

Designing a Proposal for ADEICS Operations Chain Using Lean Six Sigma

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Abstract

Continuous Improvement systems are being promoted with more intensity in construction sector companies, but not with the expected result due to the high variability and breach of their operations. This project seeks to structure the chain of operations, generating key points of Quality Management using the Lean Six Sigma methodology, to reduce the variability and standardize the processes of the ADEICS company located in the San Miguel district, Lima, Peru. The DMAIC methodology was used for the development of this project. During the define phase, the process map was prepared as the strategic, operational and support processes were documented, having 16 processes at the end. Likewise, a focus group was held to define this service's essential critical quality factors (CTQs). In the measuring phase, it was possible to establish the risk level of the processes (NPR) using the following tools: The process characterization matrix (SIPOC), The Analysis of Failure Modes and Effects (AMEF) and the relationships between areas with the Diagram Lines Notation (DLN). Finally, in the analysis phase, the processes to be improved were prioritized using as a base the inputs of the CTQ's table and the process map through the quality function deployment matrix (QFD), pending the implementation in the improvement phase of the three selected processes.

Keywords

Lean Six Sigma, Process, Quality Management, Construction Sector and Quality Function Deployment.

1. Introduction

Continuous improvement analysis focused on results in the construction-related sectors is very complex to maintain the repeatability of results due to the continuous manual procedures and the high variability they may entail (Czajkowska and Kadłubek 2015). Thus, the study conducted through benchmarking reinforces that companies in this sector that increase their competitiveness, quality, and productivity have developed a continuous improvement study based on process improvement and the PMBOK. By seeking to structure the interrelation between them, raise awareness among employees of the structure as mentioned earlier with the importance of defining it and measuring the efficiency of their processes (Hola 2015). Similarly, the benchmarking study aims to understand the mechanisms to improve and generate productivity metrics through a research process of the significant environmental factors, good practices that may impact the sector, and the strategic objectives that encourage their implementation (Zhang et al. 2017).

In the civil sector, the dissemination of the ISO 9001-2015 Integrated Management System has been promoted through various entities, from a field of exploration of intervention by various stakeholders, factors of excellence, and quality criteria for creating value for customers that drive in the same direction as the company's strategic objectives to generate Multiple Management Systems [4].

Currently, ADEICS is an association that promotes projects involving expansion activities, consultancy, Civil Engineering, environmental monitoring, research, circular economy activities, and others, aiming to generate collaborative work among various entities. In recent periods, operations have focused on the project responsible

for recovering land spaces from the sea to generate multi-purpose spaces, where various state entities are involved, as it impacts environmental, social, and economic aspects. Therefore, along with the information mentioned above, the importance of creating a portfolio that contributes to its Quality Policy within the framework of compliance, regulatory, and standard requirements arises so that proposals for improvement can be provided later.

1.1. Objectives

Thus, the project poses the following question:

Which processes are most significant regarding critical quality factors (CTQs), aligned with strategic and mission processes, measuring the impact it generates to focus on the continuous improvement process of an integrated management system?

Likewise, the main objective of the project is to structure the chain of operations, generating key points of Quality Management using the Lean Six Sigma methodology. The specific objectives relate to the following points:

Objective 1: Define the processes involved in the operational, strategic, and support axes that are maintained during project execution. Also, define the stakeholders.

Objective 2: Map the current level of the defined processes.

Objective 3: Design the AS IS diagram of the processes.

Objective 4: Analyze the critical quality parameters (CTQ) of the product and/or service and perform the QFD Matrix.

Objective 5: Develop improvement proposals with the selected processes.

Consequently, the project will focus on documenting and defining administrative support processes, operation processes, and strategic planning processes to generate a portfolio that will complement its Quality Policy. Likewise, the most significant processes to improve will be defined through a characterization matrix of criteria to propose improvement proposals.

