



# Fidelity Wide Processing Wins Team Excellence Award Competition

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Fidelity Investments is one of the world's largest providers of financial services. Fidelity Wide Processing (FWP) is a business entity within the family of companies that make up Fidelity Investments. FWP provides end-to-end high-quality, cost-effective Fidelity customer communication through a full range of publishing, composition, and processing capabilities, such as customer statements, Fidelity literature, new account applications, etc.

FWP has a functional organizational structure but relies heavily on a team-based approach to achieve operational excellence. A primary focus for management is developing associates and

creating an environment that fosters employee engagement and the FWP culture of continuous improvement. FWP's success model is the foundation of the company. It is based on the service-profit chain and the premise that engaged and loyal employees drive business excellence, which leads to customer satisfaction. Figure 1 shows FWP's success model.

FWP started its continuous improvement journey, Voice of the Customer, in 1997. Throughout the evolution of that process, employee and team engagement have been a critical element. The three stages of the journey and the key components of each stage are illustrated in Figure 2.

**Figure 1: FWP Success Model**



FWP also leveraged world-class quality standards such as the Malcolm Baldrige National Quality Award and techniques such as Six Sigma to develop its current quality system which encompasses all critical elements needed for business excellence, as shown in Figure 3. FWP continues to raise the bar for performance excellence each year.

Within FWP, the International Team Excellence competition is viewed as a means for celebrating the continuous improvement culture embedded within its operation. FWP selects teams to participate in the competition only after project completion and has



*Back-to-back Gold winners—two years in a row! The FWP team earned the International Team Excellence Gold Award at the recent Annual Quality Congress in Toronto, Canada. FWP also won the Gold Award last year. (L to R) Audrey Jett, Linda Nourse, Brandi Lenihan, Donna Clancy, Steve Wallace, Paula Hays, Kevin Lee, Walt Jones, Allen Ramsey, Charles Goines, Tracey Bracke, Dave Gottman.*

not begun a project with the competition in mind. FWP utilizes a Lean/Six Sigma methodology with a goal of improving business partner (customer) satisfaction through reducing variation caused by defects and waste or non-value-added activities. Our projects consistently utilize traditional quality improvement tools and follow the DMAIC approach toward continuous improvement. The define, measure, analyze, improve, and control phases of the DMAIC model align well with the Team Excellence criteria.

