

Lean Tool Information Sheet

What is ... Value Stream Mapping

Value Stream Mapping

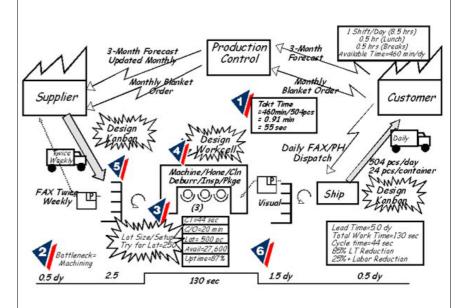
What is Value Stream Mapping and how will it help my workplace?

Vative Value Stream Mapping assesses your current or planned business' process steps and determines which processes add value to your product or service. Value Stream Mapping includes your incoming (suppliers) and outgoing (customers) steps. Once a current state map is established, project teams then plan a future state vision which drives action plans and goals.

Determines sources of waste (7 Wastes WODMITS) on a macro scale:

- ✓ Waiting
- ✓ Over Production / Over Processing
- ✓ Defects
- ✓ Motion
- ✓ Inventory
- Transport
- Space

Also considers environment resources and wasted human capital



Understanding your process is the key to improving it!

Key Points / Outcomes for Value Stream Mapping:

- ✓ Identifies areas for improvement which could help increase business efficiency
- ✓ Shows links between information and material flow
- ✓ Identifies areas requiring stock holding (buffers/supermarkets), determines trigger points and Change Over targets
- Points Determines process pace makers and Takt times

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Value Stream Mapping – Further Information

A good lean practitioner understands how to run an efficient business through a proper understanding of the entire business system. The first step to improving your business is to understand it! Value Stream Mapping (VSM) is generally the first tool used by a lean practitioner to understand the current state and identify areas for improvement.

The objective of lean is to eliminate waste, which is the use of resources in activities that don't result in added value to the customer. There are 7 categories of waste (WOODMITS):

- Waiting
- Overproducing / Over processing
- Defects
- Motion
- Inventory
- Transport
- Space

Value Stream Maps also consider environmental resource wastes (MACFEW).

A Value Stream Map is a snapshot of the process and must be done by walking the process path, otherwise incorrect assumptions can be made. The power of a Value Stream Map comes from its ability to capture many important details about the system itself. Unlike other flow charting techniques, a lean practitioner can capture:

- Both material flows and information flows
- Both consecutive and parallel process steps
- Cycle times
- Inventory levels
- Waiting times
- Travel distances
- Lead times
- Value-added & non-value added activities
- Change-over times
- Defect rates
- Process pace makers and TAKT times
- And many more details.

Creating a better "flow" is how to run an efficient business. Your business processes should be clean, uncluttered, clearly defined, error-free, with information and material travelling quickly and smoothly in one direction with little stops in inventory. During a process walk while developing a VSM, interruptions in flow will be identified, and these are likely to be sources of waste which can be eliminated. These observations are captured on the VSM as kaizen bursts.

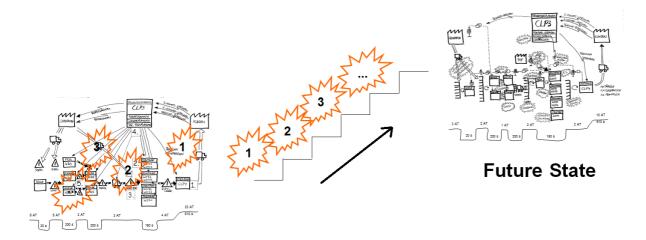
> Kaizen Burst Improvement Opportunity)



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When the VSM has been completed, and a list of kaizen opportunities is developed, the lean practitioner then re-designs the process and creates a Value Stream Design (VSD) which depicts the future state of the process, after all kaizen opportunities are implemented.



Current State

Without a proper plan, lean tools can be implemented sporadically. While fantastic projects might be achieved, you are at risk of developing "islands of excellence" - whilst material and/or information may flow quickly thorough these areas, it may grind to a halt waiting for the next process. The result can be a business that doesn't flow any better than before.

Now you know that how to run an efficient business is to first understand your current state, contact a Vative lean practitioner about developing a Value Stream Map (VSM) of your business system.