2. Literature Review

Sekar et al. (2018) surveyed 360 companies to determine the most relevant factors in the construction industry's performance. The study found that the significant factors are dynamic depending on the type of work and the type of project evaluation, which can lead to budget overruns and an average delay in the delivery of works of 20%. The statistical analysis focused on both the correlation indicators and the level of significance generated in the impact of performance by the factors of the day-to-day processes, which will indicate their performance; factors related to customer/supplier requirements; operational factors; factors related to contract management; organizational factors and others. Definitely, decision-makers in this sector need to understand the difference in factors that influence their performance to optimize project ideation and execution. Mariana et al. (2020) propose implementing a DMAIC manual in the construction sector due to the high variability in its processes and the level of waste it can generate. The author emphasizes that in-depth studies have yet to be carried out on the impact of continuous improvement and the resistance to its implementation in the construction sector; however, she notes the importance of knowing the client and their requirements as a basis for proposing improvements in their process.

Likewise, the authors Remon et al. (2013) and Thuy et al. (2016) reviewed the literature on Lean Thinking and Industry 4.0, respectively, to validate the feasibility of their implementation in the construction sector. These research papers claim that these two approaches can generate considerable impact in the industry but leave pending further exploration of other factors such as implementation resilience, reproducibility and repeatability in this sector. Lately, a study has been developed to look for the relationship between Lean thinking and BIM tools to structure and use a methodology that relates Lean BIM in the construction sector. The research work is in a validation process. However, it has managed to perform the analysis in 5 construction projects, locating three focus groups: communication, visualization and production, using the ANP tool in conjunction with eight civil engineers to determine the factors of the relevance of the relationship in this methodology, defining an implementation path that involves precision and standardization that facilitates the agents that make decisions in

the construction sector to define their priorities of focus to evaluate their commercial and operational strategies (Hazan et al. 2021).

3. Methods

3.1. Research Methodology

3.1.1. Characterization of the Research

The research carried out is applied, because it represents solving a problem of the Association of Ecological Studies and Sustainable Civil Research (ADEICS). The approach presented is quantitative, as interviews were conducted to build information statistically, and qualitative, because stakeholders' points of view based on their emotions and experiences were sought to prioritize ADEICS processes.

The design presented is non-experimental with a descriptive and exploratory scope, since to identify the main factors that intervene in the prioritization of processes by the ADEICS team, it was necessary to understand how the processes and stakeholder groups were developing.

3.1.2. Research Design

The Lean Six Sigma methodology was employed to fulfill each specific objective outlined. This methodology consists of the following DMAIC phases: Define, Measure, Analyze, Improve, and Control, according to their acronym. Socconini et al. (2020) indicate that the define phase consists of identifying the problem and factors that generate value for the company and customers with the help of the process map and SIPOC. On the other hand, Jones, E. (2014) mentions that the design phase consists of establishing the metrics for the methodology, determining the ability to quantify the data and the success criteria accurately with the help of hypothesis testing and flow charts, among others. Finally, Pande et al. (2007) define three stages in the analysis phase: exploration, hypothesis generation about causes, and verification or elimination of causes, which aim to identify the causes and influencing factors of the problem with the help of the FMEA tool.

The present study focused on the development of the first three phases of the Lean Six Sigma methodology, along with their respective tools. Table 1 below shows a more detailed explanation of the mentioned methodology.

Table 1. Research methodology

Phase	Objective	Tool
Define	Define the processes involved in the operational, strategic, and support axes that are maintained during the execution of the projects. Also, define the stakeholders.	Process Map Focus Group CTQ Table
Measure	Map the current level of the defined processes	SIPOC Matrix DLN
	Design the AS IS diagram of the processes.	
Analyze	Analyze the critical quality parameters (CTQ) of the product and/or service and perform the QFD Matrix.	Statistical Analysis of the Focus Group QFD Matrix FMEA Ishikawa Diagram
	Develop improvement proposals with the selected processes.	

3.1.3. Data Collection

The documentation provided by ADEICS, the meetings held to interview the team, and the Focus Group are part of the primary sources of this research.

4. Results and Discussion

4.1. Define

In this phase, the support, operational, and strategic activities were defined through interviews with the responsible persons of each process. A total of 16 processes were identified, as shown in Figure 1.

