

Golden Ruler Certificate of Merit
CFS Communications Six Sigma Project
Jerry Mikorenda, ABC and JPMorgan Chase

Executive Summary: Reduce email, save \$3.4 million annually

During the last year, an internal communications audit, which consisted of focus groups, executive feedback and an extensive survey, revealed that redundant communications and inconsistent messaging across Chase were major employee dissatisfiers and reduced the organization's effectiveness to engage employees in its strategic agenda.

An opportunity existed to create an integrated Chase-wide communications process that would reduce costs, leverage resources across the business and improve employee satisfaction while moving toward a single tactical operating model. This was accomplished by using Six Sigma methodology, the company's preferred quality improvement tool. To bring the project to certification, the following key objectives were employed.

- Examined the end-to-end processes and effectiveness of all Chase internal communications.
- Eliminated redundant communications and inconsistent messaging across Chase while cutting unnecessary costs.
- Investigated and developed a tactical communication's operating model that helps identify needs more efficiently across the bank.
- Created a dashboard to measure effectiveness against key employee communication needs as well as advise senior management.

By following a series of strict Six Sigma protocols, a six-person team of communication professionals used measurement and research practices to uncover where variation occurred in a public relation processes and eliminated it. Research showed that reducing the number of mass communication emails from 400 to 190 quarterly would increase employee satisfaction while eliminating 40 million emails a year. That translated into an annual savings of \$3.4 million in Lotus Notes storage costs and a more efficient communications model.

Overview

During late 2002, an internal communications audit, which consisted of focus groups, executive feedback and an extensive survey, revealed that redundant communications and inconsistent messaging across Chase were major employee dissatisfiers and reduced the organization's effectiveness to engage employees in its strategic agenda. An opportunity existed to create an integrated Chase-wide communications process that would reduce costs, leverage resources across the business and improve employee satisfaction while moving toward a single tactical operating model.

In the spring of 2003, the Chase communications department formed a six-person project team consisting of representatives from each business line in the bank. Each team member was selected by the business line communication manager to represent his or her group's point-of-view. Team members were also responsible for reporting findings to other communicators in their business and act as a conduit for two-way feedback as the process unfolded. Other roles on the team included a project champion, sponsor, Six Sigma coach, a quality leader and a team leader -- myself.

Audience

The approximately 48,000 employees working at nearly 600 U.S. locations in Chase's credit card (CCS), home finance (CHF), auto finance (CAF), regional banking (RBG) and middle- market banking (MMB) businesses. Our audience included bank tellers, salespeople, financial specialists, technologists, underwriters and marketers, among others. This population is broken into three main job segments -- officers Vice President and above: 10%; officers below VP: 19%; non-officers: 71%. Demographics show that Chase's workforce is 7% Asian, 11% Hispanic, 22% African-American and 60% Caucasian. Broken out by gender, 56% of our workforce is female and 44% is male. About 85% of all Chase employees have

direct online access to the Intranet via desktop, with the remainder having availability using kiosks and remote laptops.

Project Analysis

The following focuses on the critical elements researched and analyzed during each phase of the **DMAIC** Six Sigma process utilized for this solution.

Define

The team developed a project charter that defined the business case for undertaking the project, our objectives, plus team roles and responsibilities. The two key outcomes from this phase were limiting the scope of the project to only those communications Chase businesses controlled and developing a formula to measure communications by equating any audit survey response in the categories of disagree or strongly disagree as a defect. **Measure:** This is where the heavy lifting began. After defining basic inputs in the communication process (an exercise called SIPOC), each member of the team produced an “As Is” process map detailing each step his or her business took to produce a single communication. The team then consolidated the results into a single “As Is” map showing how Chase does communications. To channel our efforts, we performed a Kano analysis to prioritize our employees’ requirements and created a Pareto chart to determine what types of communications were producing the most defects or problems. **Analyze:** During this phase, we used the data we collected to understand how our current process was performing. Quick win opportunities such as formatted personnel announcements to save time and promote consistency were adopted. Value Added Analysis was used to determine what process steps were necessary to deliver on employees’ top six communication needs or critical to quality (CTQ) items. Here the data began to tell its own story. **Improve:** We focused our efforts on altering processes and developing solutions to our project objectives while obtaining broad buy-in from our champion and stakeholders at tollgate meetings. We created a “To Be” process map and a series of recommendations for pilot testing in the next phase. **Implement:** This involved testing the process improvements in the improve stage, making adjustments and determining what solutions are delivered in the final phase. This pilot took place over a six-week period in which the effects of our solutions were measured against criteria collected from our VOC employee survey. Test results were measured against 100 communications opportunities or items (emails, etc) and projected on a quarterly and annual basis. Cost-benefit analysis was also done at this time. **Control:** This phase never ends. Using the processes and continuous measurement systems we developed, the CFS communications function is monitoring its process and perpetually identifying improvement opportunities. Here we implemented use of a communications dashboard to track our efforts.

