

Lean 101

Introduction to Lean and Value Stream Mapping

Presented by

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Why are we here today?

- Introduce the NEW Lean capabilities in iGrafx 2005

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 - Value Stream Maps
 - SIPOC Diagrams

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improvement never ends

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- Introduce the NEW Lean capabilities in iGrafx 2005
 - Lean Practitioners now can easily create, share and manage
 - Value Stream Maps
 - SIPOC Diagrams
- Introduce a NEW Partner
- Provide Valuable Education on Lean Fundamentals and Value Stream Mapping

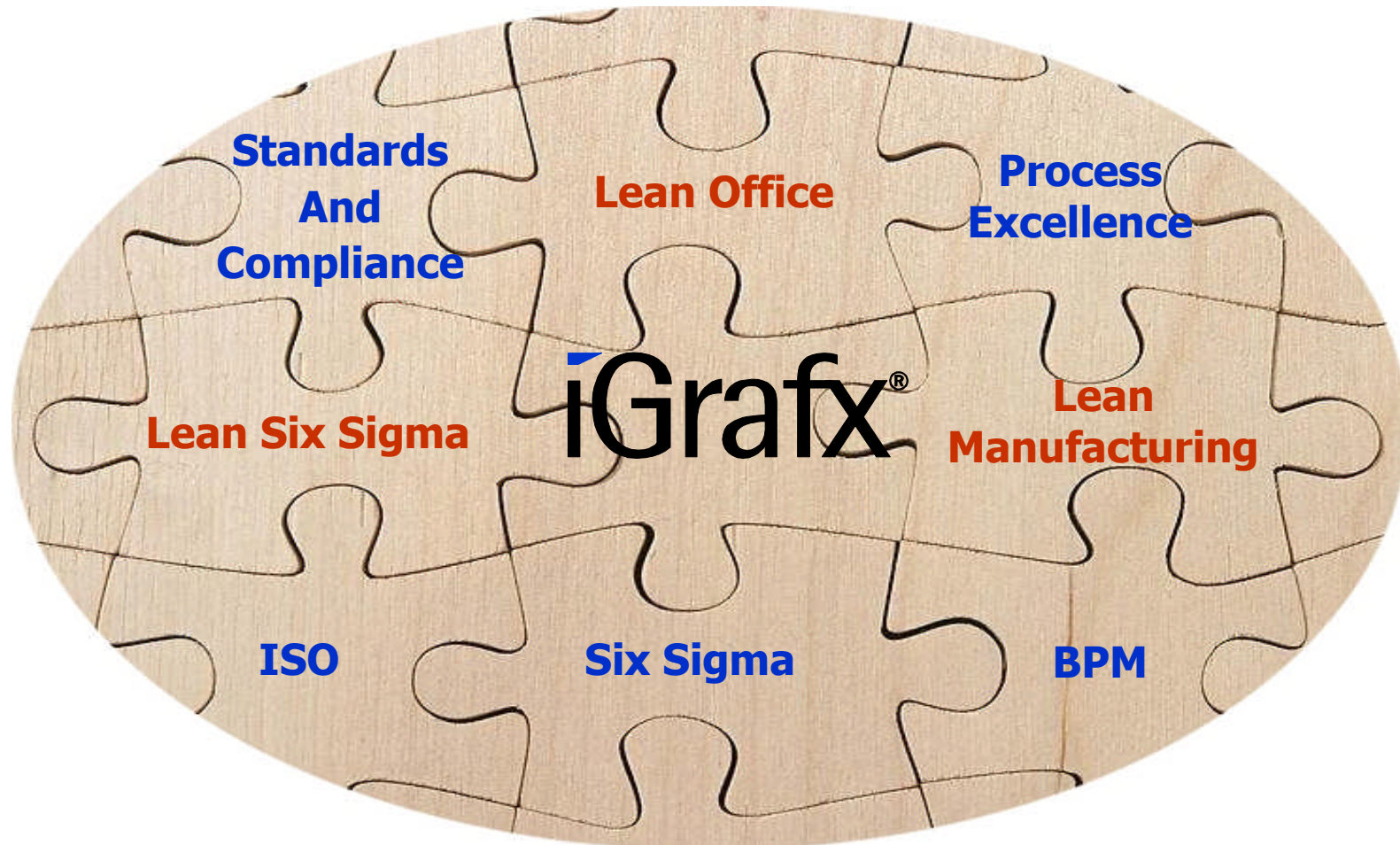
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iGrafx Solutions Today



Introduction to Gemba Research

- Lean Enterprise consulting firm established in 1998
- Gemba founders studied with Japanese kaizen masters from the Toyota Group for 10 years
- Gemba assists Lean implementation through training, consulting, study missions to Japan, and educational materials
- Gemba is headquartered in Mukilteo, Washington.
- Gemba also has operations in the following locations:
 - Portland, OR, Washington, D.C., Sao Paulo, Brazil, and Santiago, Chile.

