# Lean Quiz 1

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A company makes furniture for sale in retail stores. The company recently invested in some new equipment to increase speed and quality. The new system increased production to 90 pieces per day from the previous average of 70 per day while the defective items dropped from 8 per day to 2 per day. The company works 8 hours/per day. What was the rate of increase in productivity? Show detail of your work.

$$70 * \frac{70-8}{70} = 70 * .8857 = 62 \text{ high quality pieces per day on the old system}$$

$$90 * \frac{90-2}{90} = 90 * .9777 = 88 \text{ high quality pieces per day on the old system} \tag{1}$$

$$\frac{88-62}{62} = .4194 = 41.95\% \text{ increase in the rate of productivity}$$