2.4 Analyzing the Current Process

MBC 638

Data Analysis and Decision Making

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Process Improvement

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Process Improvement

Evaluate each step in the process:

Streamline → 1) **Customer value-add**: processes that touch the customer. Would the customer be willing to pay for it?

Minimize → 2) **Business value-add**: processes that are essential to the business (i.e., reduce financial risk; required by law; sales and marketing; invoicing).

Eliminate ⇒ 3) Non-value-add:

Waiting
Counting
Searching
Material handling
Transporting or moving
Inspecting and checking
Reviewing

Approving or signoffs

Logging information

Sorting work

Proofreading or checking

calculations Inventory Excess motion Defects

Overprocessing

Underutilized people (or

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Counting Proofreading or checking

Searching calculations
Material handling Inventory
Transporting or moving Excess motion

Inspecting and checking Defects

Reviewing Overprocessing

Approving or signoffs Underutilized people (or

misused resource)

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Proofreading or checking Counting

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Counting Proofreading

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Non-Value-Add

Seven primary forms of waste:

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- · Seven primary forms of waste:
 - T
 - 。 I
 - o M
 - o W
 - 。 **೧**
 - 。 **O**
 - 。 **D**

- Seven primary forms of waste:
 - Transportation
 - 。 I
 - **M**
 - **W**
 - 。 **O**
 - 。 **O**
 - **D**

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- Seven primary forms of waste:
 - $\circ \quad \textbf{T} ransportation$
 - Inventory
 - **M**
 - o W
 - 。 **O**
 - 。 **O**
 - **D**

- Seven primary forms of waste:
 - $\circ \quad \textbf{T} ransportation$
 - Inventory
 - Motion
 - **W**
 - o **O**
 - 。 **O**
 - **D**

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- Seven primary forms of waste:
 - Transportation
 - Inventory
 - Motion
 - Waiting
 - 。 **O**
 - 。 **O**
 - **D**

- Seven primary forms of waste:
 - Transportation
 - Inventory
 - Motion
 - Waiting
 - Overprocessing
 - 。 **O**
 - **D**

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- Seven primary forms of waste:
 - Transportation
 - Inventory
 - Motion
 - Waiting
 - Overprocessing
 - Overproduction
 - **D**

- Seven primary forms of waste:
 - Transportation
 - Inventory
 - Motion
 - Waiting
 - Overprocessing
 - Overproduction
 - Defects

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- Seven primary forms of waste:
 - Transportation
 - Inventory
 - Motion
 - Waiting
 - Overprocessing
 - Overproduction
 - Defects