Six Sigma Principles for Malaysian Lawyers


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Abstract: Six Sigma have been used as the tool to reduce cost and risk in manufacturing companies. Motorola is the company that developed this mechanism in order to reduce their cost and increase their profits. However, Six Sigma also can be used in other industries such as airlines, music, marketing, services and many more. Based on present literature, there is still ample research to be done when applying this principle to Malaysian lawyers. This article attempts to examine the problem of applying the Six Sigma principle to Malaysian lawyers. The law profession provides services and it is difficult to measure the performance of law firms when providing services for their clients. However, it is our intent to show how relevant performance is in the very first place and how it generates benefits for law firms in Malaysia. To end this, we aim to open the “black box”, which can help Malaysian lawyers and their law firms. Understanding this principle may help to shed some light on how lawyers can provide better services and increase their performance for the clients.

Key words: Six Sigma for services, Six Sigma for lawyers, Malaysian lawyer, Six Sigma, law school education.

INTRODUCTION

Six Sigma has been recognized as the best and powerful business strategy that helps to analyse to find defects, errors or mistakes in service organizations (Anthony, 2005a,b). Kwak & Anbari, (2004) mentioned that using the six sigma mechanism can help to accelerate the performance in quality of service by focusing relentlessly on reducing process variations and eliminating non-value added steps or tasks. Applying Six Sigma has been widely used in manufacturing organizations to increase the productivity by finding defect or errors but it is not widely used in services organizations especially in law firms. There is need for ample research to learn about applying the Six Sigma principle to law firms in Malaysia because most of the law firms in Malaysia need much improvement. It is very difficult to introduce a new approach for Malaysian lawyers to change their usual ways of doing business. Service organizations need to be convinced to apply the Six Sigma principle to increase the business performance and provide more value to their customers.

This study scrutinizes the impact of the Six Sigma principle for the development of Malaysian law firms in the Malaysian scenario. To be more precise, the aim is to identify the role that Malaysian lawyers can play and benefit from when applying the Six Sigma principle for their law firms. As is the case with most of interdisciplinary studies, there is a plethora of existing literature from sometimes very distant fields of research amongst which this particular study must be positioned. In the case of this analysis relevant literature is found in the areas of business, management and manufacturing study that are relevant for Malaysian lawyers. As has been mentioned by Richard Susskind in “The End of Lawyers”, lawyers should be prepared and equip themselves with the available resources that can help in the survival of their law firms and businesses.

It is true that the Six Sigma principle and process have been mostly used in manufacturing organizations. However, the Six Sigma principle has also attracted service industries such as hospitals, banking sector, tourism industry, airlines industry and financial sectors. Thus, this concept might also be applicable to the law profession to help maintain the integrity and professionalism of the lawyer. The law profession provides services and thus it is most important to help build relationship with clients. George (2003) mentioned that in manufacturing companies, 80 percent of the development and cost of that product come from indirect costs such as design, human resources and marketing. The main objectives by applying Six Sigma in services industry especially the legal services industry are to help understand the defects and to improve the performance of law firms. It is very important because it reflects the overall client’s experience and satisfaction of clients.

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However, despite the benefits and impact from Six Sigma, there are also numerous findings about the problems in implementing it (e.g., Ahire & Ravichandran, 2001; Gijo & Rao, 2005; Szeto & Tsang, 2005). It is very important to better understand the main principle and mechanism to gain better knowledge on how these approaches can be implemented (Sousa & Voss, 2002). Applying Six Sigma in the service organizations are also questionable and requires a further analysis especially in the legal services. The research done by Schroeder et al., (2008) showed that it is still questionable i.e., what types of organizations can successfully adopt Six Sigma and what changes in culture and structure may be required.

This study investigates how Six Sigma can be applied in Malaysian legal services by empirically examining the links between different culture types and different Six Sigma practices. Hahn et al., (1999) noted that Six Sigma has not been carefully defined in either practitioner or academic literature. The Malaysian legal services is different from the manufacturing industry in practice and organization. Moreover, the study is exploratory in nature, in that we want to open the “black box” by implementing a new mechanism that will help improve the productivity of the Malaysian legal profession. The result that we gain from this study can help to give an understanding and up-to-date view of the Six Sigma implementation in the legal industry in Malaysia to give more pertinent information and guidance. This new mechanism may help the Malaysian lawyer learn the new tactics that can help them serve their clients more efficiently and develop a long sustainable relationship. The research done by Hirwani et al., (2009) mentioned that Malaysian lawyers are left behind compared to their counterparts in other countries so this mechanism may help to bridge this gap.