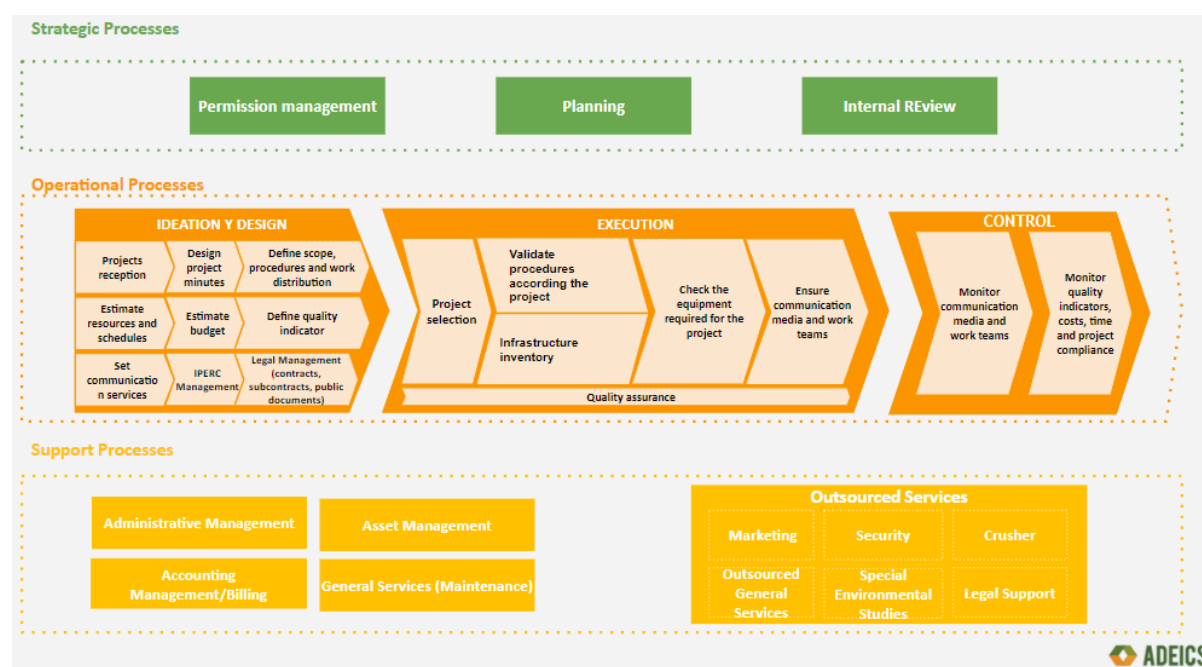


Figure 1. ADEICS Process Map.

Similarly, through the Focus Group, the most valued CTQs for the service were obtained, of which 5 are the most valued by the stakeholders in the context of the ADEICS association as shown in Table 2.

Table 2. List of Most Valued CTQs

CTQ
Safety
Order and cleanliness
Communication
Public project information
Environmental impact assessment

4.2. Measure

Subsequently, the processes were characterized through the SIPOC tool to define the input flow, output, process, requirements, responsible party, and whether the activity adds value to the process or not. A total of 10 SIPOCs were made for the processes that would have a greater interrelation with the company, as shown in Figure 2.

