Integrated Enterprise Excellence, Vol II: Business Deployment: A Leaders' Guide For Going Beyond Lean Six Sigma And The Balanced Scorecard
For many organizations, scorecard & dashboard metrics, strategic planning, and/or business improvement systems are leading to activities that are not beneficial to the enterprise as the whole. Traditional organizational measurement and improvement systems, where emphasis is given to meeting goals at any cost, can lead to unintended consequences. In the extreme case, this was part of Enron’s downfall. For long-lasting-over-time improved decision making to occur that is not so dependent upon the sophisticated insight of a few key individuals, an enterprise management system framework is needed that utilizes business intelligence and other information with a blending of analytics with innovation. From this wise blending, targeted strategies and efforts are created so that the business as a whole benefits. In businesses, SMART (Specific, Measurable, Actionable, Relevant, and Time-based) goals need to be determined through the integration of analytics with innovation at the enterprise level and cascaded downward throughout the organization. SMART goals need to be assigned to 30,000-foot-level operational metrics improvement needs so that there is personal accountability for achievement. This personal-accountable, 30,000-foot-level operational metric improvement need creates a pull-for-project creation, which is different from traditional Lean Six Sigma, Six Sigma, Lean Kaizen Event, and Total Quality Management (TQM) problem solving systems, where improvement projects are often pushed-for-creation by group brainstorming sessions. A push-for-improvement project creation system can result in organizations claiming that they have saved 100 million dollars through project-completions, but nobody can find the money; i.e., a silo reported savings does not necessarily translate to an enterprise benefit. Volume 2 of this three volume series provides a step-by-step leadership-orchestrated framework roadmap for the described business issues and needs. In IEE, for example, enterprise analytics is blended innovation in the Analyze step of a unique Enterprise process Define-Measure-Analyze-Improve-Control (E-DMAIC) roadmap - before strategy creation.