Origin and Principle of Six Sigma:

Harry and Schroeder (2000), in their popular book on Six Sigma, explained it as a “business procedure that enables companies to significantly enhance the bottom line by designing and checking everyday business routines in ways that decrease waste and also resources when increasing customer satisfaction” (p. vii). Hahn et al., (2000) described Six Sigma as a disciplined and statistically based approach for strengthening product and procedure quality. On the other hand, Sanders and Hild (2000) referred to it as an operations strategy that needs a lifestyle transformation in the corporation.

The history of Six Sigma principle has been introduced more than one decade ago by Motorola Corporation when Bill Smith introduced the Six Sigma concept. Linderman et al., (2003, 195) stated that Six Sigma has been defined as “an organized and systematic method for strategic process improvement and new product and service development that relies on statistical methods and the scientific method to make dramatic reductions in customer defined defect rates”. Six Sigma principle has been accepted as the process in pioneering the framework analysis. Six Sigma method is to measure the quality of a process that needs to fulfill customer’s need which approaches perfection up to 3.4 defects per million opportunity. Using the Six Sigma principle will help to discover defects along the process and eliminate them to approach “zero defects”. There are a few authors who mentioned that Six Sigma is a new approach in quality management (Sutton, 2006; Kumar et al., 2008).

However, there are some who argue that Six Sigma is just repackaging Total Quality Management (Stamatis, 2000) and applying TQM gives the same claims as the Six Sigma (Flott, 2000, p. 43). However, from the writer’s perspective Six Sigma is not just a new quality management tool but it also introduces a new concept in quality management. This has been supported by Schroeder et al., (2008) that even though Six Sigma shares the same principle in quality management tool, it provides a new perspective and dimension. Embedding the Six Sigma principle with the TQM can produce and give effects on quality improvement (e.g., Ferng & Price, 2005; Revere and Black, 2003; Ricondo & Viles, 2005; Yang, 2004). However in this article we only focus on applying the Six Sigma principle in the context of legal services in Malaysia. The overall principle that is used in Six Sigma is DMAIC (define, measure, analyze, improve and control). In developing a new product, Six Sigma principle is DMADV (define, measure, analyze, design and verify) or IDOV (identify, design, optimize and validate).

In the services industry, the important criteria to approach zero defect is by measuring the customer satisfaction. The question that arises here is that it is very difficult to measure customer satisfaction because it involves dealing with feelings and environment unlike in the manufacturing industry. In legal services, the customer satisfaction is measured by looking at cases that are being handled by lawyers or other services provided by the lawyer. Using the Six Sigma principle requires a high standard of quality and for legal services it is important to maintain the standards.

Six Sigma for Malaysian Lawyers:

Implementing the Six Sigma principle in the services sector has attracted many organizations because it is made for the customer-driven methodology (Taghaboni-Dutta & Moreland, 2004). This is very important in services sector because these programs are made to ensure customer satisfaction. According to Pande et al., (2000), most service organizations operate at Sigma quality levels of between 1.5 and 3.0 (i.e. a defect rate
between 455,000 and 66,800). Does et al., (2002) mentioned that for decades the service organizations neglected quality improvement and using the Six Sigma mechanism would help to improve performance.

Based on the aforesaid paragraphs, implementing Six Sigma principles in legal services is important because the nature of the work for the lawyer itself requires fulfilling customer satisfaction. Lawyers are service professionals who give professional advice and maintain their professionalism. By replicating the Six Sigma principle we feel that this will improve the image of the Malaysian lawyer and at the same time improve the productivity. Implementing Six Sigma principle will also help the Malaysia lawyers to create the good relationship with the client and ensure business success in the future. Service-oriented businesses adopting Six Sigma business strategy will reap benefits (Antony, 2005a,b).

Anthony et. al., (2005) mentioned the benefits of applying the Six Sigma principle based on a survey, as follows:

- improved customer satisfaction;
- reduced defect rate in service processes;
- reduced variability of key service processes;
- improved culture with the attitude of continuous improvement of service process performance;
- reduced process cycle time and hence achieve faster service delivery;
- reduced service operational costs; and
- increased market share.

