



# R&R Newsletter

Reducing Risk/Removing Waste

ISO Support Group

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An ISO 9001:2000  
Registered Company

Contact us:  
[Send us an Email](#)

Website:  
[www.isosupport.com](http://www.isosupport.com)

Phone us at:  
519-821-2684  
Fax us at:  
519-824-0494

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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?

Want to know if Lean  
applies to your business?  
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Assessment Service  
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## Removing Waste:

In this Issue under the heading *Removing Waste* I'll be covering the topic of **Lean Operations – Step 4: Letting Customers Pull Value (cont'd)**

**Let's Review...** The objective of "pull" is to minimize overproduction and to balance the workload for all steps along the value stream. This means triggering "flow" in the Value Stream only when the Customer asks for it. Think about this like a supermarket where two main concepts can be applied in either a manufacturing or a service environment. First, downstream Customers are allowed to pick up what they need from locations being replenished from upstream Suppliers. Second, the upstream Suppliers only produce what has just been consumed. This can be translated inside an operation by producing to order as long as special orders continue to arrive, while the rest of the time working to replenish buffers of the fast movers. This levels the workload and attacks mura, or unevenness, in the value stream.

**Start with the end in mind, the demand from the final Customer...** and then initiate "pull" at the last step (or close to it) in the value stream. This means that we don't produce to forecasts, but rather to actual Customer orders. The reverse of this is a "push" system where an employee has their backlog of work, they perform their tasks and then push it onto the next person. As long as they have their pile of work, they just keep doing their job, moving the stuff along, trying to do it right but not always knowing if it was... just move it downstream. In a "pull" system, we reserve a location downstream from their work area (using tape or a tray) that will hold only one item. Now the instruction is... "when this spot is empty, do another", ensuring that FIFO (First In First Out) is maintained. If the next item they work on is deficient, they set it aside and grab the next one. It's management's responsibility then to figure out why these errors occur and stop them from happening again, which will reduce variation (i.e. stress, waste) for the frontline workers.

**Once again, it's all about the "People"...** Visual signals (Kanban cards) are often introduced along the value stream as part of a "pull" system, and you will find that this technique will replace the need for a computerized scheduling system (MRP). In this approach, flow problems quickly surface and have to be solved. Without implementing "pull" techniques, you'll have simply built a river that flows value quickly from one spot to the next but at an unknown speed. This is where you use Takt time to guide you (see our Newsletter Feb/2006 Issue 1, Q&A).

**PS: Real life examples...** Last week while attending a conference it became painfully clear that simply cranking out content rich material covering a wide range of concepts... just creates a blur of information, and doesn't help people apply it in their world. I realized of course that was exactly what I was doing by presenting a number of Lean principles in a brief amount of space in these "Removing Waste" Newsletters. Going forward, I will give real live examples and then comment on the Lean Principles being demonstrated. I'll focus on office processes and services (every company has them), since it's harder to understand why Lean is having an even bigger impact here, and how organizations are doing it.

## **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](http://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](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: What's the best way to get our people to use Lean techniques?**

**A:** By answering the question that's flashing across everyone's forehead - WIFM? (What's in it for me?). People are not machines, we need to work with them, not against them. They are the experts in their world (in the office or in the plant), and we need to begin by believing that fact by asking for (and respecting) their ideas. They will understand why Lean is important if you explain that you need it to compete for Customer Orders, that they will not lose their job because of using Lean and that they will find the work easier, not harder. Leadership, trust and dialogue... and you can work on all three by getting your hands dirty working alongside your frontline workers as part of an improvement event (kaizen). Actions speak much louder than words, so when you get into the trenches with your people don't tell them how variation hurts performance, let them see it for themselves. Everyone wants to provide a high quality product or service and meet their daily targets. The key is to let them discover how the current system stops them from doing just that, then be prepared to fix it.

**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).