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Neccessary Non-Value-Add

Sometimes, there is work that adds no Value to the Customer, but if it wasn't carried out, there could be issues.

An example might be; running Credit Checks on a Customer before agreeing a loan.

It's done to mitigate the risk of the loan not being paid, but doesn't add an actual Value to the Customer.



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Another way to look at it is...

- for every Customer who DID pay the loan back, the Credit Check was Waste

- for every Customer who WOULDN'T HAVE paid the loan back, it added Value

Therefore, we should keep Necessary Non-Value-Add to the minimum, and where we accept it, we should keep the cost and effort to a minimum.

(no point spending a million dollers to avoid a half-million-dollar risk!)

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