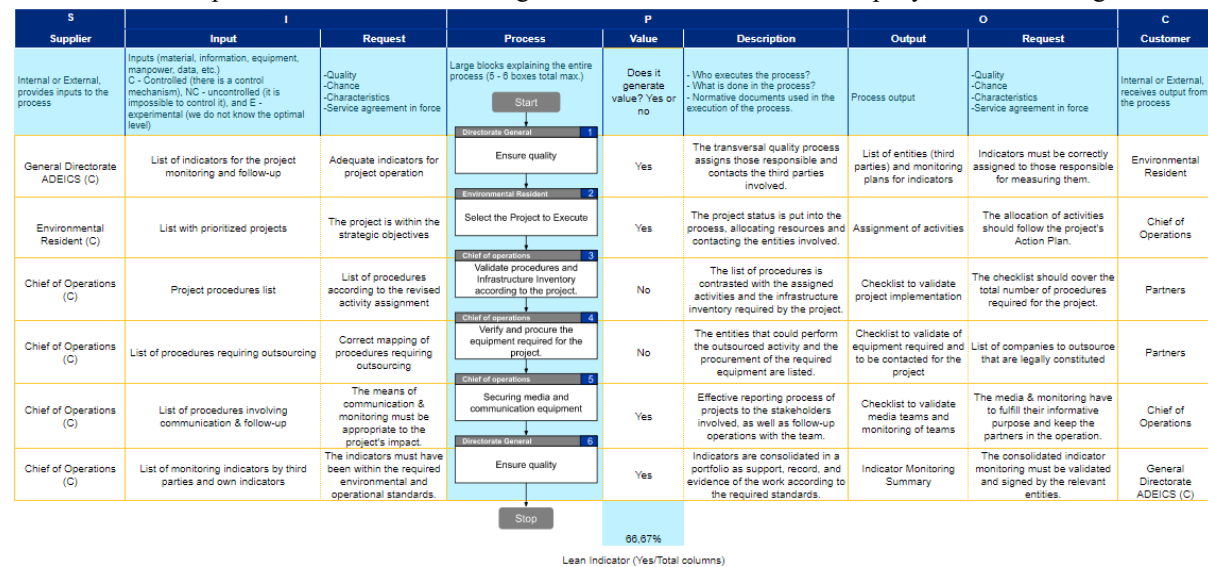


Figure 2. SIPOC Matrix of the Execution Process.

Similarly, the interrelationships between areas, information flows, systems, and others were defined through the DLN tool for 3 processes, as reflected in Figure 3.

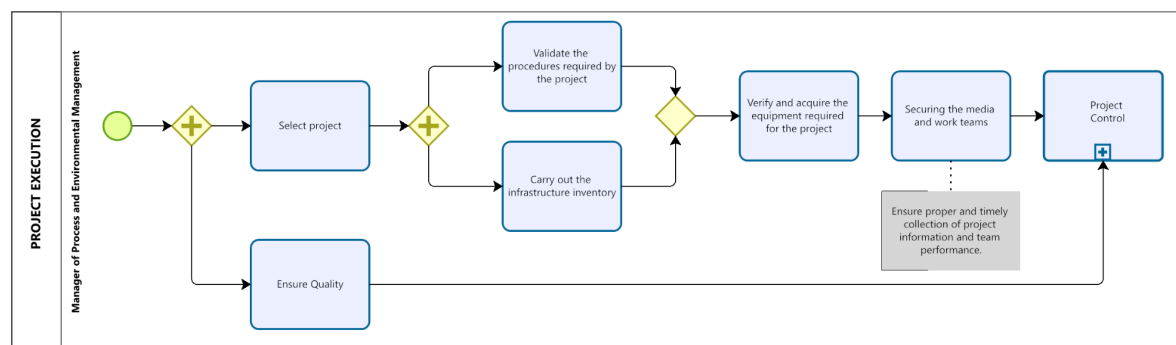


Figure 3. DLN of the Execution Process.

Thus, these two tools were used to define the failures, effects, controls in the activities, and quantify the current NPR of the 3 evaluated processes. For Ideation and Design, 8 activities with a high NPR were found; for Permissions Management, 5; and for Execution, 4 as shown in Table 3

Table 3. NPR of the Execution Process.

PROCESS	ACTIVITY	POTENTIAL FAILURE	CURRENT PROCESS CONTROL	DETECTION	NPR SxOxD
Execution	Ensure quality	That the appropriate indicators are not chosen in operational excellence, quality of operation, environmental monitoring, etc	Review through a team and/or reminder by email	4	256
	Conduct the inventory of necessary infrastructure	Inadequate inspection of available infrastructure.	Review of the responsible area	5	200
	Ensure communication media and work equipment	Failure in communication media or equipment	Review of the responsible area	7	210
	Project Control	Inefficient control	Review by the team responsible for the project	5	175

4.3. Analyze

In this section, the level of satisfaction was selected as the performance indicator variable of the implementation. For this purpose, the data collected from the Costanera de San Miguel community regarding satisfaction and importance of the CTQs mentioned in Table 2 were analyzed through the Focus Group. The statistical normality test helps us to validate whether the distribution of the data collected is normal and whether it is more appropriate to use parametric or non-parametric statistical tests (Kishore and Surendra 2014). For this purpose, the normality test was performed and the following results were obtained from Figure 4.

