



Problem solving and improvement

Scottish Power: Auditing and initiating projects

Frank Malley

We get audited every year, so our financial savings to date, in the first five years, was 110 million. That goes into the annual accounts which means external audit will verify those benefits. We have a whole financial reporting process in place. Each project has to deliver £150,000 of benefit, annual benefit. That's one of the criteria of starting off a project. The actual monitoring and tracking of projects is done by our finance department, so we have actually got people dedicated to tracking these benefits.

Ben Woodall

There is a tendency with Six Sigma to wait for projects to get started. Once a problem is identified, it has to wait to be approved as a project. Then it's got to be staffed as a project before the project can even get underway. Scottish Power have what we call JDI's, or Just Do It, and this is where something is so blatantly obvious, so clear that it doesn't require a whole project that we will just go in and fix it if needs it.

Frank Malley

When we kicked off, we kicked off with 20 black belts. Very quickly, through the success of the first projects we then increased that to 40. Five years later, we are now heading up to 50 black belts working across the business. We have a turnover in that every six months we bring in another ten new ones, as ten black belts go back into line. So the duration of a black belt is two or three years delivering projects, and then they go back into a promoted line role and then they use the Six Sigma tools when they are in that promoted line role, which helps with the sustainability of Six Sigma.

Ross Bern

We have like a project hopper. That is what we call it. So that anyone from across the business, if they've got an improvement idea, they can scope out our project charter. And provided that we have some confidence that there is a true opportunity, it's likely that project will be reviewed by the business transformation office.

David Simpson

The opportunity is there for everyone to take part. It really depends on how interested you are in getting right into the culture.

Jackie Cheape

For the agent on the floor, it has given them more job satisfaction because if they get involved, whether they are a yellow belt facility or even just a data collection exercise, they understand that they can make a difference, that they can influence some of the changes that are going out in the business.

Frank Malley

We cost the business four and a half million pounds every year through business transformation, which includes your yellow belts, etc. But one of the key things is that we deliver about 20 million to the bottom line every year, between 15 and 20 million. So when we had a business review very recently it would have been very easy to say, 'Six Sigma, four and a half million cost – we can just take that out of the business', whereas before we had to take 20 million out of the business plan going forward.