This writer found that the potential and impact of the Six Sigma principle provide to the service industry are abundant. However, the question that arises here whether this is the case with legal services especially in the Malaysian environment. The answer here remains a mystery and there should be more detailed research done to provide more understanding applying the Six Sigma to the Malaysia legal services.

The methodology used in this article is by examining previous research related to the implementation of Six Sigma principle in services. The law profession is slow to adapt to a new environment and until today there are still law firms that use typewriters rather than computers in Malaysia. The adoption of new techniques and skills takes time and determination to change. A literature review shows that there is a lack of resources and information that can help to implement the Six Sigma for services especially for Malaysian lawyers. Using this approach and mechanism will help us to develop an in-depth, relevant understanding of poorly understood phenomenon (Eisenhardt, 1989; Meredith, 1998; Yin, 1994).

**Importance of Applying Six Sigma to Malaysian Law Firms:**

Currently, there are more than thirteen thousand lawyers and six thousand law firms in Malaysia Hirwani et. al., (2009). This statistics shows that there are many lawyers available in the market and every year more than one thousand fresh graduates come out from law schools in Malaysia. There are 5 public universities in Malaysia that provide legal education. They are Universiti Kebangsaan Malaysia (UKM), Universiti Sains Islam Malaysia (USIM), Universiti Islam Antarabangsa (UIA), Universiti Malaya (UM) and Universiti Darul Iman (UDM). These universities are funded by the government of Malaysia. Most of the lawyers in Malaysia are still left behind in preparing themselves for the latest technology and new trends available in the market. Many scholars have recognized Six Sigma as an example of a meso approach to work design (Sinha & Van de Ven, 2005). Barney (2002a) described Six Sigma as a combination of macro-organizational strategy and micro-tactics. Utilizing new tactics will help the Malaysia lawyers to update themselves with the latest tools that can give a big contribution to their legal services. The Six Sigma principle can help the Malaysia lawyers to make the best decision because part of the training in Six Sigma essentially socializes organizational members to the value of fact-based decision making (Detert et al., 2000).

**Limitations of The Study:**

This research was carried out to give an overview of the Six Sigma and how it can be implemented to Malaysian legal services. As has been mentioned before, Malaysia legal services are left behind in implementing new tools and techniques that will give impact to their services and firm. This research was carried out to open the “black box” by utilizing the Six Sigma principle and provide understanding of it to legal practitioners. It will be a fruitful discussion if deeper research can be carried out by incorporating case study and analysis of the benefits of the Six Sigma for the legal services. This research only focuses on the Malaysian lawyers and how Six Sigma may help them to expand their legal services in other commonwealth jurisdictions.

**Future Recommendations:**

Six Sigma, if implemented in the legal services industry, will give a great impact in knowledge and improve the professionalism of Malaysian lawyers. From the point of knowledge, management learning can give an insight on how to create, retain, and diffuse knowledge using a structured approach (Choo et al., 2007; Laprè et al., 2000). A foreign law firm, Seyfarth (http://www.seyfarth.com/), has already implemented the Six Sigma
principle in their legal services and is getting positive impact from the customers. We hope that many Malaysian law firms will use this technique and apply it into their services. Even though this is a new technique and requires time to master, it will eventually give return of investment to the law firm in Malaysia.

**Introduce Course Six Sigma in Law School:**
Most of the law schools only teach law subjects. Thus, introducing a new subject such as Six Sigma or Total Quality Management (TQM), will automatically shift the paradigm to the law student in Malaysia. Law students will be fully equipped to meet the market needs and will gain more exposure to the industry. This will increase their capability and will help law students improve their chance of getting hired.

**Conclusion:**
The Six Sigma principle has been debated and accepted as one of the strategies for business success. This principle can help to increase profitability and to achieve service excellence. Today, the Six Sigma has gained momentum in the service industry while manufacturing organizations still focus on implementing the Six Sigma to ensure that the customer is satisfied with their product and services. For the Malaysian legal services, implementing Six Sigma is the best business strategy that will help sustain the business and maintain professionalism. This paper analyzes the challenges, difficulties and future recommendations that can be applied to the legal services industry.

**REFERENCES**


