

REDUCE COSTS IN THE FACE OF INCREASING COMPETITION AND CHANGING ECONOMIC TIMES

TYPICAL CLIENT RESULTS

- Improve customer satisfaction 70%
- 16% weekly average reduction in late deliveries
- Increase gross margins from an average of 3% to an average of 45% in less than 12 months.
- 40% cost savings after transforming three units into a single organization
- 32% cost savings through consolidation and process reengineering
- 90 % reduction in manufacturing cost of product 9 months.

LEAN/SIX SIGMA - Lean and Six Sigma are the two most important improvement methodologies of our time that interact and reinforce one another; and they are much faster if Lean and Six Sigma are implemented and work together. Lean focuses on simplification and streamlining; while Six Sigma focuses on optimization. Of the Seven Speed Bumps applying Lean will help reduce or eliminate the first five speed bumps and Six Sigma will address six and seven.

1. **Over production** (the most common type of waste)
2. **Excess inventory** caused by over production.
3. **Waiting** — People or Products
4. **Unnecessary movement** of work products.
5. **Unnecessary movement** of employees.
6. **Unnecessary or incorrect processing.** (people watching a machine that can be taught to monitor itself)
7. **Defects** leading to repair, rework, or scrap.

CYCLE TIME REDUCTION - The application of the principles and practices of Continuous Improvement to key business processes with the added element of SPEED. Cycle Time Reduction is about: Reducing Cycle Times; Focusing on Processes; The Elimination of Waste; and Focuses on Speed. A few of the many results from Cycle Time Reduction are: Enables Company to Focus on Customer; Maintains Focus on Process; Prevents Errors; Provides a Measure of Poor Quality Cost (Waste); and much more.

BUSINESS PROCESS IMPROVEMENT THROUGH VARIATION REDUCTION - Focuses on eliminating variation without changing the process. This involves a strategy of developing solutions by eliminating "Root Causes" of variations that are causing business problems.

BUSINESS PROCESS REENGINEERING – Clean sheet of paper approach to the rethinking and redesign of an enterprises business process from the customer's perspective.

ANY OR ALL OF THE ABOVE CAN BE USED WHEN IMPLEMENTING: ISO9000; ERP; SAP; or any type of implementation involving an enterprises process.

SIX SIGMA	
SIGMA	DEFECTS PER MILLION
2 Sigma	308,733
3 Sigma	66,803
3.5 Sigma	Average (about 30K/M)
4 Sigma	6,210
5 Sigma	233
6 Sigma	3.4

AVERAGE COMPANY

- It can cost the average company up to \$125K-\$200K (or more) in waste for every \$1M in revenue
- For a \$5M company = \$625K-\$1M (or more) in waste
- For a \$10M company = \$1.25M-\$2.0M (or more) in waste
- For a \$100M company = \$12.5M -\$20M (or more) in waste

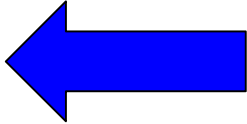

NECS METHODOLOGY ACCELERATED SIX SIGMA — FAST

Focus - focus in on the problem that is keeping the management team awake at night, based on the 80/20 or 4/50 rule.

Analyze - conduct an analysis, using the organizations expertise, to determine the root cause.

Sustain - develop an implementation plan for long term success.

Test - monitor results and adjust as needed.

	F	A	S	T
	FOCUS	ANALYZE	SUSTAIN	TEST
	Management selects problem Track problem Set goals	Determine root cause Verify Solutions Pilot Implement	Permanent Solutions	Monitor for results Tell the story
TOOLS	JIT-Training V.O.C. QA Data QI Story Line Chart Matrix	Pareto chart C & E Why Contingency	Implementation Plan	Line Chart Presentation Journey Advanced Six Sigma
	 CHANGE MANAGEMENT STAKEHOLDER MANAGEMENT 			

Contact NECS for a free **Executive Briefing today** – learn how these tools can reduce or eliminate waste by as much as \$200,000.00 for every \$1,000,000.00 in revenue. It will also show the team how a plan can be developed in 5 – 14 days with the right data and with access to the right people in the organization. Call

Gary J Comeau
 W. 781.620.1006
 C. 781.929.1148
 F. 781.629.1043
gjcomeau@necs-ma.com
www.necs-ma.com