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### NOTES

Last month we had a very interesting talk about the doctrine of Six Sigma as it applies to very small businesses. Don Strayer of Don Strayer Consulting LLC made a very complex subject matter understandable, and I will try to give you some of his highlights here.

Six Sigma is a process of adding value to your product by reducing as much as possible the number of steps it takes to produce your product while increasing the quality of your product at no cost to the customer..... A lofty goal, isn't it?

First look to your customers expectations, using a pizza delivery company as an example:

The customer wants the pizza soon and hot, right? And the customer wants the pizza brought to him or her and doesn't want to drive to get it (after a few beers maybe?) How to best accomplish this with the most efficiency?

An analysis of this pizza delivery business shows that 5% of all pizza deliveries fail for various reasons...wrong address, address not specific enough, delivery refused, undercooked, etc. ... the aim is to reduce the 5% to 2% right away. What to do?

What not to do is to throw money at the problem, thereby raising the cost to the customer – do not add drivers and additional delivery vehicles until you have solved the problem. If you solve the delivery problem, then you might consider expansion of services with the money saved from lost deliveries, but do not start there. Start with solving the problem.

Realize also that 5% of failed deliveries are probably the tip of the iceberg - many pizzas also must arrive late and the customer will remember that somewhere in the back of his or her mind. Suppose you ordered a pizza and it came hot and quickly - earlier than you had expected? You would remember that in the front of your mind, wouldn't you, because it would exceed your expectations about pizza deliveries historically, and that is what we want to achieve... a quality of experience beyond our customers' expectations without additional cost to us or to the customer.

Our job is to improve directions to the locations and the speed of delivery (I am assuming that the pizzas are traveling in heated containers so that there is no problem with "hot").

I am not going to tell you how to solve the problem – I don't know how to solve the problem – but Don Strayer has given us a method for solving this and other problems, whether it be keeping track of paper, dealing with the telephone or email, or assembling jobs for our clients:

First, prioritize the things to look at first and start with the easiest ("pick the low hanging fruit")... in our example, look first at how directions are handed out to the delivery persons,

Second, toss around possible new approaches to communicating directions in better ways and/or in different formats.

Third, starting with the more likely solutions, test them one at a time and measure the improvement, and then, finally, implement those that work, but keep experimenting until you have reached a consistent 2%..... Billy.