**Figure 2: Journey of Continuous Process Improvement**

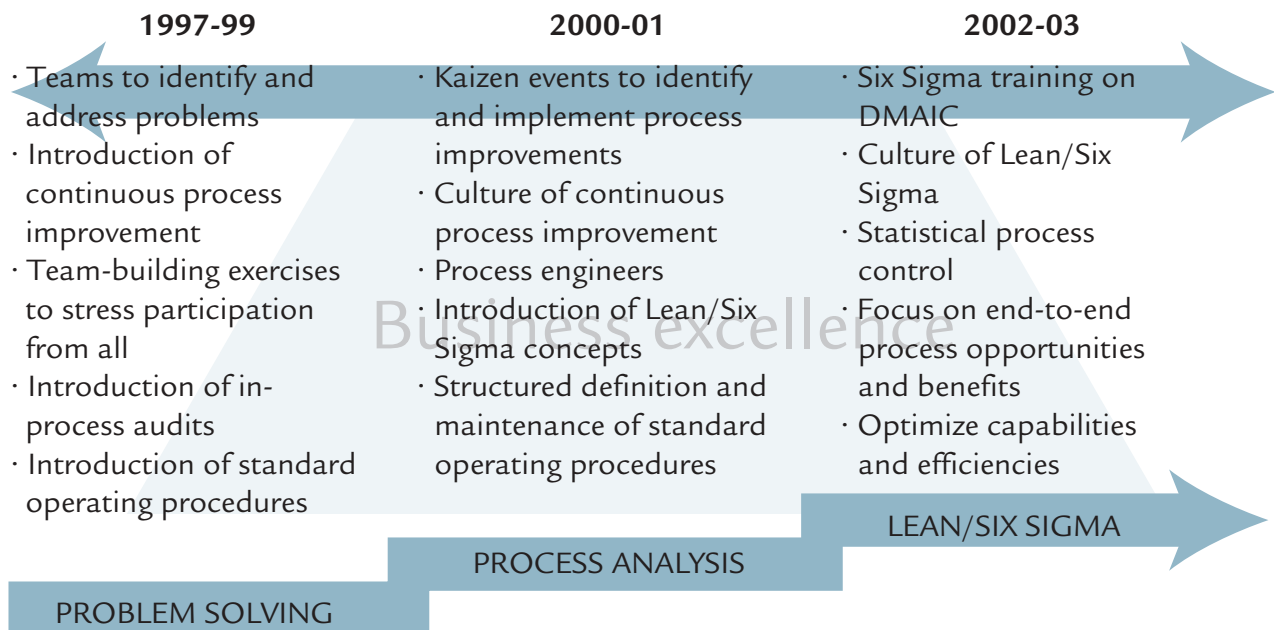
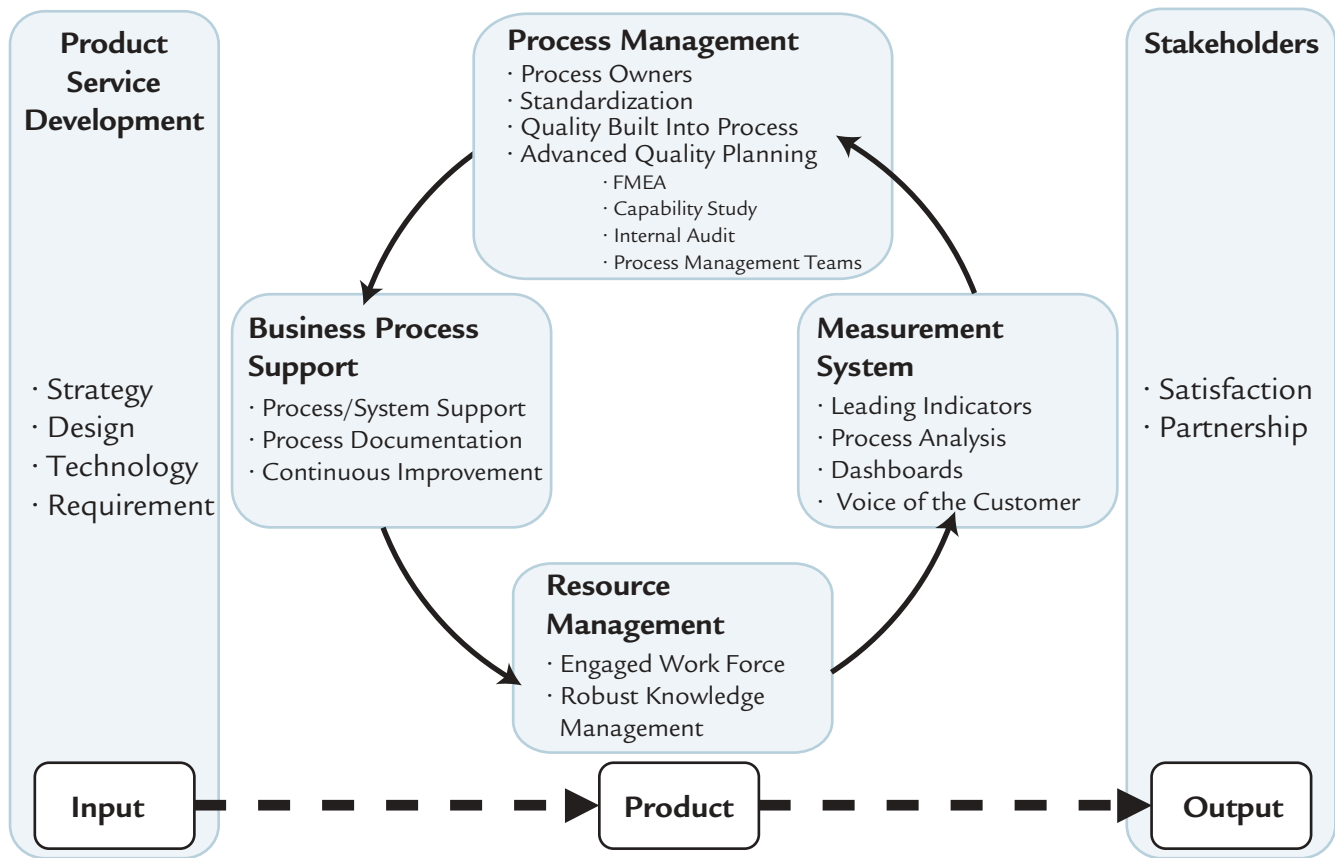


