



R&R Newsletter

Reducing Risk/Removing Waste

ISO Support Group

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An ISO 9001:2000
Registered Company

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LEAN JOURNEY...

- Step 1: Specify Value
- Step 2: Identify the Value Stream
- Step 3: Making it Flow
- Step 4: Let Customers Pull Value
- Step 5: Seek Perfection

CAN LEAN HELP?

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Removing Waste:

In this Issue under the heading *Removing Waste* I'll be covering the topic of **Lean Operations – Step 2: Value Stream Mapping (cont'd)**

Lets Review... Value Stream Mapping includes the "Before", the "After" and the "Plan" to get you there, for the product or service stream that you chose during Step1. The "Before" involves mapping how the material and information flows through the business operations, both the value added and non-value added activities that occur from concept to launch, and from order to delivery. The "After" also involves mapping, but in this case it's how the Value Stream should flow if wastes and bottlenecks were removed. The final outcome from Step 2 is the development of a "Plan" that outlines what changes need to be made to achieve the "After"... the improved process flow.

Building the Current State Value Stream Map (i.e. the "Before") involves your Team using a pad of paper, a pencil and walking down the Value Stream. You can see an example by visiting our Newsletter page at our website and viewing the last 2 pages of the Canada Post example: www.isosupport.com/newsletters/newsletters.htm

The Team should be made up of those people currently working within the process, and those responsible for it. The map you sketch out can be copied onto Post-it notes and used for discussions in a meeting room, but never wander too far from where the action actually takes place (the gemba). Start by listing details of Customer demand which is typically shown in a Customer Box in the top right corner of the page. Next, you would map out each of the process steps horizontally along the bottom of the page from left to right. You would then show delivery details from your key Suppliers in a Supplier Box in the top left hand corner feeding your process flow and delivery details from the end of the process flow going back into your Customer Box. This captures the material flow. What's left is to outline how scheduling information is sent to each process step describing what to make and when. This information usually flows from right to left and begins at the Customer Box.

Creating the Future State Value Stream Map involves having your Team answer the following 8 key questions: What is the TAKT time? Will you produce to a finished goods supermarket or directly for delivery? Where in the process can continuous flow be achieved? Where will you use supermarket pull systems to control upstream processing? At what point in the process will you schedule supply? How will you level the production mix at this point? What increment of work will you consistently release at this point? What process improvements will be needed for your Value Stream to flow as described in your future state? The answers to each of these questions evolves the current state map into how your process should be designed to achieve continuous flow.

Developing a Value Stream Plan is the most important part of Step 2 and it's the only reason for mapping the current and future state maps. Your plan should be implemented in stages, usually starting at the tail end of the process and working upstream to remove bottlenecks and waste as you go. Finally, Kaizen events (improvement projects) are identified with short-term completion dates and assigned responsibilities.

PUBLICATIONS

Click [HERE](#) to learn more about the manuals & books that we've recently published:

- ISO 14001:2004 Environmental Manuals
- "The 3 Biggest Mistakes People Make with ISO 9001"
- "ISO 14001: Learn what's driving its double digit growth!"

TRAINING:

- Process/Value Stream Mapping
- Lean Essentials/Kaizen
- Business Modeling and Performance Measure'ts
- Root Cause Analysis and Corrective Action
- Continual Process Improvement
- Strategic/Business Planning
- Malcolm Baldrige Training
- Privacy Program Training

View [agendas](#) at our website

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For more information on training provided by ISG on Lean Operations (Lean Manufacturing/Lean Office), please visit our website at www.isosupport.com. Once there, you will also find information about the following:

"Lean Assessment: Can Lean tools help you?"

If you want to find out if Lean applies to your business, visit our website and read about our Lean Assessment Service by going to:

http://www.isosupport.com/services/lean/srvcs_lean.htm

"The 3 Biggest Mistakes People Make with ISO 9001"; ISO 9001:2000 Tips, Tools and Techniques

Click here: <http://www.isosupport.com/books/books.htm>

If you enjoyed reading our previous ISO Newsletters you'll find that this book contains many of the practical approaches and advice that I've discussed in these Newsletters over the past 5 years.

Q: How do you draw a Value Stream Map for a Service?

A: Most of the existing Lean literature and examples cover manufacturing situations, which on the surface appear to have no application in a service environment. The best way to overcome this problem is to simply start by referring to your Service as a Product. Think "process"... a Service process has inputs and produces outputs, just like a manufacturing process. For many years, Banks and Insurance companies have been using the term "products" for the services they sell. Even though outputs from a service process are intangible, there usually is something (or someone) tangible involved. For a hospital, untreated patients arrive and treated patients leave... one of their products. An HR department supplies many products, one of which is a trained employee. An architectural firm sells a product called building blueprints. Often a service process involves information, and the medium it is captured in can be viewed as the product, such as a report or a certificate or a database record. Whatever the service is, viewing it in a tangible form will immediately allow you to visualize the process flow... making it easier to map the steps involved.

Until next time... enjoy your R&R!

Tim Renaud

Helping Business Professionals Reduce Risk and Remove Waste!

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Tim Renaud, P.Eng., B.A.Sc., is a senior trainer and consultant with the ISO Support Group. His business experience covers over twenty-two years with both small and large organizations within various industries. He began consulting in 1992 and achieved ISO 9001 Registration for ISO Support Group in Oct/1998. Specific areas of expertise include training and consulting on installing ISO Management Systems, as well as implementing Process Improvement Strategies, always with a focus on reducing risk and removing waste (becoming Lean). Association memberships include the American Society for Quality (ASQ) and the Professional Engineers Ontario (PEO).