

**BUSINESS CASE DIAGNOSIS  
(EXAMPLE)**

**Six Sigma Customer Delivery Team**

**Problem Statement**

Forty Percent of orders delivered to AutoRec corporate clients are not meeting customer requirements, including 30% rejected for out-of-spec units and 8% noted as late deliveries. These defects are hurting our image, creating customer dissatisfaction and costing us roughly \$350,000 per month to rework rejected orders. Continued high levels of delivery errors threaten our position as a leader in this growing industry.

**Goal Statement**

Reduce delivery errors by 70% (to less than 12%) and cut rework costs by 50% by the end of Q3 of this year.

**Project Scope**

The scope of this project is limited to direct root causes - and their domiciles - of the problem stated above.

**Constraints**

Team members will be expected to dedicate 25% of their time to the project. Back-up support will be ...(reviewed and determined by decision-makers on an ongoing basis).

**Assumptions**

No reasonable solutions will be considered "out of bounds," however, the focus of the team will be on improving existing processes and not on designing or re-designing new processes.

**Team Guidelines**

The team will meet at least once a week, Tuesday mornings from 0900 to 1100 hrs. Decisions will be made by consensus, and guided by data, facts and logic. If consensus can't be reached, the Team Leader will make the final call.

**Team Members**

Ravi Gosai, Order Administration Daphane Martin, Manufacturing May Yamamoto, Sales Arnold Ziffle, shipping Martin Wyck, CPI Coach	Al Johnson, Product Design (Team Leader) Mike Moshivitz, Manufacturing Elena Zarzuela, Procurement Pat Delia, VP Customer Satisfaction (Decision Maker)
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**Communication Plan**

Monthly Business Case Review (toll gate) presentation to Decision Maker and Direct Reports  
Weekly written project updates to Decision Maker.

**Preliminary Project Plan**

To achieve our goal and results by our target date, the team will have to work aggressively and rapidly. The following milestones for completing each phase of the DMAIC process:

- DEFINE – March 15
- MEASURE – April 15
- ANALYZE – May 15
- IMPROVE – June 15
- CONTROL - July 15

**Signatures**

**Executive Sponsor:**

**Quality Steering Committee Member:**

**Executive Quality Assurance Committee Member:**

**BUSINESS CASE DIAGNOSIS  
(BLANK FORM)**

**Six Sigma Business Case**

**Problem Statement**

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**Goal Statement**

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**Project Scope**

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**Constraints**

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**Assumptions**

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**Team Guidelines**

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**Team Members**

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**Communication Plan**

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**Preliminary Project Plan**

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<b>BUSINESS CASE DIAGNOSIS</b>	
<b>What</b>	What is the issue? What is the affected process?
<b>Who</b>	Who is the customer? Who is the supplier?
<b>Where</b>	Where is the issue occurring?
<b>Impact Analysis</b>	How often is the issue arising? What is the impact on the customer? What is the impact on process capability? What is the financial impact to the business?
<b>Project Objective</b>	Outline the target of the project and write goal statement meeting SMART criteria.
<b>Project Team</b>	Recommend qualified members with whom the issue is relevant and important.
<b>Project Scope</b>	Defined boundaries relating to the direct issue. Defined time limits. (estimated)