Figure 3: Quality System Model



Given that we consistently utilize continuous improvement tools and follow the DMAIC model, our projects have aligned well with the award criteria. We have found that maintaining documentation such as meeting minutes, raw data, charts, tools, etc., throughout the project was helpful in later developing presentations for the competition.

The Bulk Shipping Process Management Team project was selected for the competition based on its significant results, involvement of cross-functional groups, and enthusiasm displayed throughout the project by team members, as evidenced by embracing the use of quality tools taught concurrently as team members also earned Six Sigma Yellow Belts for their work.

The following brief descriptions show how the Bulk Shipping Process Management Team project aligned with the team excellence criteria, which are shown on pp. 37-38 in the article, “The Team Excellence Award: A Process for Fostering Continuous Improvement and Teamwork.”

### Evaluation Criteria One: Project Selection and Purpose

The Project Selection and Purpose step of the Team Excellence Award criteria aligns with the *define* and *measure* steps of the DMAIC model.

#### Why Bulk Shipping?

FWP reviews key performance metrics on a monthly basis. The metrics align with our business model so that we are continually reviewing performance from employee, business, and customer perspectives. The high-level metrics are broken down into business-unit-specific scorecards, and it is often from these scorecards that improvement initiatives are identified. This was the case for the Bulk Shipping Process Management Team; when monitoring performance in all three main areas of the business model, it was evident there was room for improvement. Figure 4 illustrates this approach, showing that productivity and unit costs were below goal. Although the past semiannual survey of employee and business

