

The Seven Types of Waste...

- Transportation
- Inventory
- Motion
- Waiting
- Over production
- Over-processing
- Defects

Waste #1 Transportation #1

- Requires Equipment
- Increases Handling Damage
- Necessary...Must Minimize ...



Operations



Supply Chain



Office

Machines Next to Each Other...Transport Time Minimized

Waste #2 Inventory #2

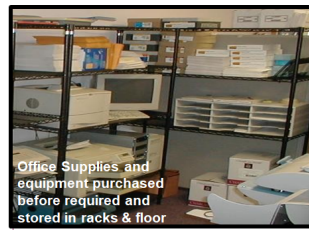
- Ties Up Working Capital
- Takes Valuable Space
- Risk of Obsolescence



Operations



Supply Chain



Office

Waste Asks For More Waste

Waste #3 Motion #3

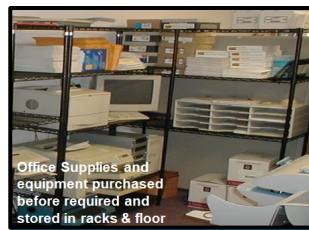
- Ergonomic Concerns
- Labor Efficiency
- Wasted Cycle Time



Operations



Supply Chain



Office

Treat Operators as Surgeons...Everything Within Reach

...

Waste #4 Waiting #4

- Increases Lead Time
- Increases Work in Process
- Slows Response to Customer



Operations



Supply Chain

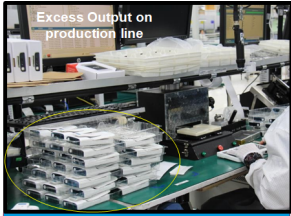


Office

When Inventory Waits Your Customer Waits

Waste #5 Over-Production #5

- Ties Up Working Capital
- Takes Up Floor Space
- Hides Process Problems



Operations



Supply Chain

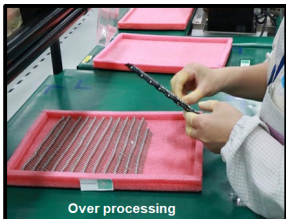


Office

Do Not Produce What the Customer Does Not Need

Waste # 6 Over Processing #6

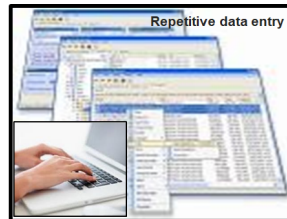
- Creates Delay
- Increased Opportunity for More Defects
- Doesn't Add Value By Definition



Operations



Supply Chain



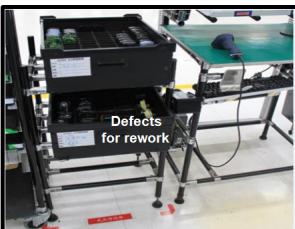
Office

Match Physical Movement With Systemic Transaction...Strive for 1:1 Ratio

1:1

Waste#7Defect #7

- Upsets Customers
- Consumes Resources
- Chokes Flow



Operations



Supply Chain



Office

Reworking Defects Is Wasteful...Sending Them to Customers is Outrageous

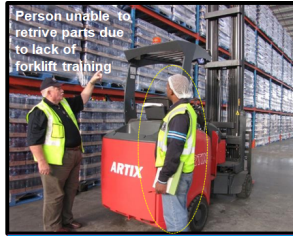
...

(7 Wastes) + 1 Waste – Skills (Unutilized Skills) 7+1-

- Unutilized resources of skill/knowledge from the shop floor worker /



Operations



Supply Chain



Office

Skills not Utilized



Waste Exists In Every Process...Eliminate It!

...!