



R&R Newsletter

Reducing Risk/Removing Waste

ISO Support Group

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An ISO 9001:2000
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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

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Removing Waste:

In this Issue under the heading *Removing Waste* I'll be covering the topic of **Lean Operations – Step 3: Making the Stream Flow (cont'd)**

Let's Review... The objective of "making the stream flow" is to line up all of the essential steps needed to get the job done into a steady continuous flow, with no wasted motions, no interruptions, no batches and no queues. Start by focusing on the actual item – the specific design, the specific order and the product or service itself... and never let it out of your sight, from beginning to end. The next step is to ignore the traditional boundaries of jobs, careers, functions and departments, and then remove everything that will impede continuous flow. Next, you need to rethink specific work practices and tools to eliminate backflows, defects, and stoppages of all sorts so that the design, order and supply of the specific product or service can proceed non-stop to your Customer.

There are a number of techniques that are used to make the value stream flow. The value stream maps that were developed in the previous step should have captured ideas from the Lean Team on what could be done to improve flow and to remove waste. Flow techniques to consider would be 5S; Just in Time (JIT) supply; Transparency/Visual Controls; and Total Productive Maintenance, to name just a few. These flow techniques would be implemented in a series of scheduled Kaizen events (typically a 5 day improvement blitz), as part of the Lean implementation plan.

The first Kaizen would be a 5S Event (Sort, Systematize, Shine, Standardize and Sustain), which helps to remove the first layer of clutter along the entire value stream, but more importantly should be used to introduce Lean to all employees, so they will understand what the Lean Team is trying to do, and prepare them for what will be coming. The next Kaizen would be to eliminate those activities which do not add any value and were not needed for any reason. Unfortunately too many Lean initiatives don't even make it past the 5S event... and employees end up thinking that Lean is just a "house keeping thing". Even though 5S by itself can achieve excellent results, it's really just the beginning of the Lean journey, with a lot more gains waiting to be uncovered.

Calculating Takt Time is critical for understanding "Flow"... Takt Time precisely synchronizes the rate of supply to the rate of sales to Customers, and sets the pace for the entire Value Stream. Lead Time and Value Added Time (discussed in Step 2) will also give you a sense of how the value stream is currently flowing and a glimpse of how it could be. For example, if Lead Time worked out to be 31 days, this represents the total elapsed time it takes for a product or service to go from start to finish, along the current value stream. Let's now say the Value Added Time (or touch time) in this case turned out to be 87 minutes, which is the time it would take to follow along the same path, but without stopping and without waste. What this means is that it now takes 31 days for what could be done in about an hour and a half (87 minutes), with the rest of the time being wasted. Achieving a 15 day Lead Time (50% reduction from 31dys) now seems quite possible & should help motivate the Team.

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!"

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- Process/Value Stream Mapping
- Lean Essentials/Kaizen
- Business Modeling and Performance Measure'ts
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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 calculate Takt Time, and what does it tell you?

A: Takt Time = Available time per day/Daily Customer demand. Let's say Available time per day = 8 hours – 30 minutes for lunch – two 15 minute breaks = 420 minutes. Let's also say Daily Customer Demand = 800 units of product or service per month of Customer demand divided by 20 working days in a month = 40 units of product or service per day. Therefore, Takt Time = 420 divided 40, or 10.5 minutes. In other words, every 10.5 minutes your value stream should be supplying 1 unit of product or service to your Customer, all day, every day. This gives you a rhythm for how fast or slow the stream should be flowing, and you'll use this to guide you in allocating the workload across your employees. You can also calculate the number of people you'll need, as follows: #People required = Value Added Time/Takt Time. For example, if we use a Value Added Time of say 87 minutes, then the # of People required would be = 87/10.5, or 8.28, which you would round up to 9 People. If you have more than this now doing the work, any extra people can be used as Kaizen coordinators to help uncover more improvements in the stream.

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).