

Why Six Sigma Black Belts Make Better Leaders

By Dr Uwe H Kaufmann and Arne Buthmann

Besides business and functional know-how, a successful leader must have competencies in leading change and improving, designing and managing processes. A Six Sigma program helps prepare leaders by providing on-the-job training through project work.

A recent survey by iSixSigma Magazine of more than 1,300 business professionals whose companies are using Six Sigma revealed that leadership development programs which involve Six Sigma training are six times more likely to be called "highly successful" than those without. Many of these leadership development programs involve a Black Belt track for future leaders. Thus, the obvious question is, What skills and know-how do Six Sigma professionals acquire that gives them an edge as leaders?

Modern Leadership Competencies

It is becoming more fully recognized that only half of the knowledge and skills a successful leader needs are business and functional know-how. At least as important as these skills for modern leaders in a rapidly changing environment, are strong competencies in leading change and in improving, designing and managing processes. How can a Six Sigma program help to prepare leaders for facing these problems? The fact is that change leadership and process skills are best learned on the job, i.e., through project work.

This hands-on experience is emphasized in the certification requirements for becoming a Black Belt, which typically include:

- Successfully completing multiple major improvement projects in different functional areas.
- Working in their Six Sigma position for three years.
- Helping Champions in project selection.
- Leading, training and mentoring multiple Green Belts in the use of Six Sigma tools and techniques.

Having met these requirements, Black Belts should normally have gathered a wide range of insights into the general leadership competencies:

Functional Know-How

Black Belt-trained leaders learn the value of staying close to processes - the "nuts and bolts" of how work gets done. Through analyzing and improving multiple processes, Black Belts also gain a deep understanding of the procedures their associates are working in and with. Associates, in turn, are most apt to have confidence in and trust leaders who "know the way it is" on the shop floor or in the backroom.

Leadership Competencies

25%	Functional Know-How
25%	Business Knowledge
25%	Process Improvement, Design and Management Know-How
25%	Change Leadership Ability

Business Knowledge

Through their process improvement projects, Black Belts accumulate important understandings of their company. They gather knowledge about the products/services offered by their company, business strategies and objectives, relevant markets, customers and their requirements and, of course, about many core and enabling processes. They also know a lot about roles and responsibilities within their organization - who does what, who makes what decisions, who is an expert on what subject, etc. This gives them the advantage of a broader-than-usual perspective of the business, not to mention a large informal network of contacts.

In addition, Black Belts have proven that they can achieve measurable business results. They have learned to select projects with high leverage, which means they know how to concentrate on business- and strategy-related issues. They are less apt to be distracted by low-priority issues.

Process Improvement, Design and Management Know-How

Probably the most important lesson a Black Belt learns is causal thinking. Thinking in cause-and-effect relationships and focusing on the vital few root causes not only helps in day-to-day problem solving, it also is the basis for breaking down strategic or business objectives (so called lagging indicators) into their most contributing influence factors (leading indicators). This is critical when selecting the appropriate projects and improvement activities in the area of their responsibility, and when setting performance goals for their associates. A Black Belt-experienced leader uses dashboards showing the most important leading and lagging indicators to continuously monitor and, if necessary, improve a business unit.

No less important, Black Belts get used to making sound and solid decisions based on data. This means they use facts to validate cause-and-effect relationships, e.g., when verifying whether an investment will significantly improve a given situation and thereby will pay off. A Black Belt in a leading role therefore asks associates for data when they have to make a decision, and they teach associates that they themselves should not rely on gut feelings when doing their daily work. Black Belt-trained leaders ask the right questions...and keep asking questions.

Last, but not least, Black Belts learn to think cross-functionally, i.e., in a process-oriented way with not only external but also internal supplier-customer relationships. In a leading position, former Black Belts therefore structure their area of responsibility along key processes. They design the jobs in their department according to these processes. And, of course, they are eager to continuously improve the processes and, if necessary, redesign the processes they own, always driven by the internal and external customer requirements. Process management charts help them to pro-actively manage these processes.

Change Leadership Ability

Having completed multiple process improvement projects, Black Belts have experience in facilitating change. Normally, they are asked to start on a small scale - in their small project environment - to drive change. They learn, on a manageable scale, how to deal with and overcome resistance to change. They are trained in such "soft skills" as active listening, influencing and communication. After their tenure as a Black Belt, they should have developed appropriate means to deal with people's natural resistance towards change, to solve interpersonal and structural conflicts, and to successfully guide people through the difficult and emotional rollercoaster-like transition phase. And, in particular, trained Black Belt leaders learn to identify and to influence the important stakeholders in order to gain their commitment.

Leadership Development Using Six Sigma

How can a company now achieve all these benefits? What is the best way to integrate Six Sigma and leadership development? Here are some guidelines for business and human resources professionals:

- ❑ **Select the Right Talent** - In order to ensure leadership success from the start, select for Black Belt training only those people who are assessed to be good potential leaders. Black Belts should be the best people in a company. Many companies therefore select employees who have been identified as having high potential and sometimes even management trainees as Black Belt candidates. A Black Belt candidate should be:
 - A self-starter who can work on their own initiative with minimum supervision.
 - Able to lead, train, mentor and work in a team.
 - An effective communicator, at all levels.
 - Able to effectively work at multiple levels within the organization.
 - Computer literate and competent in mathematics and elementary statistics.
 - Energetic and enthusiastic and have a passion for excellence.
- ❑ **Develop Clear and Promising Pathways** - Designated Black Belts should know from the beginning that their assignment is just temporary, typically for two or three years. They must be assured that, after this period, they can move into an attractive leadership position. A promising pathway helps retain Black Belts in the company.
- ❑ **Provide Additional Training and Coaching** - In addition to the knowledge and skills Black Belts acquire when working as process improvement experts and change agents, to be a successful leader, they need know-how and competencies in such areas as:
 - Developing and implementing strategy
 - Financial planning and controlling
 - International organization development
 - Performance management
 - Marketing and sales effectiveness

Conclusion: A Tool for Growing Leaders

Six Sigma is a results-oriented, hands-on approach for developing critical leadership competencies such as influencing without formal authority, making decisions based on facts, managing change and leading teams of associates. Six Sigma has a "self-financing" nature since Black Belts must complete several projects with significant impact on bottom-line results. Thus, the return on (leadership development) investment is much higher than for many other leadership programs. When supported by a rigorous selection and career planning process, the Six Sigma Black Belt experience is a tremendous vehicle for growing a company's pool of leadership talent.