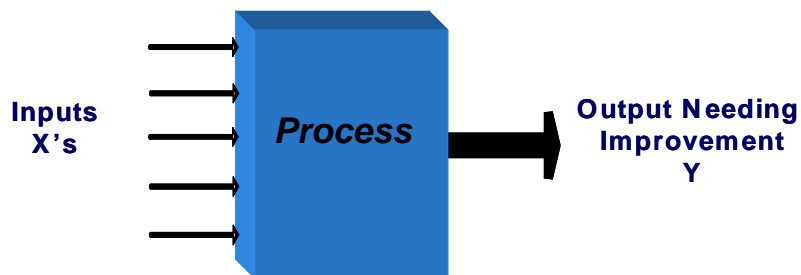


Project Definition

Steps for Defining a Project

Step 1 – Identify the Process Problem

Determine what specifically needs to be improved, defined as a “Y” (also called the primary metric)

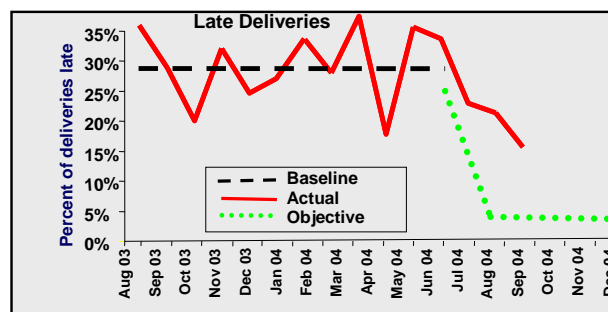


We now have to formally start using the $Y=f(X)$ terminology; and the associated thinking and usage.

Most processes have more than one output. The question you must answer when performing an improvement effort is - Which process outputs will I be improving as a result of this effort? Once you have verbalized what the problem is, i.e.; “32% of the pizzas are delivered late” or “Over 30 percent of the loan applications are missing the deadlines for completion” it is necessary to select the outputs that need improvement before further defining the problem. This output is what we call the Y. If it is an important output to the success of the process or the customer who receives the output, we then call it a CTQ. But for now we will stay with the Y notation.

Step 2 – Define the Process “As-Is”

Determine the baseline performance for the chosen “Y”



Now that you have a clear understanding of what it is that you are going to improve and it is measurable, you will need to establish what is called the baseline performance for the Y you have selected.

Simply stated, you need enough data going back in time to properly represent the performance of the Y you want to improve. When you do this, you will find that the Y has its own variation, as you would expect. If you plot a line chart of the performance, you will see the range of the data and you can then calculate the average. Baseline performance is precisely this, the long term average performance level and the amount of variation around the average.