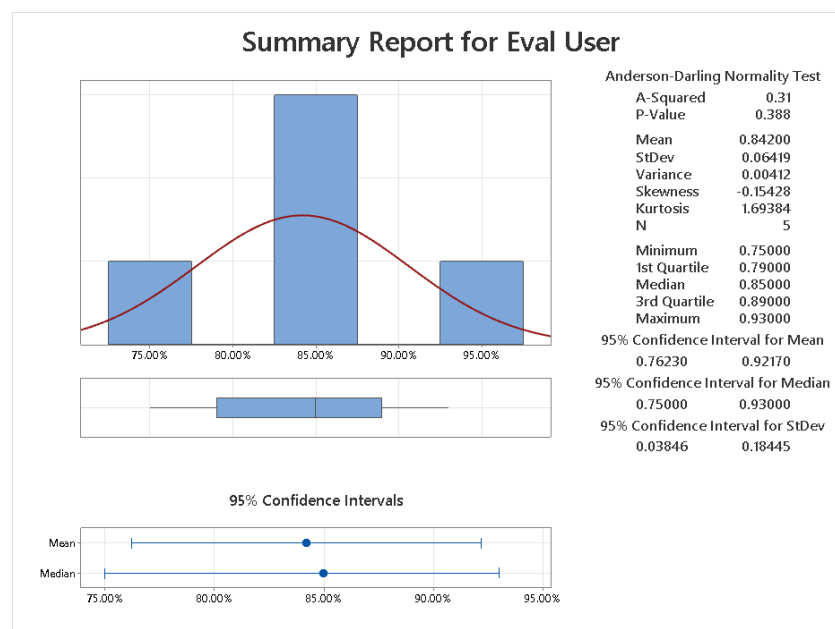


Figure 4. Statistical Test Normality.

The statistical test for normality was carried out, obtaining a P-value greater than 0.05. Therefore, the levels of satisfaction show a normal distribution and the same was done for the CTQ importance level data.

In this part, we will take as a benchmarking reference value the satisfaction evaluation of Graña y Montero's clients in the construction sector, which is 92.5% (Graña y Montero 2019). This reference value was used as a comparison to the satisfaction level of the company using one sample - T statistical test was carried out, obtaining a P-value of less than 0.05, indicating a problem.

Test

Null hypothesis $H_0: \mu = 0.925$

Alternative hypothesis $H_1: \mu > 0.925$

T-Value P-Value

-2.89 0.978

Figure 5. P-Value of Statistical Test of Normality of Satisfaction Level

Likewise, the statistical test is related to the boxplot visualizing that the data collected on the level of satisfaction is below 90%, generating a gap as an opportunity for improvement.

