

2.4 Analyzing the Current Process

MBC 638

Data Analysis and Decision Making

Process Improvement

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**:
- | | |
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| Waiting | Logging information |
| Counting | Sorting work |
| Searching | Proofreading or checking 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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Non-Value-Add

- Seven primary forms of waste:

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

Non-Value-Add

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

Non-Value-Add

- Seven primary forms of waste:
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 - Inventory
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 - O
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Non-Value-Add

- Seven primary forms of waste:
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 - **I**nventory
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 - **W**
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 - **O**
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Non-Value-Add

- Seven primary forms of waste:
 - **T**ransportation
 - **I**nventory
 - **M**otion
 - **W**aiting
 - **O**
 - **O**
 - **D**

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 - **O**verprocessing
 - **O**verproduction
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