Take a walk and lose the waste.

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Workshop Presenters

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Please ...

• Turn off cell phones.
• Avoid side conversations.
• Ask questions at any time.
• Sign the attendance roster.
• Complete the evaluation at the end of the workshop.
Workshop Objectives

• Learn how to identify waste in a process
• Understand value in a process
• Learn about the types of waste
• Group activity
Take a walk and lose the waste

How to identify process waste.
What is Waste?

Waste is...

Any activity which absorbs resources
(Time, people, equipment, space, steps, etc.)
but creates no value.
What is Value?

Value is...

• Defined by the ultimate customer
• Expressed in terms of a specific product (good or service)
Value Added Activity = VA

- Customer is willing to pay for it
- It is done right the first time
- Physically changes or alters the product or service
Identify Waste

Business Value Added Activity = BVA
- Allows the Value Added Activity to be done better
- Mandatory from a regulatory standpoint; required by law

Non-Value Added Activity = NVA
- Waste
WASTE

WORMPIIT:

- Waiting
- Overproduction
- Rework
- Motion
- Over-processing
- Intellect
- Inventory
- Transport
Waiting

• Periods of inactivity.
• Examples:
  – Waiting on approvals for purchase orders.
  – Waiting for meetings to discuss an issue.
Overproduction

- Production ahead of demand.
- Duplication of effort.
- Examples:
  - Providing more data than requested.
  - Extra features added to software.
  - Multiple project teams attempting to resolve same issue.
  - Producing unnecessary work or deliverables
Rework

• Defects
• Revise, adjust, change product or service due to defects.
• Examples:
  – Data and/or code defects.
  – Incorrect routing of service desk tickets.
  – Incorrect, insufficient, or conflicting information,
  – Misnamed files
  – Lost information
Motion

• Movement of People
• Extra steps by people to perform work without adding any additional value.
• Examples:
  – Looking for files, emails, documents
Over-Processing

Extra effort that adds no additional value.

Examples:
- Submitting multiple orders for the same product.
- Revisiting decisions
Inventory

• More materials, information, or products on hand than the customer needs now.
• Work not yet deployed.
• Examples:
  – Excess supplies in store room.
  – Non-deployed software patches.
  – To-do lists
Intellect

- **Talent**
- **Act of not using resources to their maximum potential.**
- **Unused skills**
- **Examples:**
  - Skilled analysts doing routine paperwork.
  - Developers gathering business requirements.
Transportation

• **Movement of materials, information, etc.**

• **Examples:**
  – Poor layout, large distance between operations
  – Handoffs where work is transferred from person to person
Waste in the Office

YOU'RE WATERING A PLASTIC PLANT.

WHY?

FUNNY STORY.

YOUR BOSS REPLACED THE LIVE PLANTS WITH PLASTIC ONES TO SAVE MONEY.

MY COMPANY HAS THE CONTRACT TO WATER YOUR OFFICE PLANTS.

NO ONE EVER CANCELLED OUR CONTRACT.

NOW MY CAREER IS LESS IMPORTANT THAN A GNAT'S TOOT IN A HURRICANE.

BUT IT'S STILL WAY BETTER THAN SITTING IN A FABRIC-COVERED BOX ALL DAY.

I NEED TO STOP TALKING TO PEOPLE.
Lean Simulation

Introduction to the Paper Boat Company...
Gemba
“The Real Place”

- Where the work happens
- Where the value for the customer is created

When going to the ‘Gemba’
- Spontaneous visits to the site of the process, will enable your team to see first hand the problems
- There shouldn’t be a warning to the visit
- Must not be judgmental when visiting the Gemba
Lean Tools & Concepts: Waste Walk

- **Definition**: when a team walks the work area and looks for wastes in a structured way.
- Identifies wastes by the different types.
- Often uses a waste checklist.
- A waste walk can help you to identify a solution...
- *But remember, waste is a symptom, not a cause.*

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Lean Simulation

Improve the Paper Boat Building Company by utilizing lean tools
Workshop Summary

• **Waste vs Value Lean Thinking**
  - Work (Time) = VA + BVA + NVA
  - **Maximize** the Value Added Activities
  - **Minimize** the Business Value Added Activities
  - **Eliminate** the Non-Value Added Activities

• **Forms of Waste**
  - Waiting
  - Overproduction
  - Rework
  - Motion
  - Processing
  - Inventory
  - Intellect
  - Transportation

• **How to conduct a waste walk**
Questions / Concerns?
BPI Shared Services

Business Process Improvement (BPI) Shared Services
University of Illinois System, Office of the CIO

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