

# Lean Six Sigma: Process Optimization



*Businesses are under constant pressure to ensure their processes are as efficient and effective as possible to stay competitive and improve profitability. According to the International Data Corporation (IDC), companies are losing roughly between 20 to 30 percent in revenue every year due to process inefficiencies.*

These inefficiencies can stem from, but are not limited to manual, non-standard, and redundant processes, old technology, siloed business models, and poor system integration. To ensure businesses are staying as efficient and competitive as possible, they must implement a standardized form of process improvement. Lean Sigma is a popular and powerful methodology for improving an organization's processes.



## What is Lean Six Sigma

Lean Six Sigma is a methodology that offers businesses tools and techniques to improve their business processes. The Lean Six Sigma methodology aims to provide an approach that will optimize processes and reduce an organization's exposure to risks, thereby making the business more efficient and effective at delivering products and services. Lean Six Sigma stems from

combining two different concepts called “Lean” and “Six Sigma”. Six Sigma focuses on reducing process variation whereas Lean is a data-driven methodology that drives out waste and encourages process standardization. Lean Six Sigma seeks to reduce variance in outcomes by using data and statistical methods to improve performance and quality. Lean Six Sigma aims to identify these process inefficiencies/pain points and identify different solutions through careful analysis. Combining these two methodologies as one offers a unique approach to maximizing process efficiency. Utilizing Lean Six Sigma throughout a business can lead to decreased timelines, increased quality, and decreased costs.



## Benefits of Lean Six Sigma

According to iSixSigma, roughly \$42.7 billion in costs are saved each decade by companies successfully implementing Lean Six Sigma process improvements. The quality of a product or service can also be improved which will have a direct effect on overall company growth and competitiveness. Large and small businesses across all industries deal with non-standard and manual processes, but how they optimize these manual processes could be a major competitive advantage. According to GreyCampus (A LSS Certification Provider), research shows that only about 10 percent of process cycle time is considered productive work. Lean Six Sigma tools and techniques allow businesses to stay competitive by providing opportunities to reduce process inefficiencies and improve overall timeliness, costs, and quality of products and service. Lean Six Sigma's team-oriented approach has proven results in maximizing efficiency and dramatically improving profitability for businesses around the world.

## How Can Clarendon Partners Help?

Clarendon Partners can assist your organization reduce process variation and maximize process efficiency by:

1. **Enhancing Your Team** – our team has delivered on complex global transformations across a broad array of industries. We can immediately improve your team's process standardization in a scalable way that best suits your needs

2. **Strategic Focus** – our team has proven tools and experience that can help you translate your strategic objectives into initiatives to meet those objectives.
3. **Roadmap Development** – our team has experience in delivering successful transformation programs. We have the experience needed to help you build ,validate and execute your transformation plans.
4. **External Point of View** – many companies find it refreshing to have an external point of view that can help them to break their old way of thinking and achieve truly transformative results.

## Contact us

The authors of this article want to hear about the challenges you're facing and welcome the opportunity to support your digital transformation initiatives to evolve your organization.

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