Figure 4: 1 a.b Project Selection Criteria

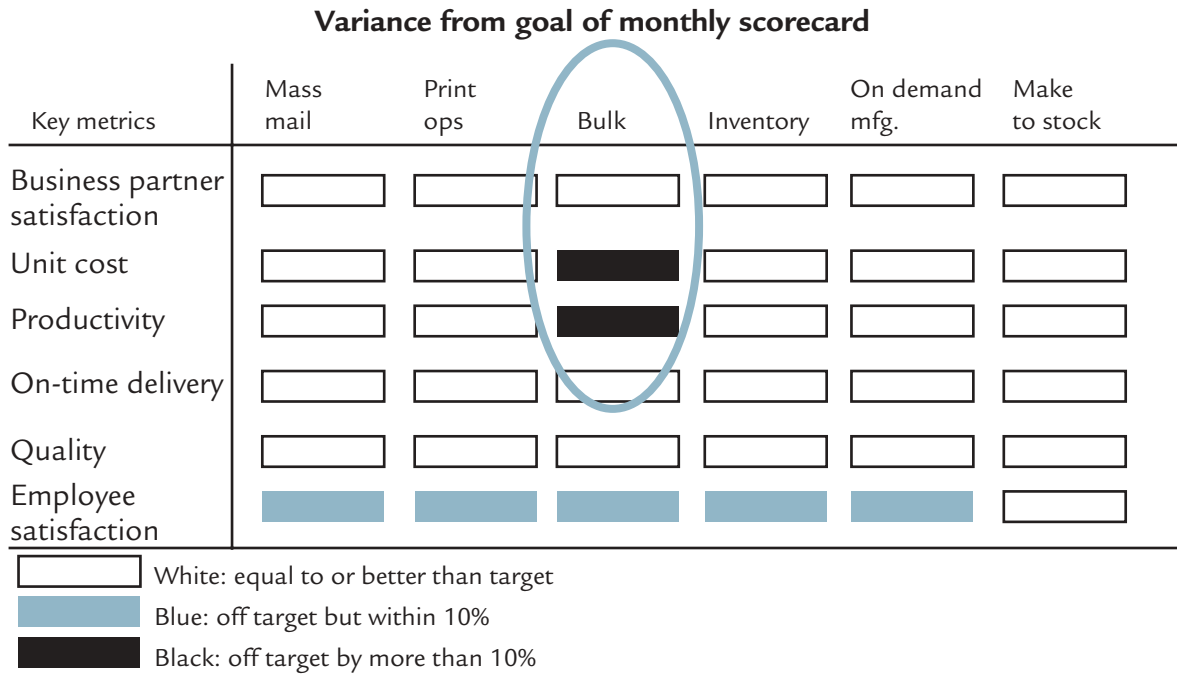
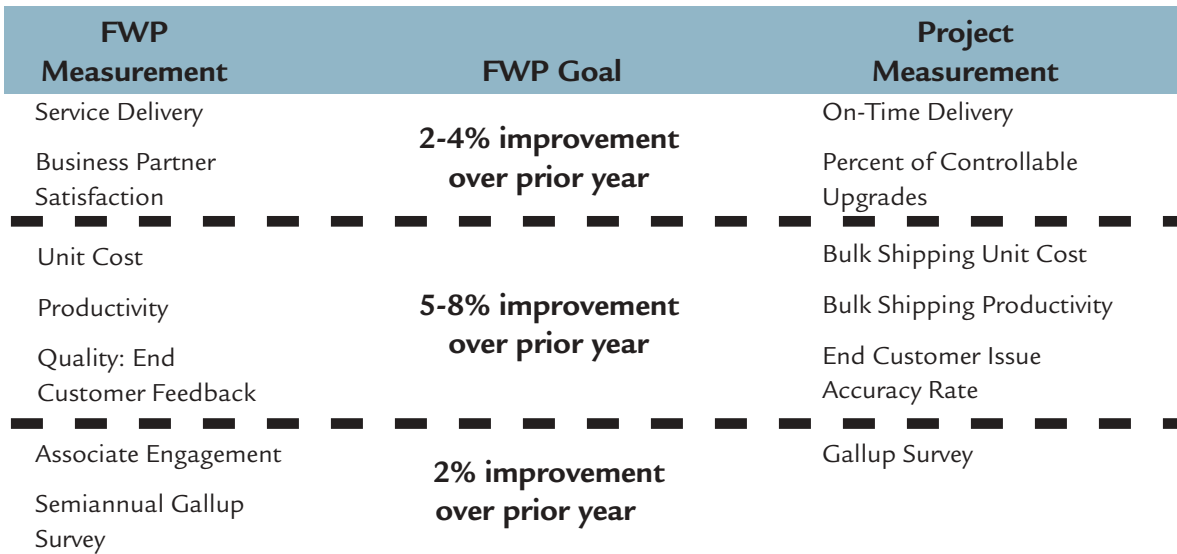


Figure 5: 1b.a Project Alignment to Organizational Goals



satisfaction yielded strong results, dissatisfaction was increasing due to increased overtime and shipping costs, respectively.

**Support of Organization Goals**

FWP again relies on the business model and established metric and reporting processes to link

opportunities, which are then linked to strategic goals set each year by the senior management team, as illustrated in Figure 5. Impact was considered and rough goals were established for the key business metrics. Goals were selected based on the gap between current performance and projected performance from prior year budget and goal forecasts.

**Table 1**

Step	Tool
Criteria 2a—Root Cause Identification	<ul style="list-style-type: none"> <li>Brainstorming.</li> <li>Pareto analysis for prioritization of functions based on distribution of labor and variance from standard.</li> <li>Time studies.</li> <li>Process flow to identify non-value-added activities.</li> <li>Histograms.</li> <li>Workout sessions completing a five-why analysis with associates.</li> </ul>
Criteria 2b—Root Cause Validation	<ul style="list-style-type: none"> <li>Capacity analysis.</li> <li>Simulations.</li> <li>Data validation.</li> <li>Time studies.</li> <li>Interviews with associates.</li> </ul>

**Stakeholder Analysis**

Stakeholders were identified based on who would be impacted by project results, who would participate in the project, and who was accountable for success. The stakeholders identified included customers who would be positively affected by improvements. Operations managers were accountable for success, and associates’ daily functions would be influenced by results. Support groups, which were represented on the Process Management Team, were also critical to the project success.

