

The Evolution of CPI at General Electric

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imagination at work

GE – The Right Mix for Growth

GE Key Facts/Honors:

- Founded by Thomas Edison in 1878 as the Edison Electric Co.
- Only company still listed in Dow Jones Industrial Index since 1896
- 6 global businesses operating in more than 100 countries
- 350,000 employees worldwide
- \$166 billion in revenues
- AAA Rated
- World's Most Respected Company (1999-2005) Financial Times
- Global Most Admired Company (2005) Fortune Magazine



CPI at GE = Lean 6 Sigma

- *Program for Continuous Improvement*
- *Standard of Performance*
- *Enabler for Culture Change*

Evolution of Six Sigma at GE



Evolution

1995

PRODUCTIVITY

*GE Launches 6 Sigma
Company-wide*

Focus : Get the flywheel turning

Objective : Productivity & Asset Utilization

Evolution of Six Sigma at GE

1997

*GE Turns to 6 Sigma For
New Products*

Focus : New Product Design,
DFSS

Objective : Process to
secure/sustain product and
technology leadership



Evolution

PRODUCTIVITY

PRODUCT DESIGN

Evolution of Six Sigma at GE



Evolution

1999

Extend 6 Sigma to our Customers

Focus : Customer Productivity & Value Added Services

Objective : Grow by helping our customers grow

PRODUCTIVITY

PRODUCT DESIGN

CUSTOMER FOCUS

Evolution of Six Sigma at GE

2001

Transition 6 Sigma from an 'initiative' to 'the way we work'

Focus : Leadership development; program consistency

Objective : Common Company Approach



Evolution

PRODUCTIVITY

PRODUCT DESIGN

CUSTOMER FOCUS

THE WAY WE WORK

Evolution of Six Sigma at GE

2003

Growth as a Process

Focus : Core growth processes, NPI, ITO, OTR

Objective : Create Growth Capacity



Evolution

PRODUCTIVITY

PRODUCT DESIGN

CUSTOMER FOCUS

THE WAY WE WORK

ENABLE GROWTH

Evolution of Six Sigma at GE

2005

Lean Six Sigma

Focus : Quality + Speed

Objective : Make cycle time
a competitive advantage



Evolution

PRODUCTIVITY

PRODUCT DESIGN

CUSTOMER FOCUS

THE WAY WE WORK

ENABLE GROWTH

LEAN SIX SIGMA

What Lean 6 Sigma Does for GE

- ✓ **Helps create a common culture**
- ✓ **Drives Customer Centricity**
- ✓ **Improves Product/Service Capability**
- ✓ **Reduces Costs**
- ✓ **Improves Performance Reliability**
- ✓ **Creates Growth Capacity**

PRODUCTIVITY

PRODUCT DESIGN

CUSTOMER FOCUS

THE WAY WE WORK

ENABLE GROWTH

LEAN SIX SIGMA

Takeaways from the GE Experience

- CPI is a marathon, not a sprint
- Must be tied to career development ... “best and brightest”
- Strong central control required ... but be willing to experiment and share best practices
- Fight the “We’re different” mentality
- The measure of progress is impact on what matters
- The ultimate objective is cultural change