

A Culture of Continuous Improvement

By Jon Feld

By employing **Six Sigma**, the Cincinnati Sports Club eliminates problems—one, by one, by one

How could you sharpen your competitive edge?

What if you committed to the improvement of *every* business process or procedure *every* time it's used? And you backed that commitment with the necessary investment?

That's quite a lofty goal—one that Marco Fiorini, the operations manager at the Cincinnati Sports Club (CSC), in Cincinnati, Ohio, has been pursuing since June of 2015, when he was promoted to his current position.

While there are no shortcuts to institutional excellence, Fiorini has found an accurate and proven road map in the famed Six Sigma system.

Developed by Motorola, Inc., in 1986, Six Sigma is a quality management platform whose philosophy is based on these three basic conclusions:

- Continuous efforts to achieve stable and predictable process results (e.g., by reducing process variation) are of vital importance to business success.
- Manufacturing and business processes have characteristics that can be defined, measured, analyzed, improved, and controlled.
- Achieving sustained quality improvement requires commitment from the *entire* organization, particularly from top-level management.

Six Sigma became a Fortune 500 staple once it was adopted by GE chairman Jack Welch in the mid-1990s. In 1998 alone, the company attributed more than \$350 million in savings to the system, later upping that number to \$1 billion.

All of which begs the question: Can Six Sigma be applied successfully in a small business setting, such as CSC? Or, in other IHRSA clubs?

Fiorini, and other experts, say, "yes!"





The Cincinnati Sports Club's members lounge

Acquiring the credential

The good news is that Six Sigma can work for nearly any business—small or large—because at its heart, it's all about placing the customer at the center of the company's attention, says Rajan Kamath, Ph.D., who's associate professor of strategy at the Carl H. Lindner School of Business at the University of Cincinnati, and president of Artesia Consulting, also in Cincinnati.

"If you ask your staff the question, 'Why would any customer want to pay for your accidents, mistakes, delays, and waste?' then you immediately help them see activities that are useless and wasteful in the eyes of the customer," he points out. "From this fundamental insight, every company can build its own systematic approach—call it business analytics, quality management, project management, or what you will—to get better at serving the customer."

Kamath helped Fiorini implement the program at CSC, which may be categorized by some as a "small business," but is rather large by fitness industry standards.

The main facility, which sits on 15 acres, spans about 110,000 square feet, with an adjacent 12,000-square-foot squash facility. It employs 75 full-time and up to 250 part-time employees at peak times, along with 50 outsourced employees, including those in IT, maintenance, and housekeeping.

Fiorini says that he was drawn to Six Sigma's data-driven approach to design processes and methodologies that had the potential to enhance the member experience, while helping to lower costs, and improve his bottom line.

"Cincinnati Sports Club is a results-oriented, data-driven facility, and feedback from our members is a critical part of our long-term planning," he explains. "We continually strive to exceed their expectations."

To get up to speed, Fiorini took an online course and test over a period of several months in mid-2016, and earned his Six Sigma Green Belt certification.

This means he has mastered the basic curriculum, called DMAIC—which stands for five interrelated phases, Define, Measure, Analyze, Improve, and Control.

Then, in May 2017, he completed the Black Belt class at nearby Xavier University, along with his final project, which earned him his certification. →

A Culture of Continuous Improvement

The Black Belt denotes that individuals have mastered the Six Sigma “road maps”—extensive arithmetical methodologies, and cross-functional process improvements—and are qualified to lead Six Sigma teams.

Right now, Fiorini is one of a handful—if not the only—fitness industry professional to earn this prestigious certification.

Quick results

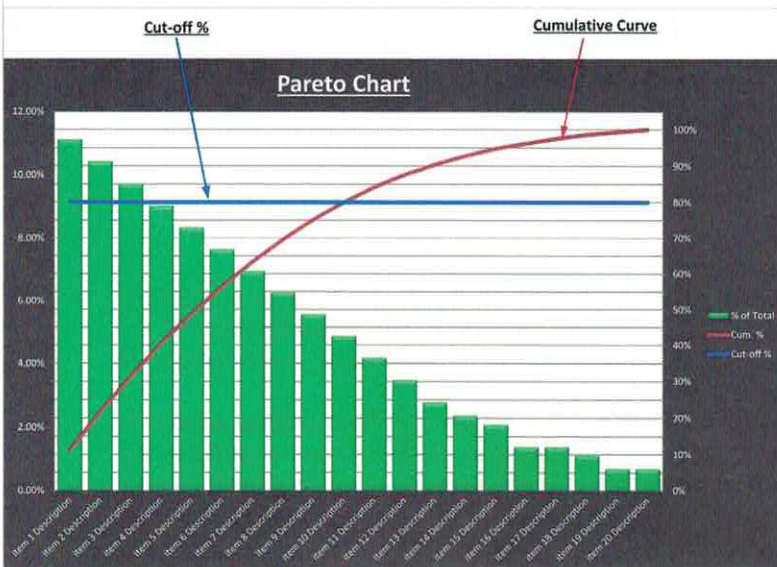
While the Six Sigma program has been in place for a relatively short time at CSC, Fiorini can point to a number of benefits the club has already derived. In fact, those advantages became very clear when he took on a project to complete the course.

His objective was to address the root causes of recurring maintenance and housekeeping issues.