A matrix format was used to display the stakeholders and the type and degree of impact.

**Evaluation Criteria Two: Current Situation Analysis**

The Current Situation Analysis step of the criteria aligns with the *analyze* step of the DMAIC model.

**Root Cause Identification**

Various tools were used throughout the project and we had to decide which of them to present during the Team Excellence Award presentation because of

**Table 2**

Root Cause	Analysis for Developing Solutions
Inventory Slotting Strategy  High Percent of Orders Requiring Assembly (non-value-added function)	<ul style="list-style-type: none"> <li>Simulation: Simulating picking process for various slotting strategies and estimated order assembly percentage for each strategy.</li> </ul>
Wave Release and Picking Strategy	<ul style="list-style-type: none"> <li>Brainstorming.</li> <li>Volume and capacity analysis.</li> </ul>
Resource Challenges	<ul style="list-style-type: none"> <li>Brainstorming resulted in identifying opportunity to share resources with a department performing similar functions.</li> <li>Skill set comparison validated the solution would work.</li> </ul>
Packing Non-Value-Added Functions	<ul style="list-style-type: none"> <li>Workout sessions with associates to brainstorm.</li> <li>Time studies projections used to validate projected improvements.</li> </ul>

the time constraints. Our team felt this was a strong phase of the project and to accurately tell our story, we needed to include a majority of the tools used throughout the project.

**Root Cause Validation**

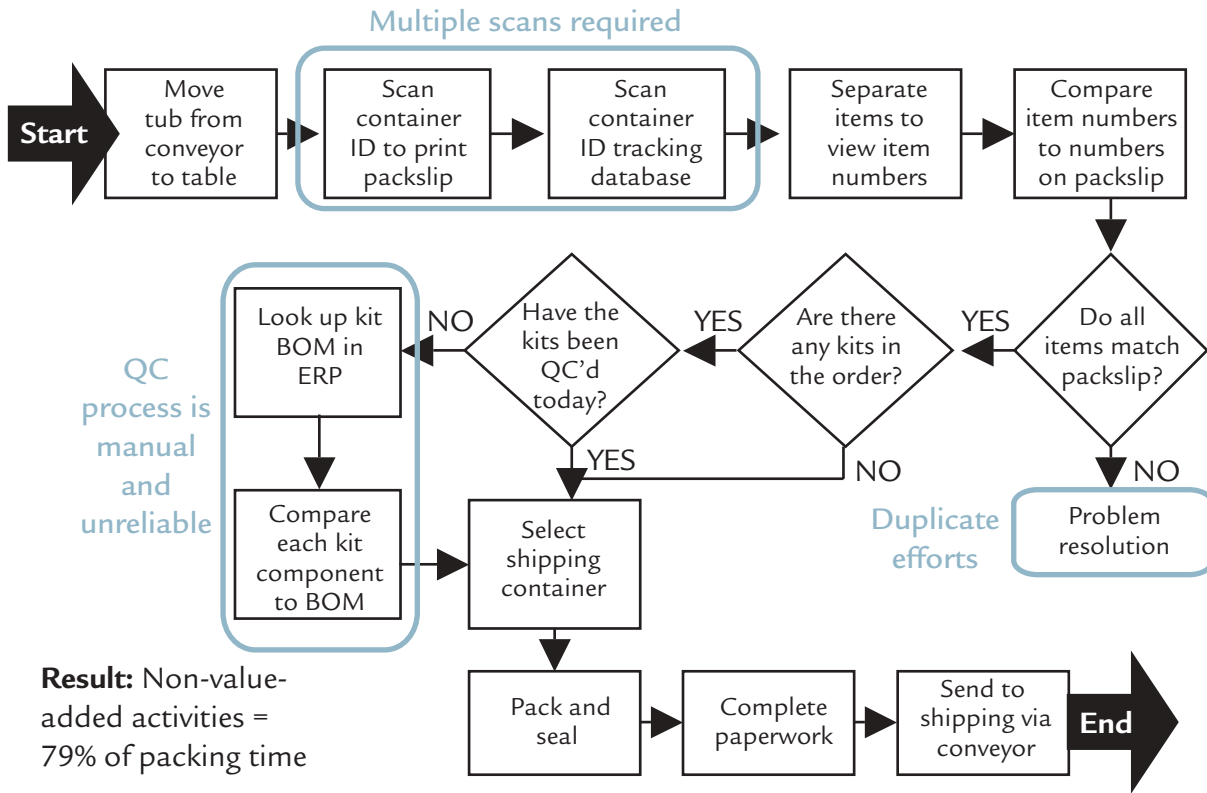
Given that the Process Management Team is an ongoing improvement team (it is currently still active), the team prioritized the root causes based on their impact to the key metrics and the ease of implementation. As part of the prioritization, various methods were used to validate that improvements would be realized if the root cause was addressed.

