

Quality in Love

An Indian matchmaking company has announced its registration to ISO 9001.

Kaakateeya Marriages Private Ltd. maintains a database of more than 70,000 marriage-minded adults. The company, based in Hyderabad, India, was established in 1981 and today has 25 branches with 300 employees. Members can choose to post their profiles online or at the company's regional offices. There are upward of 20,000 profiles posted at the Hyderabad office alone.

ICL Certification Ltd. performed Kaakateeya's audit, which examined its management, commitment, planning, responsibility, quality of human resources, infrastructure and work environment, among other characteristics. The company is the only Indian matchmaking company registered to ISO 9001.



Six Sigma Makes a Better Milkshake



The application of Six Sigma at Red Robin restaurants dramatically improved the delivery of its milkshakes.

Red Robin, a gourmet burger chain with locations throughout the United States and Canada, will make more than 5 million milkshakes in 2005. Only 36 percent of them were being served to customers on time in a particular region, a problem that the company was determined to solve. It partnered with GE Commercial Finance, Franchise Finance, to design its innovative "At the Customer, For the Customer" (ACFC) program.

Team members examined food-delivery processes at the company's restaurants and found that its First Available Server Transport (FAST) program, which it uses in its kitchen, was not being used at the bar, where milkshakes are made. A minor redesign of the restaurants' bars solved the problem, allowing servers to deliver milkshakes immediately to guests even if someone else services their table. **The result: On-time delivery of milkshakes more than doubled to 77 percent.**

"Putting ACFC to work for Red Robin definitely paid off," says Julie Huston, ACFC leader for GE Commercial Finance, Franchise Finance. "Their team members are more engaged in the process and their guests are receiving better service and better milkshakes. The ACFC tool they engaged in is about continually seeking knowledge and looking for better ways to do things, which is what the culture at Red Robin is all about."

In Memoriam: Peter F. Drucker



Peter F. Drucker, one of the most influential management theorists of the 20th century, died November 11 at his home in Claremont, California. He was 95 years old.

Drucker's career as a writer, consultant and teacher spanned nearly 75 years. The author of more than three dozen books, Drucker pioneered the ideas of privatization and the corporation as a social institution. He coined the terms "knowledge workers" and "management by objectives." His groundbreaking work turned management theory into a serious discipline.

Most recently, Drucker was the Marie Rankin Clarke Professor of Social Sciences and Management at Claremont Graduate University, where he wrote and consulted until the time of his death.

Six Sigma Program ROI Directly Related to Investment Size



A new survey of 1,200 Six Sigma professionals shows that the more companies invest in their Six Sigma projects, the greater the return.

Companies that invested less than \$500,000 were most likely to break even, at best, while companies that invested \$2,000,000 or more were most likely to see a two- to five-fold return on that investment, according to the survey published in *iSixSigma* magazine. About a quarter to a third of the companies that invested \$2,000,000 or more saw a six-fold return, says Michael Cyger, publisher of the magazine.

Top management's support of Six Sigma programs was also important to their success, the survey found. "The single most important factor in success is executive support," comments Michael Marx, *iSixSigma* research manager. "The higher the level of executive commitment, the more successful the program."

Fifty-six percent of respondents who rated their programs as "poor" said their executives were uncommitted. Conversely, nearly 87 percent of respondents with successful projects said their executives were somewhat to highly committed. This commitment may be tied to executive compensation.

"Over 84 percent of respondents who rated their programs as 'unsuccessful' in the first two years had no executive compensation tied to Six Sigma results," says Cyger. "And more than 60 percent of the self-rated highly successful programs had executive compensation."

One surprising result from the survey was the success of enterprisewide deployments, compared to pilot programs. Only 42 percent of respondents said their companies started with a full deployment, but these programs were three times more likely to report an eight-fold ROI in the first two years.

"You get what you pay for," says Cyger. "A higher level of investment results in a higher return on investment."

Auditing Guidance

1) ISO 9001:2000 requires the organization to have a documented procedure for preventive action.

Combining the documented procedures for corrective action and preventive action into a single document is acceptable. If combined, then it is important for the auditor to verify that the organization clearly understands the difference between the intent of corrective action versus preventive action.

2) ISO 9001:2000 requires this documented procedure to include:

a) How the organization determines potential nonconformities and their causes.

Typical examples include:

- Trend analysis for process and product characteristics (output from the data analysis process). A worsening trend might indicate that if no action is taken, a nonconformity could occur.
- Alarms to provide early warning of approaching "out-of-control" operating conditions.
- Monitoring of customer perception by formal and informal feedback systems.
- Analysis of trends in process capability, using statistical techniques.
- Ongoing failure mode and effects analysis for processes and products (e.g., this is a requirement of ISO/TS 16949 for the automotive industry).
- Evaluation of nonconformities that have occurred in similar circumstances, but for other products, processes, or other parts of the organization.
- Through planning activities for both predictable situations (e.g., due to expansion, maintenance, or personnel changes) and for unpredictable situations (e.g. naturally occurring problems such as hurricanes, earthquakes, and floods).
- ISO 9004:2000 clause 8.5.3, Loss Prevention, provides other examples (this guidance is not mandatory).

We want to thank you all very much for your feedback and support of our 2005 business performance monthly newsletter (Missed Any? Go to www.sustainingedge.com and click on Newsletters). As always, please let us know what you think and what topics interest you. The best to you and yours in this holiday season!

Happy Holidays to You All - Until Next Year

