

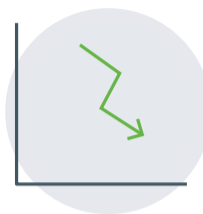
You would use this approach to enable your employees to talk about and identify opportunities to reduce wasteful activities in your business, by having a common language to describe waste.

Projected performance gain



Improved

- Flow
- Team work

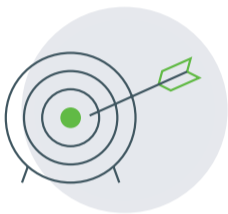


Reduced

- Lead times

What investment is needed to understand the concept?

DIFFICULTY



Simple

Practise is the key!

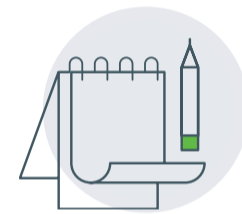
ACTIVITY



Team

This process can be conducted by an individual but best results will be delivered by working in a team

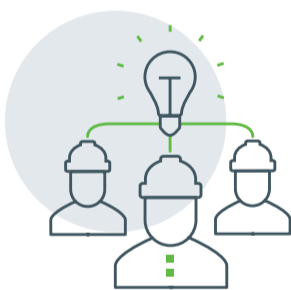
EQUIPMENT



None

This activity should not require any equipment

How to go about using this factsheet to make improvement



1

Gather together a group of employees



2

Talk them through 8 Wastes, using the Identification of Waste checklist included at the end of the factsheet



3

Go on a 'waste walk' to identify examples of waste in the factory and/or offices

Explanation of the concept

Value Add and the 8 wastes are a central concept in what is known as Lean Manufacturing. Value adding activities are any activities which are directly transforming incoming materials into the product or service which the customer requires.

Lean Manufacturing seeks to identify all activities in a business as either Value Adding or one of the 8 wastes. By reducing any of the 8 wastes, businesses will see improvements in performance.

The 8 Wastes may be remembered using the initials “TIM WOODS”. By engaging team members in identifying and eliminating waste, companies can make great progress in avoiding the 8th waste.

The 8 Wastes are:



Transport

Any transportation is essentially waste, and should be minimised



Inventory

Any inventory above the minimum required to get the job done



Motion

Movement and Motion of people



Waiting

People or parts waiting due to any unsynchronised processes or activities



Over-Production

Making products which are not yet required, too much or too early



Over-Processing

Additional processing steps beyond what is actually required



Defects

Defective, Scrap or Rework



Skills

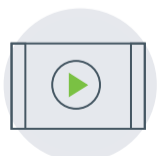
The 8th waste, refers more generally to the untapped potential of people, where ideas and creativity remain undeveloped or ignored

Recommended reading



Liker, J. K. (2004) *The Toyota Way*. McGraw-Hill Education.
ISBN: 978-0071392310

Bicheno, J. & Holweg, M. (2016) *The Lean Toolbox, 5th Edition*. Picsie Books.
ISBN: 978-0956830753



Business Growth Hub Factsheet 2 *Lean Manufacturing*

www.businessgrowthhub.com/media/1061462/manufacturing_leanmanufacturing_businessgrowth-hub.pdf

Glossary

Value Adding – an activity that the Customer is willing to pay for.

Waste – an activity that a Customer would not be willing to pay for.

Lead-time – the time it takes from order placement to the delivery of product or service.

Identification of Waste	
Key Points	Observations
Transportation (Moving items/ equipment)	
Inventory (More stock than required)	
Motion (Inefficient movement of people required)	
Waiting (or any wastes or delays of time)	
Over - Production (Doing too much or too early, at expense of other activities)	
Over - Processing (Additional steps which are not actually necessary for serving the customer)	
Defects, Rework, Scrap (rework, repair, spoilage)	

For more advice, case studies and additional factsheets, visit:
www.businessgrowthhub.com/manufacturing