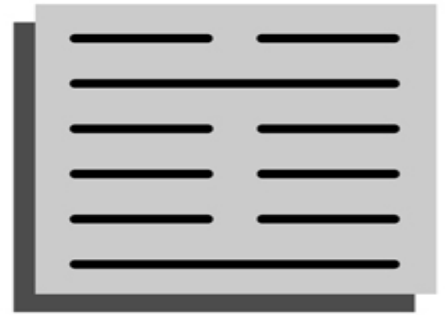


Change Management Associates



June 2013

Featured Topic



It's More Than Just Finding Waste The Key to Successful Value Stream Mapping

Dear Drew,

During recent months I had opportunities to review several value stream maps created by others, and to discuss this important subject with several lean practitioners. I encountered several concerns that are the subject of this month's newsletter. First a review of value stream mapping, the assessment and planning tool of lean practitioners.

Value Stream Mapping (VSM) is a tool that can be used to significantly redesign systems, even complex systems such as product development. When used properly it can provide a vision for a new system - information, service or production - that can provide breakthrough results in performance. In Toyota terminology this is referred to as 'kaikaku' or radical improvement of a value stream. The term 'kaizen' typically refers to incremental change of a system or process within. VSM is effective at not just understanding how work currently flows, but in developing a common vision, a future state, based on the key concepts of lean which include flow, pull, leveling, takt time, management timeframe or 'pitch', as well as well targeted waste reduction. Approximately 50% of the maps I am asked to review are just current states with no true future states. Most often it is a current state map with kaizen bursts applied numbering in the dozens. These kaizen bursts are transferred to a list that is then prioritized by some means. Names and dates are assigned and the value stream mapping 'event' comes to a close with implementation occurring over the ensuing months. This approach is akin to a 'waste war', which is what too many lean efforts embody. Simply addressing the myriad waste does not necessarily improve flow, customer service and system performance in significant ways. When I

Upcoming Events



CMA and our network affiliates have the following events scheduled:

AME Events:

**IEC Electronics
Newark NY
July 11, 2013**

IEC is an AME Excellence Award winner. They have successfully applied OpEX concepts throughout its 'job shop' operation that has been organized by value streams. Go to the [AME website](#) for more information.

**5S Organizing the Workplace
to Work for You
Concordville PA
August 8, 2013**

Hosted by Southco. The morning tour & presentation will focus on 5S and visual management. A 1/2 day workshop on the subject will be provided in the afternoon. [Click here](#) for more information.

ask questions such as how flow will be improved to meet market needs, and if capacity will be in-line with expected future demand, the response is equivalent to a puzzled look. Modest projected improvements in lead time and process time are often pointed to as a reply.

What people are failing to apply are the future state questions, which are provided in the three preeminent references on the subject; 'Learning to See' (for manufacturing), 'The Complete Lean Enterprise' (for office & service), and 'Value Stream Mapping for Lean Development' (for development systems). In each book there is a set of prescriptive questions that embody lean thinking as it is applied to these three primary value streams. The first question is some form of 'What does the customer really need?' It is a multipart question that defines future demand rate or rates (takt times), the lead time or service level, and the quality performance that the new system is expected to deliver. In other words the responses to the first question (questions really) become the key design parameters upon which the future state must be designed. And certainly the future state must be aligned with the direction established by senior leadership, which should have been defined before the VSM event began.

Asking and answering this question also results in a different mindset to the re-design process. Instead of a 'war on waste', it becomes a focused effort to determine how best to meet the objectives and 'target conditions' that have been clearly defined. Do not underestimate the effect that this will have on VSM team members as they move from "we'll do as good as we can" to "here's the 'bar', now let's go meet or exceed it".

The subsequent future state questions involve how to apply continuous flow, pull, leveling, 'pitch', and yes waste, but only if it is a significant obstacle to the defined objectives. No need to discuss wastes that consume a few minute of people's time if the objective is to reduce process time by 40% from a total of 20 hours. More significant ideas for change must be identified and considered. The result is usually a much shorter list of improvement efforts, each with clear expectations of how they will help meet the defined objectives. Their proper application will fundamentally change the way in which work is performed, how it flows and is managed.

Further since the future state questions embody lean thinking, they also help teach these concepts to VSM team members, and to gain a deeper understanding of their application. In this way, people who have participated in a value stream mapping event will be better able to recognize their application to other processes and value streams.

I ask you to reflect on the approach that you and your organization take to value stream mapping. Is it more of a 'waste war', or is it a well directed, thoughtful application of all of the key lean concepts? Are you achieving the significant results your organization needs to succeed? Would a different approach provide more substantial results?

Best Regards

Drew Locher

Managing Director, Change Management Associates

Lean Enterprise Institute Workshops

Minneapolis, MN
September 17-19, 2013
Lean Office workshop, Problem Solving, Leader Standard Work and other workshops will be offered. [Click here](#) for more information.

Be sure to check out our publications!

"Lean Office & Services
Simplified"
(2012 Shingo Prize recipient)

"The Complete Lean
Enterprise"
(2005 Shingo Prize recipient)
VSM for Administrative & Office
Processes

"Value Stream Mapping for
Lean Development"

NEW!! "Unleashing the
Power of 3P: The Key to
Breakthrough Improvement"

Books are available at
www.productivitypress.com

Go
to www.cma4results.com
Click on "Newsletters" to
find past
newsletters. Recent
newsletters are:

"Improvement Kata Speaking
Helps Improvement Kata
Thinking"

AME 5S Workshop August 8, 2013, Concordville PA

Is your 5S program focused more on appearance than functionality? Have associates in your organization resisted this foundation concept of Lean? Struggling to apply 5S to non-production areas? Having difficulties sustaining your workplace organization? If you answered yes to any of these questions, you should consider attending this AME regional event.

Most organizations are just scratching the surface of the subject. 5S is a deep concept that can be used to trigger improvement in the existing management system. Further the approach that is taken will determine the level of acceptance by the organization. Southco hosts the event and will share its deep understanding of the topic during the morning tour and presentation drawing on over 10 years of experience. An afternoon workshop will be provided that will also cover the application of 5S to office environments including electronic media. [Click here](#) for more information.



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Slideshare available on website.

"We Don't Make Widgets - Lean for Job Shops"

Takt time, pull systems,
cellular/flow and more - all applied
to low volume/high mix
organizations is covered

"Finding the Scientist in You: Real Learning Comes in the Journey"

"Help Wanted: Using Visual Management to Drive CI"

"Debunking a Myth about Lean Office"

"Because I Said So"
Managing by Objective (MBO)
versus Striving for Target
Condition

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Drew Locher
Change Management Associates
856-235-8051
www.cma4results.com