Evaluation/Measurement

Here is a summary of how we measured our progress against our four key objectives. Although each objective is listed separately, each one is integrated under our overall plan.

1) Examine the end-to-end processes and effectiveness of all CFS internal communications.

Mapping our processes showed that each business had its own approach to communications, which led to uneven performance against the top six CTQs of our employees. We realized that our own inconsistent approaches were the cause of the variance. Ironically, in an effort to speed things up, we often postponed the up-front research, need identification and objective setting that makes communication more effective. Furthermore, we also did no audience segmentation – everyone got the same message regardless of need or access. We also added a final step – measurement – to our “To Be” process to create a two-way symmetrical model of communications that benchmarking showed was most effective communication process. **Pilot testing:** Showed an average two-day improvement in news cycle time. In addition, the new system helped weed out info that didn’t need to be communicated and reduced email by 20%.

2) Eliminate redundant communications and inconsistent messaging across CFS while also taking out unnecessary costs. Here our benchmarking showed us the way. By adopting a “bundled” or email newsletter approach (sending one or two group emails per week) used in many corporations, our goal was to reduce the number of mass communication emails from 400 to 190 quarterly. Annualized, that’s a reduction of 40 million emails. That translated into \$3.4 million savings annually in storage fees, with about \$120,000 in avoided cost coming directly from communication emails. The bundled approach also

branded news from each business and delivered information from the specific channel that 87% of our employees in the audit said they preferred. Email editorial guidelines created consistent processes, news flow and better targeting of audiences – including those with no email access who now receive copies of communications via their managers. **Pilot Testing:** During a three-month Control period, mass emails were reduced to approximately 100 far surpassing the 190 goal and further increasing our cost avoidance savings. Categorizing news also led to increased ease of use by employees and helped requestors better prepare their information for publication.

3) Investigate and develop a tactical communications-operating model that can help identify needs and prioritize more efficiently across CFS. Building on our first objective, we created the Communications Planning Resource (CPR) tool using a Lotus Notes-driven database called PKS. This tool does two things. First, it helps communicators identify the objective, key message, timeframe and audience for a particular communication early in the process. Second, it tracks all mass distribution communications within CFS for dashboard measures. A calendar utility coordinates planning/scheduling and creates consistency through checklists and guidelines. The idea is that before starting any assignment, the communicator would use this tool as a checklist against the top six CTQs. **Pilot Testing:** Tested 40 times by nine communicators across CFS. The tool itself did not further reduce the cycle time for our “To Be” process. However, those using it saw an improved quality to their work and enhanced relations with internal clients.

4) Measure effectiveness against the top six employee CTQs as well as advise senior management on the reception/perception of various initiatives across CFS. For greater accountability and measurement, we created a quarterly dashboard that informs senior managers how communications efforts are progressing while also reporting on the key components of our Six Sigma project for the Control phase. The dashboard determined the extent which messages are being heard and understood as well as the impact that messaging has on employee attitudes and behavior. **Pilot Testing:** Was unnecessary for this tactic although extensive buy-in was sought from each communication manager.

Conclusion

In March, this project passed review by the corporation’s Six Sigma certification board as completed. This means that it met all tollgate requirements and that the project is now "In Control" or "Completed" with statistically significant and sustainable improvements. Our team learned how to apply rigorous six sigma methodology to communication practices, but what we really learned was how to work together to obtain measurable results. In the end, that served us as well as any statistical gains.