

# Service Industry Wastes Overview



## KEY LEARNINGS: SERVICE INDUSTRY WASTES OVERVIEW

### Understanding Waste in Service Industries:

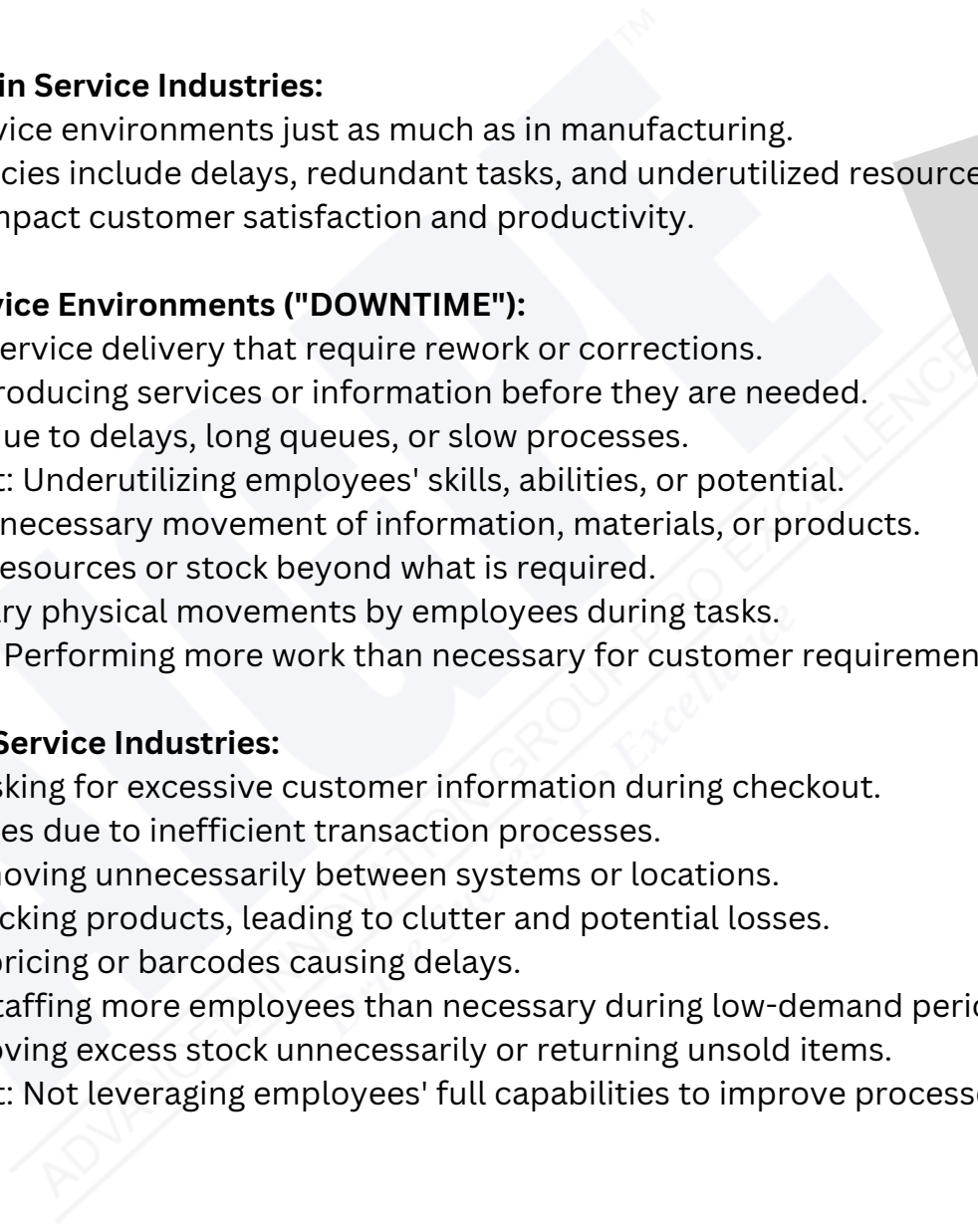
- Waste exists in service environments just as much as in manufacturing.
- Common inefficiencies include delays, redundant tasks, and underutilized resources, which negatively impact customer satisfaction and productivity.

### Types of Waste in Service Environments ("DOWNTIME"):

1. Defects: Errors in service delivery that require rework or corrections.
2. Overproduction: Producing services or information before they are needed.
3. Waiting: Idle time due to delays, long queues, or slow processes.
4. Non-Utilized Talent: Underutilizing employees' skills, abilities, or potential.
5. Transportation: Unnecessary movement of information, materials, or products.
6. Inventory: Excess resources or stock beyond what is required.
7. Motion: Unnecessary physical movements by employees during tasks.
8. Excess Processing: Performing more work than necessary for customer requirements.

### Examples of Waste in Service Industries:

- Overprocessing: Asking for excessive customer information during checkout.
- Waiting: Long queues due to inefficient transaction processes.
- Motion: Cashiers moving unnecessarily between systems or locations.
- Inventory: Overstocking products, leading to clutter and potential losses.
- Defects: Errors in pricing or barcodes causing delays.
- Overproduction: Staffing more employees than necessary during low-demand periods.
- Transportation: Moving excess stock unnecessarily or returning unsold items.
- Non-Utilized Talent: Not leveraging employees' full capabilities to improve processes.



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## KEY LEARNINGS: SERVICE INDUSTRY WASTES OVERVIEW

### Impact of Service Wastes:

- Frustrates customers, potentially driving them away.
- Reduces operational efficiency and increases costs.
- Hinders staff productivity and satisfaction.

### Practical Application:

- Be observant of waste in everyday service scenarios, such as coffee shops, retail stores, or banks.
- Understand how these inefficiencies affect both the customer experience and business outcomes.

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