Improving the Production Process of the Irish Retail Sales Index
(Satisfying Customers’ Needs Using Lean Six Sigma Thinking)

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Eurostat established a Task Force on retail trade quality in December 2008 to investigate and improve the timeliness, high revisions and volatility of the retail trade figures of all Member States. The final report was launched in November 2010. Management within the CSO responded to Eurostat’s requirement by launching a formal Lean Six Sigma (LSS) project to guarantee that high quality Irish retail trade indices were consistently disseminated to Eurostat within 28 days of the end of the reporting period. This paper outlines the structured approach adopted by the project team in applying the LSS philosophy to resolve the inter-linked problems of a lack of process clarity and poor timeliness. The project was steered using the Define, Measure, Analyze, Improve and Control (DMAIC) framework which is a central component of the Lean Six Sigma philosophy. This paper clearly demonstrates the effectiveness of the LSS approach in dramatically reducing the median publication date from 46 days after the end of the reporting period to 28 days. Evidence is also provided that the date of publication is now far more reliable and a revision analysis indicates that revisions to the index are now smaller and less varied. This paper clearly demonstrates that, using lean six sigma thinking, public sector organizations and processes can do far better with less by focusing on truly value-adding activities. In a challenging environment of austerity, reduced budgets and increased demands, these dramatic quality improvements were achieved at no additional costs to the organization and resulted in a reduction of staffing requirements for the Retail Sales Index (RSI) by 50 percent - a savings of €170,000 per annum. Freed-up resources were allocated elsewhere allowing the CSO to produce a new Monthly Services Index. The original project report was seminal in the CSO redefining its strategy for process improvement within the organization.

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