Presentation Topics

- The Fundamentals of Lean
- What is a Value Stream Map (VSM)
- Electronic Value Stream Mapping

What is Lean?

Continuously improving towards the *ideal* through the relentless reduction of *Muda* (waste).

What is “Ideal”

Building a safe, profitable, enjoyable and sustainable enterprise

- Deliver exactly what the customer requests
 - One at a time
 - On demand
 - Free of defects
- Respond immediately to problems
- Increase value by focusing on reducing waste

Lean & Lead-time Reduction

“One of the most noteworthy accomplishments in keeping the price of (our) products low is the gradual shortening of the production cycle. The longer an article is in the process of manufacture and the more it is moved about, the greater is its ultimate cost.”

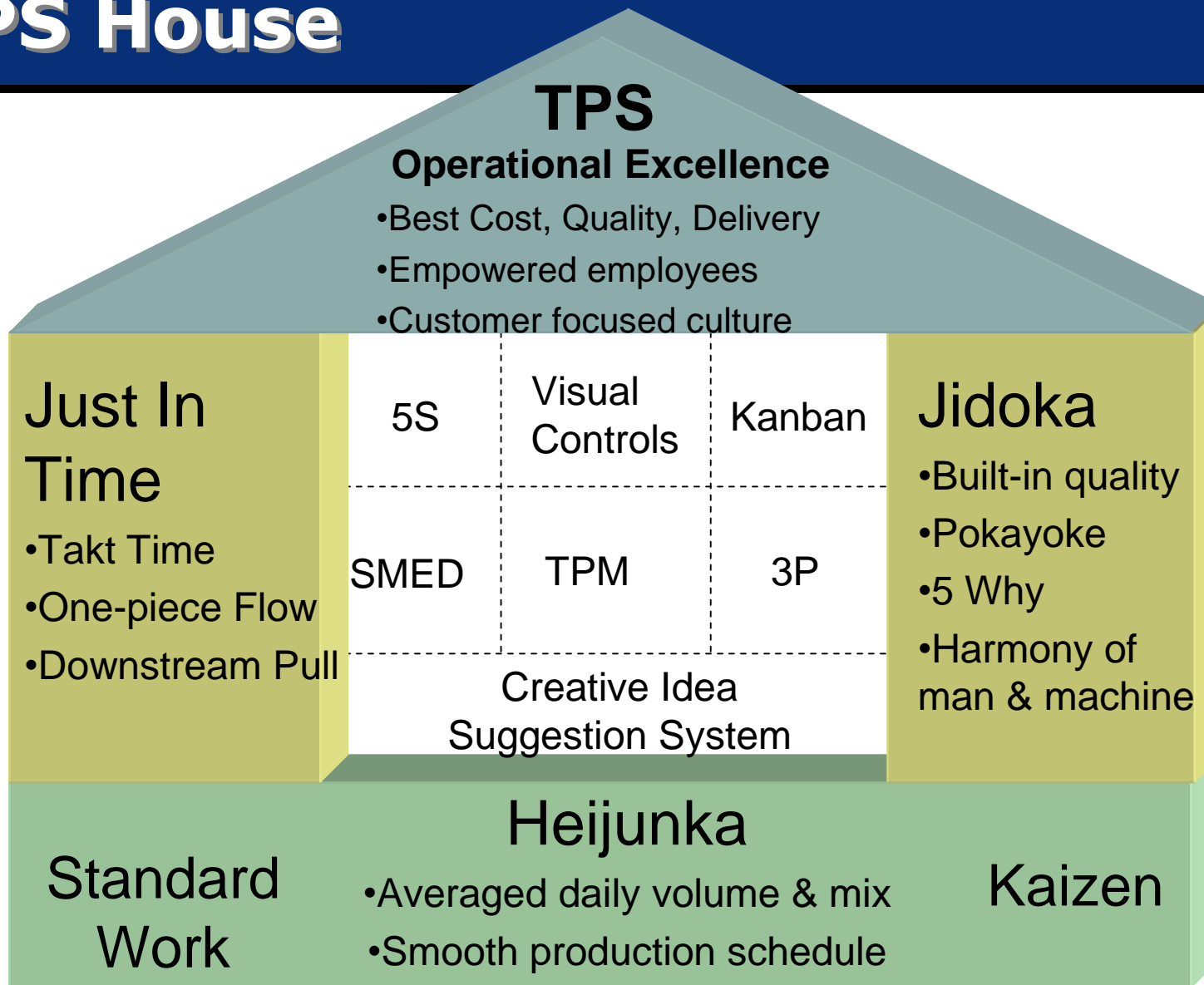
Henry Ford
1926



History of Lean