Table 1 provides an outline of some of the tools we used and included in the presentation. Figure 6 shows the process flow diagram that was generated to identify non-value-added activities.

**Evaluation Criteria Three: Action Plan Development**

The Action Plan Development step of the criteria aligns with the *improve* step of the DMAIC model.

Figure 6: 2a.a/b Root Cause Analysis: Packing Process Flow



### Identification of Potential Solutions

The Process Management Team completed a wide variety of ongoing activities to identify and test potential solutions to the identified root causes. We again had the challenge of determining which potential solutions to include in the presentation because of time constraints. We agreed to lay out the potential solutions to directly align with the top four prioritized root causes in order to maintain a logical flow for individuals not intimately involved with the project, as shown in Table 2. The slides were arranged to connect the root cause, analysis, and resulting potential solution.

### Final Solution Selection

The Process Management Team provided ongoing involvement from all stakeholders, and each stakeholder had a voice in the solutions selected for implementation. Again, because the Process Management Team is an ongoing initiative, the solutions were prioritized and impact to associates was identified and considered in the selection process. Prior to a complete roll out, each solution was tested in a pilot during the first shift (bulk shipping is a five-day, 24-hour operation) to validate that improvements were realized.

### Justification and Expected Benefits

The results from the pilot were utilized to estimate the improvements to all key metrics identified in Team Excellence Award criteria one. The projected improvements were analyzed, and a cost benefit analysis was completed with a projected savings estimate that justified moving forward. The summary of the justifications for all solutions was included in our presentation.

### Evaluation Criteria Four: Project Buy-In, Implementation, Progress, and Results

The Project Buy-In, Implementation, Progress, and Results step of the award criteria includes information on the *control* step of the DMAIC model.

Each stakeholder group had representation on the Process Management Team. For this portion of our presentation we described the role, resistance, and associated action and proof of buy-in for each stakeholder group.

Implementation activities were listed for each solution presented in the pilot. Specific process changes were presented, and the controls to ensure the changes remained in place included procedure updates, system

changes, and the reorganization of two departments. In addition, the Process Management Team implemented a weekly dashboard, which is posted and reviewed by associates and managers.

Tangible results were displayed in a chart format and aligned to our business model and project goals. A final bottom-line-cost impact was also presented. Intangible benefits were presented from the associate, business, and customer perspectives. Also, all team members received their yellow belts, and results were shared via various internal communications.

### Summary

Our basic approach for completing the application process for the International Team Excellence Competition was to focus in detail on the descriptions associated with each criteria point. Then we reviewed the completed project to align the project activities and criteria. Our business model provides the foundation for all employees within FWP, and as a result, all projects, strategies, and metrics are aligned to the business model. This disciplined practice has benefited us in aligning projects to criteria one and

has provided a consistent point of reference between criteria four and criteria one. We have found that each project is unique, and although the criteria are the same, the tools and presentation approach must vary with each project.



*Linda Nourse is director of quality at Fidelity Wide Processing. She has held positions in the quality profession for more than 15 years at Motorola, Sachs Automotive, and Fidelity Investments. Within those roles, her experience has included a plant startup, ISO 9000 certification, and Six Sigma implementation for both the service and manufacturing industries. Nourse is an ASQ-certified quality engineer and a Six Sigma Black Belt. You may contact her via e-mail at [linda.nourse@fmr.com](mailto:linda.nourse@fmr.com).*

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