Example of transmittal letter report

Technology, Innovation

Report: Recommendation for Adoption of Lean Sigma 6 Technology

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Dear Sir,

I am pleased to present a report on adoption of Lean Six Sigma by the company pursuant to the study that showed necessity of such a system.

The report is prepared pursuant to the company's articles of association and goals to be the leader in technology and adoption of efficiency systems. This includes the efficiency and saving systems that will enhance the efficiency of the organization in the ever-competitive environment.

The report also includes the reasons why it is the best system for the company and how it will increase efficiency in the organization.

(Sign)

Executive Summary

Waste management is a challenging undertaking in the corporate world. Some people create wastes through their activities while some waste develops by-products of the production of operational systems. At the same time, efficiency in management of systems in an organization is imperative and one of the most sort-after utilities. However, some organizations do not have the desired efficiency levels because of lack of a system that facilitates the efficiency.

Lean Six Sigma is a combination of lean and Six Sigma in order to eliminate a wide range of wastes in the organization and enhances efficiency. The wastes from compulsory systems can only be limited to the lowest, which is one of the basic elements of Lean Six Sigma. At the same time, Lean Six

Sigma helps to improve the efficiency of the system hence the wastes emanating from human activities in the organization will seize completely. The most aggressive goals in the organization is include becoming the global leader in environmental safety and conservation, an element that will well be facilitated through the Lean Six Sigma. The system thus not only ensures the environmental conservation and cleanliness maintenance but also ensures the efficiency in the organization.

Introduction

The efficiency levels in this organization stand among the best factors that can help the business achieve both the short term and long-term goals. At the same time, the business must aim at developing a system that will ensure minimum wastages or reduction of the effects of such wastes. Lean Six Sigma is one of the technological advancements that can help the business to minimize the wastes as well as improve the efficiency of the systems in the business. Lean Six Sigma is a combination of lean and Six Sigma, which helps to reduce over eight types of wastes (Vijaya, 2013). This paper is a report recommending the adoption of Lean Six Sigma in an organization in order to help reduce the wastes and improve efficiency in the organization. The paper analyzes the need to this technological tool in the organization and methods through which the tool will fill in the gaps in the organization.

Need for Lean Six Sigma

Lean Six Sigma is necessary in the organization due to a number of areas that need to be addressed. The areas include:

Extra processing

In some cases in the organization, some of the products are extra processed. Extra processing leads to wastage as some of the products that would rather be marketable and sold are sieved out as wastes. At the same time, extra processing leads to loss of energy, time, and money, this makes a business to miss the profit margin. This organization may process their products through unnecessary processes hence the need to limit extra processing in the organization.

Motion wastes

In most businesses, some of the products function in more than one department. This organization is one of the biggest in terms of interdepartmental dependency. The reliance on each other means that the departments must maintain high accuracy levels and uninterrupted communication between the departments. However, in most cases, this efficiency lacks as some information lags and inaccuracy leads to wastages. Some departments use the finished products from other departments as inputs and the level of efficiency affects the profitability of these departments.

Inventory wastes

Stock taking in many firms is not one of the most efficient processes. In some of the production firms, it is one of the poorest performing processes in the companies. In this organization, knowledge of the inventory levels is important as it helps in planning and calculation of costs. However, inventory wastes are increasingly challenging in organizations as most of the

organizations lament the damages and losses they experience from the inventory inefficiency. Apart from stocktaking and stock levels, wastages on inventory are increasingly high especially due to the handling of stock in most organizations.

Transportation wastes

This organization does not produce on the same areas where they store their inputs and outputs. In most cases, the storage spots are distances from the production or assembly points hence the products must be transported to those areas. Transportation wastes amount to some of the highest wastes that organizations and companies experience in their operations (Vozar, 2013). This organization wastes many potential profits on the transportation wastes, which could be lowered by adopting the necessary technology. From the production points to the storage points, the amount of wastes through droppings, loss of products, destruction, and actual transport costs are extremely high.

