

Does Lean Six Sigma stifle or encourage innovation?

Thursday 16 March 2017, Shell, Bank Street, London E14

Moderator: Harry Cole, CoreNet Global UK M&I Community

Host: Gareth Price, Shell Real Estate, EMEA

Speakers: Lisa Bevan, Senior Continuous Improvement Specialist, John Lewis Partnership

Kiyomi Iwamura, Senior Portfolio Manager, Global Real Estate, GE

Lisa Lundin, Associate Director, CBRE

Jaco van Noppen, Real Estate Operational Excellence, Shell

This learning Forum, arranged by the UK Chapter's M&I Community, to look at the growing influence of Lean Six Sigma in corporate real estate functions and the possibility of its positive influence on innovation, was held in Shell's Canary Wharf offices.

The session was got under way by **Harry Cole**, the leader of CoreNet's UK Chapter M&I Community who introduced the subject, host and all the speakers.



Then to explain the theory and general practice, **Kiyomi Iwamura**, outlined the process and how it works. Kiyomi currently leads the global Real Estate process improvement function at GE and is a certified Black Belt Lean Six Sigma holder herself. She explained to us that the aim of the Six Sigma process is to improve productivity and reliability by reducing variations, or aiming for the mean. And the methodology of the five steps used, she said, goes under

the acronym DMAIC: Define (customer expectations); Measure (frequency of defects); Analyse (why, when and where defects occur); Improve (the system to eliminate defects); and Control (ensuring that the processes set in place stay fixed). The addition of Lean techniques aims to eliminate waste (Muda in Japanese) and instil a continuous improvement mindset through Value Stream Map (VSM) and Kaizen Action Work-out (AWO) using five basic concepts : Sort (arrange and prioritise); Simplify (in the right place); Sweep (tidy); Standardise (categorise so mistakes no longer occur); and Self-discipline(ensure good habits). Combining Six Sigma with Lean provides a problem-solving hybrid which reduces variability and eliminates waste both improving efficiency. But, she said, it is a journey, not a destination.



The following three speakers described how they each use Lean Six Sigma - in consultancy, in manufacturing and in retail.

Lisa Lundin, an associate director in CBRE's Business Consulting division, discussed how a system, based in manufacturing could also be applied to consultancy - it is, she said, a common language used to find a solution. Six Sigma relies on producing data which can then be channelled towards a solution: it prevents leaping to a conclusion by requiring that the problem be defined and measured: a way of delivering better outcomes and greater satisfaction. **Jaco van Noppen**, who leads the Real Estate Operation Excellence department at Shell, outlined how he is using continuous improvement (CI) to reduce costs and deliver dollar value by quoting two cases. In one case the RE portfolio was improved through a process of revealing gaps and cost reducing opportunities and in the other analysis of travel costs led to an analysis of travel behaviour and a possible workplace revision. Do set ambitious targets he said, think End2End value and cooperate with partners. Finally **Lisa Bevan**, a senior continuous improvement specialist at the John Lewis Partnership, gave us her view on the human dimension of Lean Six Sigma. As a CI Deployment leader she balances the power of a strong bottom-up culture with leadership support, leveraging the co-ownership aspect of this leading UK retailer, a business wholly owned by its staff, to

encourage confidence and innovation through the key tools provided by Lean Six Sigma. As one employee said of the Lean Six Sigma methodology, 'it forces me to focus on what is real rather than what I've assumed'.

Wrapping up, **Gareth Price** thanked the speakers, saying that we had all learnt the value of a focus on process and finance and that we needed now to contemplate how we can use some of what we had learnt in our professional lives. At which point the meeting proper came to an end and Shell kindly provided an opportunity for further discussion drinks and networking.



Alison Sutherland