitfalls:

- **Dedicated Project Team:** Form a dedicated team committed to the project, willing to allocate sufficient time for meaningful contributions.
- **Milestone Setup:** Establish project milestones to motivate the team upon their achievement.
- **Thorough Research:** Conduct thorough internal and/or external research before initiating the project. Ensure that the project is not duplicating efforts already completed in a different project.

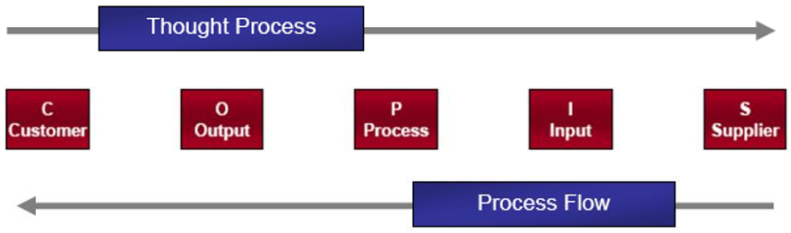
Process Map:

In the Define phase, a process map establishes a high-level connection between the customer and the process, aiding in the identification of key requirements. The components encompassed by a Process Map are:

- **C**ustomer's Requirements
- **O**utputs
- **P**rocess
- **I**nputs
- **S**uppliers

This structured representation facilitates a comprehensive understanding of the interactions and dependencies within the defined process, known as COPIS.

COPIS maps the interaction between the customer and the process by defining customer requirements and outlining the steps taken to deliver the desired output. It places the process and customer in perspective, illustrating process flow, highlighting boundaries, and showcasing interdependencies.



COPIS components include:

Customer: Recipient of the process output.

Output: Anything produced for the customer (internal or external). Outcome of the process.

Process: Group of activities required to transform inputs into customer-desired output

Input: Material or knowledge required to produce the desired output

Supplier: Source that supplies the input (such as Agent)

This article brings the Define phase to a close at a high level.