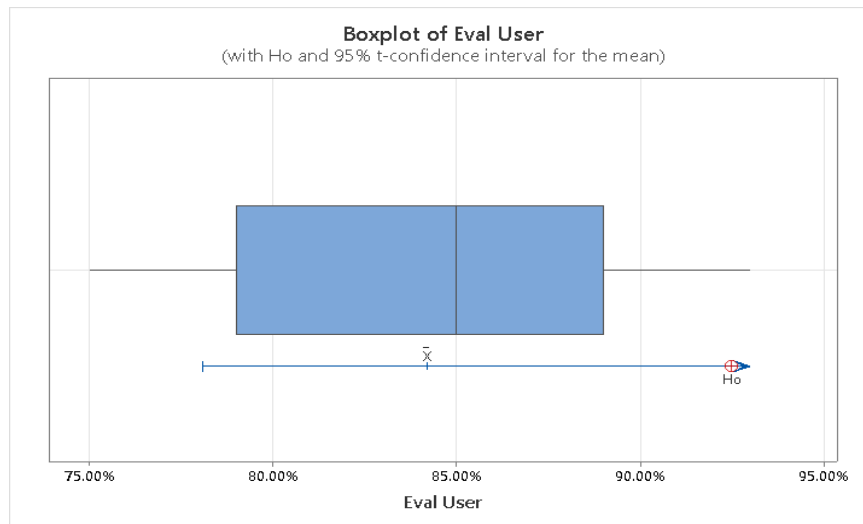


Figure 6. Boxplot of the Satisfaction Level Normality Statistical Test

The Capacity Analysis aims to measure the entity's capacity to fulfill the evaluated process or indicator. To do this, it uses the calculation of the mean, standard deviation, limits, and other values to evaluate the performance of the same, providing features of the current state with the variables of Cp, Cpk, CPL, CPU, and other additional variables (Kishore and Surendra 2014).

Thus, the capability test for normal distributions of the level of satisfaction was performed, finding a Cp of 0.17 is less than 1, which would indicate that the company cannot meet the necessary level of satisfaction by the stakeholders. This is also reflected in the negative equality of the Cpk and CPL values, indicating that the data has a lower trend than the required 92.5%.

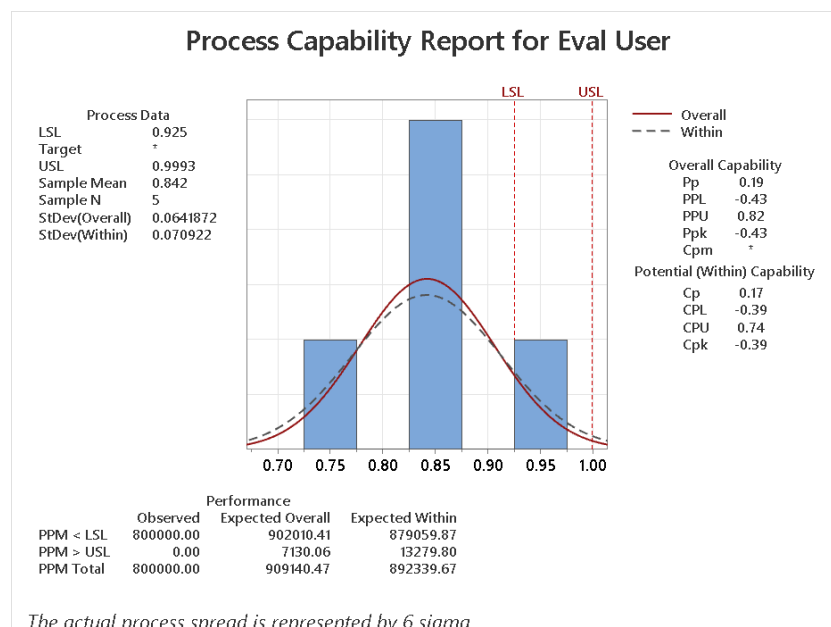


Figure 7. Satisfaction Level Capability Analysis.

Continuous improvement focused on processes is related to the Six Sigma methodology by giving importance to the quality of the service or process provided, for which it emphasizes market competitiveness, customer satisfaction, and quantification of customer characteristics and relates it to tools such as the Quality Function Deployment (QFD) Matrix, AMEF, Ishikawa and Statistical Data Analysis to generate improvements to the performance of the process evaluated with the significant criteria found in the analysis (Zhan and Ding 2016).


Subsequently, the current gap found in the service CTQs was calculated to identify the factor that will verify improvements in the process. In this case, an opportunity for improvement was found in the communication CTQ, resulting in a gap of 5.3%, as reflected in Table 4.

Table 4. Percentage of Gap in Most Valued CTQs.