Non-utilized Talent Wastes

All over the world, the talent pool grows to a very high rate. The number of people capable of undertaking certain tasks and accomplishing them perfectly is relatively high hence the rising need to utilize the talent. Most of the organizations lose on valuable additions to the corporate pool when they do not effectively tap the talents in their employees. In this organization, the number of young skillful people who interact with the organization is tremendously high. However, some of them end up unutilized because the organization could not identify and effectively tap their talents. For the

business, it is a loss because they lose on valuable economic gains, which would accrue from such talents.

Waiting Wastes

Most people do not see the point in waiting wasted. In most cases, an organization spends a lot of time awaiting delivery for either the inputs of outputs. In some cases, the gaps in waiting for the products are so wide that the organizations make losses from the time wasted. In this organization, storage points and production points are not close. Sources from the production department indicate that the materials are sometimes located in places far from the production points. The time lag in waiting for the materials is sometimes unpredictably long, as the people cannot predict the time it takes to have the products delivered.

Overproduction Wastes

This organization produces mainly based on the market demand. This means that the demand forecasting is one of the most effective areas in the organization. This is the policy in a good number of multinational organizations. However, as much as the demand-forecasting department does a good job, it does not give perfectly accurate results. In most cases, the organization overestimates the demand in the market and ends up producing more than needed. The result of such misestimating is that a good amount of the produce is wasted and the costs of production range higher than projected.

Defect Wastes

Defective products amount to the highest level of wastes in the organization. The products in the organization are such that the defective ones do not have effective secondary uses. In many organizations, revenue is lost through the defective products. Defect wastes can thus lead to the business failing immensely. At the same time, the defects occur due to a slip in the quality assessment objects hence that it is fair enough to say that the organization can effectively lower the defect wastes internally.

Designing the Lean Six Sigma Platform in the Organization

In order to implement the Lean Six Sigma in the organization, it requires that the organization must have a system that is working (Mohd et al, 2013). This is because the system will be analyzed for effectiveness and management issues. The design of the Lean Six Sigma will be made in various steps and procedural ways for every junction in the operational process of the organization. The design will include a well formulated define – measure – analyze – design – verify model. The main design of the Lean Six Sigma will aim at making sure that none of the stages wastes resources and developing waste reduction is effective.

Through analysis, the system will ensure that the data and estimations developed in the institution are accurate and the wastages that arise from the estimations do not occur at all. Through the verification process, the design ensures that the details provided by the analysis are as accurate as they can and that the errors can easily be eliminated. Through the design, the system will ensure continuous improvement and internal development

through correction of the errors and inefficiencies among the stakeholders in the organization hence eliminate any inefficiency.

Basic Requirements and Cost of the Lean Six Sigma

The Lean Six Sigma model in the organization will require a number of things in the organization. First, the organization must have their activities organized in processes hence this organization suits the procedure because this organization will easily adopt the technology. Second, the organization must have personnel capable of monitoring and evaluating the performance of each stage and component in the process. The organization must also have technological efficiency in order to adopt the Lean Six Sigma. This is a technological too that any organization willing to adopt the Lean Six Sigma must have well-coordinated technical systems in order to adopt the design.

Solutions to de delivered by the Lean Six Sigma

Lean Six Sigma will help create efficiency and solutions to the needs of the system in this organization in a number of ways:

Extra Processing

The Lean Six Sigma will evaluate the quantities that the organization needs to produce and process and the level of processing that is imperative. This will ensure that extra processing is eliminated in the processing process in the organization. Verification will help determine whether the product is at its best before being given off to the market.

Motion wastes

The Lean Six Sigma system will ensure that the movement of products in the organization is enabled and well calculated. This will increase efficiency and

allow the movement of products in the organization especially the products that are used in more than one department.