“Every two months, we do a walkthrough of the more than 20 departments related to those two areas, and we score each on a zero through five-point basis, with zero being the lowest,” he explains. “And if an issue isn’t corrected by the next walkthrough, the department gets negative points.”

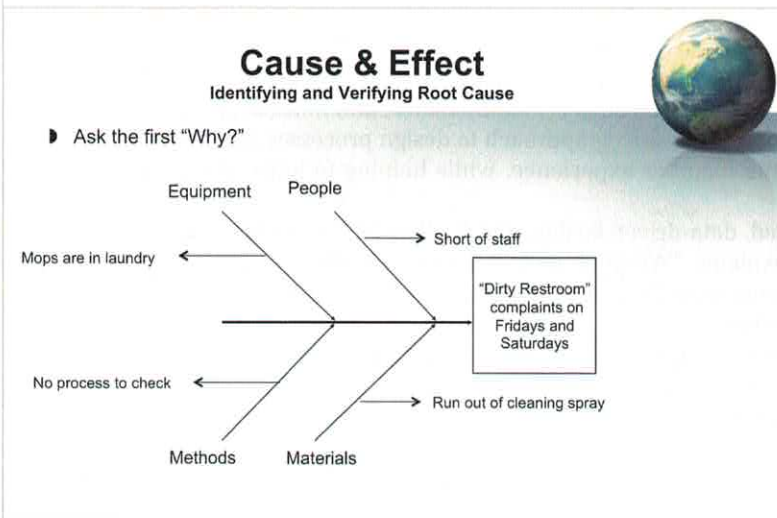
Fiorini collects those scores, and, using a Pareto chart, analyzes all of the recurring negative scores to find their root. A commonly used Six Sigma tool, a Pareto chart contains both bar graphs and a line graph, where individual values are represented in descending order by bars, and the cumulative total is represented by the line.

“In general, the data showed that, for example, the men’s locker room maintenance scores were higher than those for the women’s,” he relates.



He took the negative scores and categorized them into another chart called a Fishbone, or Ishikawa, diagram, designed to show the cause of specific events. The categories included areas such as lack of training, focusing on the wrong things, lack of rounds, and lack of communication.

“We found that the issues weren’t about a lack of maintenance,” Fiorini says. “In fact, they amounted to things easily fixed—lack of training or communication. So now, increased training for new employees and better communication with existing employees ensures that everyone understands the processes related to their jobs. It’s all working to consistently lower the bulk of those recurring negative scores.”





A valuable tool

To date, Six Sigma has had an impact in other areas as well.

For example, after reviewing how the existing steam generator caused downtime due to recurring maintenance issues, CSC ultimately determined that the cost savings—and a decrease in member inconvenience—warranted the installation of a redundant unit.

“We also recently implemented a Member Retention Committee, and we use the Six Sigma principles to study the delete rate of members in everything from personal training, to those who attend our happy hours, to childcare, to group exercise and other activities,”

Fiorini explains. “After studying low and high levels of deletes, we had the committee reach out to the high deletes, and offer alternative activities. After the first round, we lowered our attrition rate by a full percentage point.

“While we don’t release our membership numbers, I will say that the difference is pretty significant.”

Motivated by that experience, Fiorini has chosen to train others at CSC.

His Black Belt certification confers the ability to offer 5S training, a Japanese subset of Six Sigma. The letters translate into “sort,” “set in order,” “shine,” “standardize,” and “sustain.”

That training is taking place with Kamath’s help, as it needs to be done carefully to be effective.

“In employing these training resources, we’re working to make people feel safe, hold them by the hand when needed, and deliver quick wins,” notes Kamath. “You can’t learn if you feel intimidated, so, at CSC, we make sure everyone is comfortable and has expert supervision when they use a new tool or technique.”

Once people learn how to use a tool, it takes a while before they feel confident, he says, so the training program makes liberal use of templates, standard forms, and fill-in-the-blank questionnaires to help people remember what they learned.

“And we make sure they have mentors,” he adds. “Even with hand holding, we need the positive energy of success to inspire the motivation for continuous improvement. So we make sure that everyone experiences one or two successful projects.”

Better every day

Simply stated, Six Sigma has enabled Fiorini to smooth out many of the rough spots in the business, which has made his members—and staff—happier.

“By implementing the system and creating more standardization, typically, we can mitigate six mistakes out of 100 that occur. Because those six mistakes no longer happen, there’s a lot less firefighting and reactionary management, and we do more long-term planning.

“It’s always better to be proactive. Using Six Sigma has helped remove some of the root causes behind some core, recurring problems. At the end of the day, we want to remain relevant to our members; fewer mistakes makes their experience more seamless.”

What’s Fiorini’s best advice to other operators who are considering Six Sigma for their businesses?

He emphasizes that constant improvement must first be an underlying cultural value—something that all employees hold dear.

“Then, Six Sigma can help ensure that you’re improving the *right* processes and systems,” he points out.

“It’s about finding the data that helps you make the most helpful, meaningful improvements. The training isn’t particularly time-consuming or expensive, and it’s readily available. You just need to believe in the value of it, educate yourself, and then, educate your staff.

“To be successful, it has to be your club’s priority. Once it is, you’ll see results.” —

—jfeld@oncoremedia.net



Club Vision 2025: Data-based planning informs CSC’s four-phase, 10-year capital improvement initiative