

# Success Stories of Companies Using Six Sigma



## KEY LEARNINGS: SUCCESS STORIES OF COMPANIES USING SIX SIGMA

### Introduction

- The world's biggest companies didn't succeed by luck—they used precision, strategy, and Six Sigma to drive transformation.
- This lecture explores how Motorola, General Electric (GE), Amazon, and Ford used Six Sigma to solve problems, improve efficiency, and dominate their industries.

### Motorola: The Birthplace of Six Sigma

#### Problem:

- In the 1980s, Motorola faced quality issues—products were failing, competitors were advancing, and profits were shrinking.
- Without fixing these inefficiencies, the company was at risk of collapsing.

#### Six Sigma Solution:

- Motorola created Six Sigma as a structured methodology to reduce defects and improve efficiency.
- Implemented data-driven quality control at every level, from design to production.

#### Impact:

- 90% reduction in manufacturing defects.
- Saved over \$16 billion in just a few years.
- Set a new standard for quality in the tech industry.

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### General Electric (GE): Jack Welch's Secret Weapon

Problem:

- In the 1990s, GE was successful but wanted to dominate every industry it entered.
- CEO Jack Welch saw Six Sigma as more than a problem-solving tool—it was a competitive advantage.

Six Sigma Solution:

- Trained thousands of employees, from executives to frontline workers, in Six Sigma principles.
- Used Six Sigma to analyze and optimize business processes across departments.

Impact:

- Saved \$12 billion in five years.
- Boosted product quality, improving customer trust.
- Reduced jet engine repair times, ensuring airlines could return planes to service faster.

### Amazon: The Master of Efficiency

Problem:

- As Amazon grew, scaling operations while maintaining efficiency became a major challenge.

Six Sigma Solution:

- Optimized warehouse operations to reduce packaging and shipping errors.
- Used Six Sigma to improve delivery routes, saving time and fuel.
- Streamlined returns processing, making it effortless for customers.
- Implemented predictive analytics, stocking warehouses with high-demand items before customers even placed orders.

Impact:

- Faster delivery times and higher customer satisfaction.
- Massive reduction in operational waste and inefficiencies.
- Amazon became a leader in supply chain and logistics efficiency.

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### Ford: From Crisis to Comeback

Problem:

- In the early 2000s, Ford struggled with declining sales, quality issues, and competition from Japanese automakers.
- The company was losing market share, and morale was low.

Six Sigma Solution:

- Focused on manufacturing process improvements and waste reduction.
- Applied Six Sigma to refine engine assembly lines, reducing defects and increasing efficiency.

Impact:

- Restored its reputation for reliability.
- New vehicles received strong customer and critic reviews.
- Became profitable again and regained its position as an industry leader.

### Why Do These Success Stories Matter?

- Each company faced challenges that could have led to failure.
- Instead of reacting with guesswork, they used data, discipline, and Six Sigma methodologies to drive success.
- Six Sigma doesn't just solve problems—it transforms businesses, creates efficiency, and redefines possibilities.