No	Client's need	Weighted Weight	Weighted evaluation	Weighted absolute gap	Relative absolute gap
AA	Order and Cleaning	21,3%	18,1%	3,2%	19,5%
2	Public information on the project	21,3%	17,6%	3,7%	22,7%
3	Environmental Impact Assessment	19,1%	16,3%	2,9%	17,5%
4	Communication	21,3%	16,0%	5,3%	32,5%
5	Security	17,0%	15,7%	1,3%	7,8%
		100,0%	83,6%	16,4%	100,0%

Subsequently, weighting was performed in coordination with the association's management team and employees, obtaining three processes with the highest weighted score: Execution (7.7), Ideation and Design (3.5), and Permit Management (2.4), as shown in Table 5.

Table 5. Processes with Highest Weight in QFD Matrix.

Asociación Latinoamericana de QFD			Relationship matrix						
				2 7,2%	3 7,5%	4 18,7%	5 41,7%	6 12,1%	
				Planification	Internal Review	Ideation and Design	Execution	Control	
Greater need	No	Client's need							
7,00	AA		Order and Cleaning	0	3	1	9	3	
10,00	2		Public information on the project	0	0	9	3	1	
8,00	3		Environmental Impact Assessment	1	3	1	9	3	
9,00	4		Communication	3	0	3	9	3	
	5		Security	3	1	3	9	1	
					1,3 Planification	1,4 Internal Review	3,5 Ideation and Design	7,7 Execution	2,2 Control

After having selected the processes with the highest weights, we performed the root cause analysis using the Ishikawa diagram to determine the root causes of the activity with the highest NPR, which in this case, shows the highest NPR of the FMEA of the execution process "cannot continue with the project."

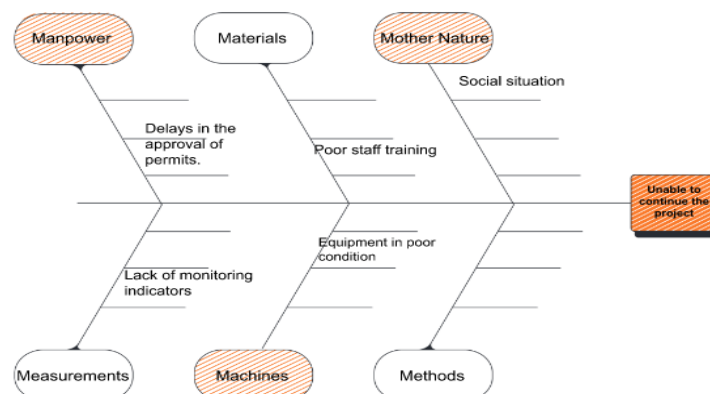


Figure 8. Ishikawa Diagram

Finally, with the prioritized processes, we proceeded to define the recommended activities to reduce the NPR of the activities with the highest level of risk, as can be seen in Table 6, generating a list of nine improvement actions.

Table 6. Proposal of Actions to Reduce the NPR of the Execution Process.

PROCESS	ACTIVITY	POTENTIAL FAILURE	DETECTION	NPR SxOxD	ACCIONES RECOMENDADAS	Severity	Occurrence	Detection	NPR SxOxD
Execution	Ensure quality	That the appropriate indicators are not chosen in operational excellence, quality of operation, environmental monitoring, etc.	4	256	Training in PMI Project Management and the definition of Project Control Indicators	8	5	4	160
	Conduct the inventory of necessary infrastructure	Inadequate inspection of available infrastructure.	5	200	Develop a database of equipment/components/tools. Develop a check list for recording entry/exit according to the project requirements	8	5	3	120
	Ensure communication media and work equipment	Failure in communication media or equipment	7	210	Training in PMI Project Management and the definition of Project Control Indicators	6	5	4	120
	Project Control	Inefficient control	5	175	Perform a benchmarking analysis of indicators according to the scope of the project	7	5	4	140

The actions should be scheduled and prioritized by the management team in order to improve the selected processes, as listed in Table 7. This will impact the selected CTQs.

Table 7. Recommended Actions Table.