Inventory wastes

The Lean Six Sigma will ensure that the inventory wastes in the organization are minimized. In most cases, inaccuracy in calculating the stock levels in the organization causes loss of significant profits. However, through the adoption of Lean Six Sigma, accuracy in calculation of the stock levels will ensure that the organization attains efficiency in profit generation.

Transportation wastes

Time lags in the transportation of inputs and outputs from the production points to the storage points delay production in some cases. At the same time, some of the products experience damage and destruction in the process of transporting the products to different points. The Lean Six Sigma will help to remove the time lags through efficient analysis of the times of delivery and development of continuous time schedules in the organization (Mantilla & Sánchez, 2012).

Defect Wastes

The define – measure – analyze – design – verify design of the Lean Six Sigma will ensure that accuracy is maintained in all the processes in the production and processing chart in the organization. This will lower the chances of defective products and ensure that the quality of the products stands at the highest possible level.

Overproduction Wastes

The Lean Six Sigma ensures that the production caters for accuracy. The fact that it works with procedural activities only means that the technological tool can monitor the units at every stage to ensure that overproduction does not occur at any level. The tool will also ensure that replacement in the production cycle is well enhanced.

Challenges in the adoption and use of Lean Six Sigma

Technology

In order to adopt the tool effectively in the organization, the technological systems in the organization will need an overhaul, with video cameras the first notable addition. The system will also have to develop fully linked processes in the production and processing of different products to ensure that the tool delivers effectively.

Training

The tool will require that all the people who will be involved in its operations acquire the required training to ensure that they do not develop any difficulties in its application. Research and interviews with organizations that already utilize the technology in their operations show that in order to develop the tool effectively, any organization must get the orientation and training from Lean Six Sigma black belt personnel (Pillai, Pundir & Ganapathy, 2012).

Costs

In the course of adopting Lean Six Sigma in the organization, the organization will incur a number of costs in different areas throughout the

adoption of the Lean Six Sigma technological advancement. First, the installation costs will add an extra cost to the management (Shah, Chandrasekaran & Linderman, 2008). In the course of installation, the management will also spend on updating the technological systems in the organization. Furthermore, the organization will spend a large amount of money in training the personnel in the organization about the operation and use of the Lean Six Sigma tool. Concisely, the organization will spend in all aspects in order to enhance efficiency and waste reduction.

Recommendations for the adoption process

In the course of adopting the technological tool in the organization, I would recommend a number of activities and processes in the organization. First, the organization must adopt new and advanced technology in order to facilitate the adoption of the tool. This will involve an overhaul in the observation and measuring tools in the organization. The Lean Six Sigma requires that the organization must have accurate observation tools because that is one of the prerequisites of the Lean Six Sigma model. Second, the organization must train the personnel in the organization in order for them to adopt the tool in the organization effectively. This will ensure that the operation of Lean Six Sigma does not face any major challenges hence the implementation is effective an easy.

Third, the organization must adopt the system once the necessary infrastructure is in place for the development and adoption of the Lean Six Sigma tool. This will involve the installation of the tool in the organization in order to ensure that the tool does not fail upon its installation in the organization. Fourth, the organization must develop follow up mechanisms in

order to monitor the performance of the systems and ensure the compatibility issues are well handled. This will involve deployment of personnel who are conversant with the tool in order for them to monitor all aspects of the tool effectively.

Conclusion

Lean Six Sigma is a tool that maximizes efficiency in any organization as well as eliminating up to eight types of wastes in the organization. The Lean Six Sigma is a combination of Lean and Six Sigma that readily minimize wastes in any organization. The wastes minimized include defect wastes, overproduction wastes, waiting wastes, non-utilized talent wastes, transportation wastes, inventory wastes, motion wastes, and extra processing. The implementation of Lean Six Sigma will help to eliminate such wastes and create efficiency in the organization. However, in the implementation of the tool, the organization must train the personnel, equip the organization with the relevant tools, and install different review processes for follow up cases.

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