

Editor's note: This department features Six Sigma related content excerpted from the annual reports and other communications produced by a variety of the world's most successful companies.



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Chairman and CEO*

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FEATURED COMPANY:

3M

BUILDING AN EVEN STRONGER 3M

While the market and economic outlook for 2002 remain very uncertain, we're confident in our long-term prospects. 3M has tremendous potential and a terrific future.

Today the initiatives are part of our everyday business processes and practices, and we will continue to drive improvement in productivity, efficiency and speed as they become increasingly operational throughout every corner of 3M.

Customer Focused Growth

In 2002, the initiatives will build on a strong employee engagement base to not only continue improvements on costs, but also to focus more strongly on customer service, customer solutions and growth. One example is Six Sigma.

Our primary and most fundamental initiative, Six Sigma, is improving costs, cash and growth. In one of our service businesses, Health Information Systems, Six Sigma is advancing growth by increasing the efficiency of our sales force and improving the pricing and proposal process. Similarly, a Six Sigma team in 3M Unitek is working with our sales force and with our customers to successfully commercialize a new and sophisticated line of orthodontic products.

Driving Value and Growth Through Five Performance Initiatives

3M introduced Six Sigma—a business process improvement methodology—in February 2001. Six Sigma creates a common language and measurement tools to reduce variation and deliver consistent results. And it's fundamentally changing the way we work. Currently more than 4,000 3M people have participated in Six Sigma training, and over 1,000 projects have been initiated companywide—from product development and manufacturing to sales and marketing. Many projects already have achieved and are sustaining targeted improvements. Customers are seeing even higher quality products and faster response times, and shareholders are seeing a company focused on growth, cost savings and cash generation.

Transforming the Way We Work

Six Sigma is driving growth, reducing costs and increasing asset turnover in 3M businesses around the world. In 2001, a Six Sigma team from the 3M ESPE Division nearly tripled the manufacturing yields of a differentiated new 3M dental product. Other 3M product lines achieving significant results through Six Sigma in 2001 included 3M Bump Protection Products, 3M Roofing Granules, 3M Microflex Circuits, Scotch-Brite Sponges and O-Cel-O Sponges. 