PROCESS	RECOMMENDED ACTIONS
Permits Management	Elaboration of an indicator of % of responses received
Permits Management	Permit checklist (BD that is according to certain categories of the project), which permits would be required
Permits Management	Procedure of its work to document and streamline the process
Permits Management	The procedure of its work to document and streamline the process
Ideation and Design	Elaboration of an Indicator of % of Entity Responses
Ideation and Design	Draw up a Checklist of the communiqué and its content
Ideation and Design	Training at IPER and Supervision of the Head in Charge
Ideation and Design	Training in PMI Project Management. Elaboration of indicators of % compliance with time and cost.
Execution	Training in PMI Project Management. Development of Project Control Indicators

4.4. Results

Thus, the two-sample-T statistical test was performed to validate the significant improvement in the NPR, defining as method variables to μ_1 as population mean at the current NPR and the μ_2 as the population mean of the improved NPR, as we can see in Figure 9.

Method

μ_1 : population mean of NPR NOW

μ_2 : population mean of NPR IMPROVEMENT

Difference: $\mu_1 - \mu_2$

Equal variances are not assumed for this analysis.

Figure 9. Method for the Two Sample-T Statistical Test

Then, Figure 10 defined the hypotheses to be validated in the Two Sample-T statistical test to determine if there is a significant improvement in the results, obtaining a P-value of less than 0.05, indicating that there is not enough statistical evidence to accept the null hypothesis, so the alternative hypothesis is accepted. These results indicate that there is a significant difference between the mean difference between the current NPR and the improved NPR.

Test

Null hypothesis $H_0: \mu_1 - \mu_2 = 0$

Alternative hypothesis $H_1: \mu_1 - \mu_2 > 0$

T-Value DF P-Value

3.87 4 0.009

Figure 10. Hypotheses for Two Sample-T Statistical Test

This result can also be verified and reflected in the BoxPlot in Figure 11, noting the significant difference between the means of the two samples.

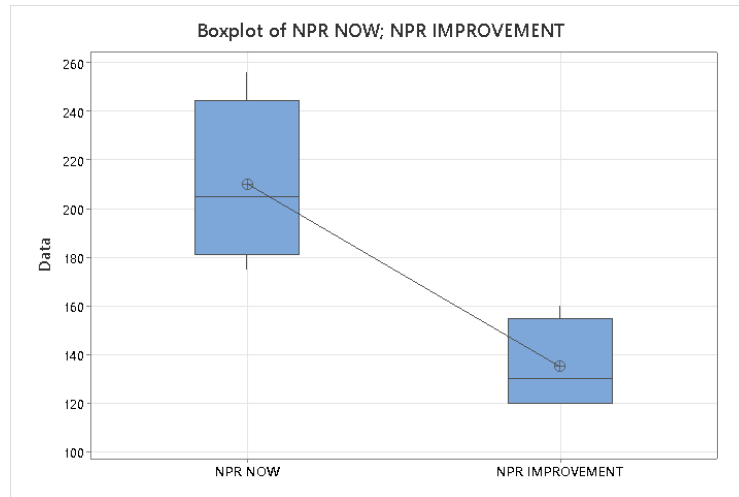


Figure 11. BoxPlot of Means of the Two Sample-T Statistical Test

Finally, we will be able to verify this improvement in increasing customer satisfaction and reducing the Communication CTQ gap in a forthcoming survey of the company's stakeholders.

5. Conclusions

The general objective was achieved by developing the operations chain of ADEICS company through the Process Map, documentation, and improvement proposals, generating key points in Quality Management.

The three types of processes were identified: operational, strategic, and support, through interviews, the PMBOK model, adapted to a project management company. Likewise, the stakeholders of ADEICS association were identified.

The As-Is diagram of the identified processes was mapped and designed, using the SIPOC matrix, the DLN, and the FMEA.

The processes to be improved were identified using the QFD Matrix, selecting the three processes to be improved: Execution, Ideation and Design, and Permission Management.

Finally, improvement actions were proposed for the three selected processes, remaining their scheduling and prioritization with management. Likewise, we recommended including the Quality Management and Internal Review process to the current Process Map of the organization.

We recommend implementing these improvement actions in the short term to measure the positive impact in the control phase of the satisfaction level expressed through the CTQs, achieving that all gaps are less than 5%.

Lastly, we recommend that all companies and associations in the civil construction sector adopt these best practices of quality management in their organizations.

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