- Lean was Born in the U.S.A.
 - Time & Motion Studies (1900s)
 - Ford production system established (1913)
- Lean was first practiced in Japan
 - Dr. Deming's management system is studied (1950s)
 - Toyota Production System (revealed in 1973)
- Lean has spread world-wide
 - World-class Lean performers develop in the U.S.A. (1990s)
 - *Learning to See* introduces Value Stream Mapping to the world
 - Lean increasingly integrated into corporate strategies

TPS House



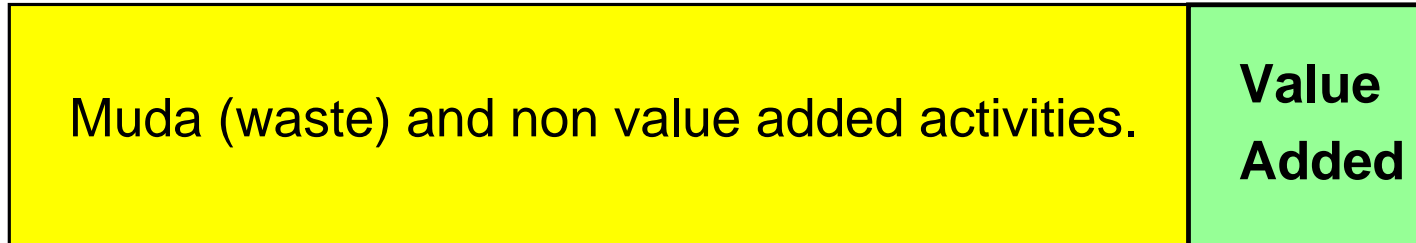
The Lean Journey

“The real voyage of discovery consists not in making new landscapes but in having new eyes.”

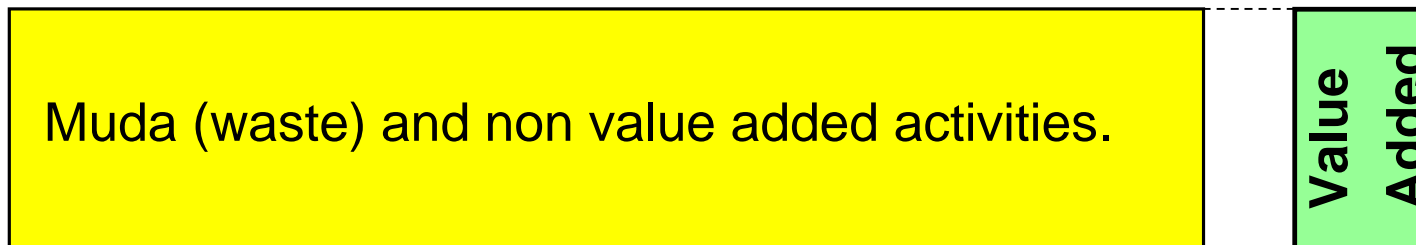
– Marcel Proust (1871-1922), Novelist

Value Stream Focus & Lead-times

Total lead-time through Value Stream →

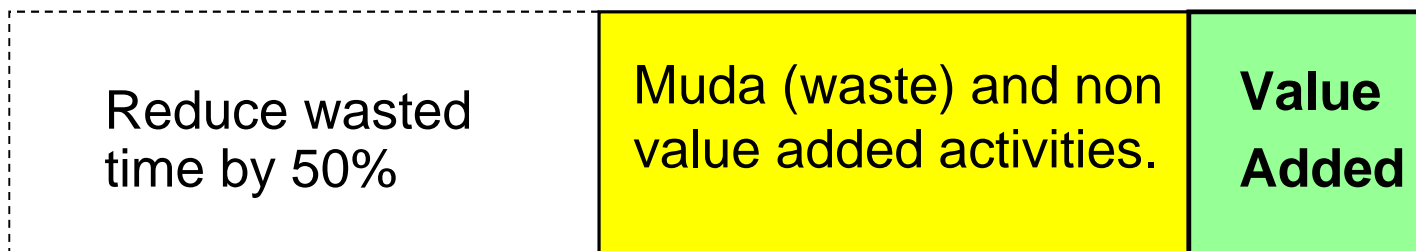


Traditional improvement focus

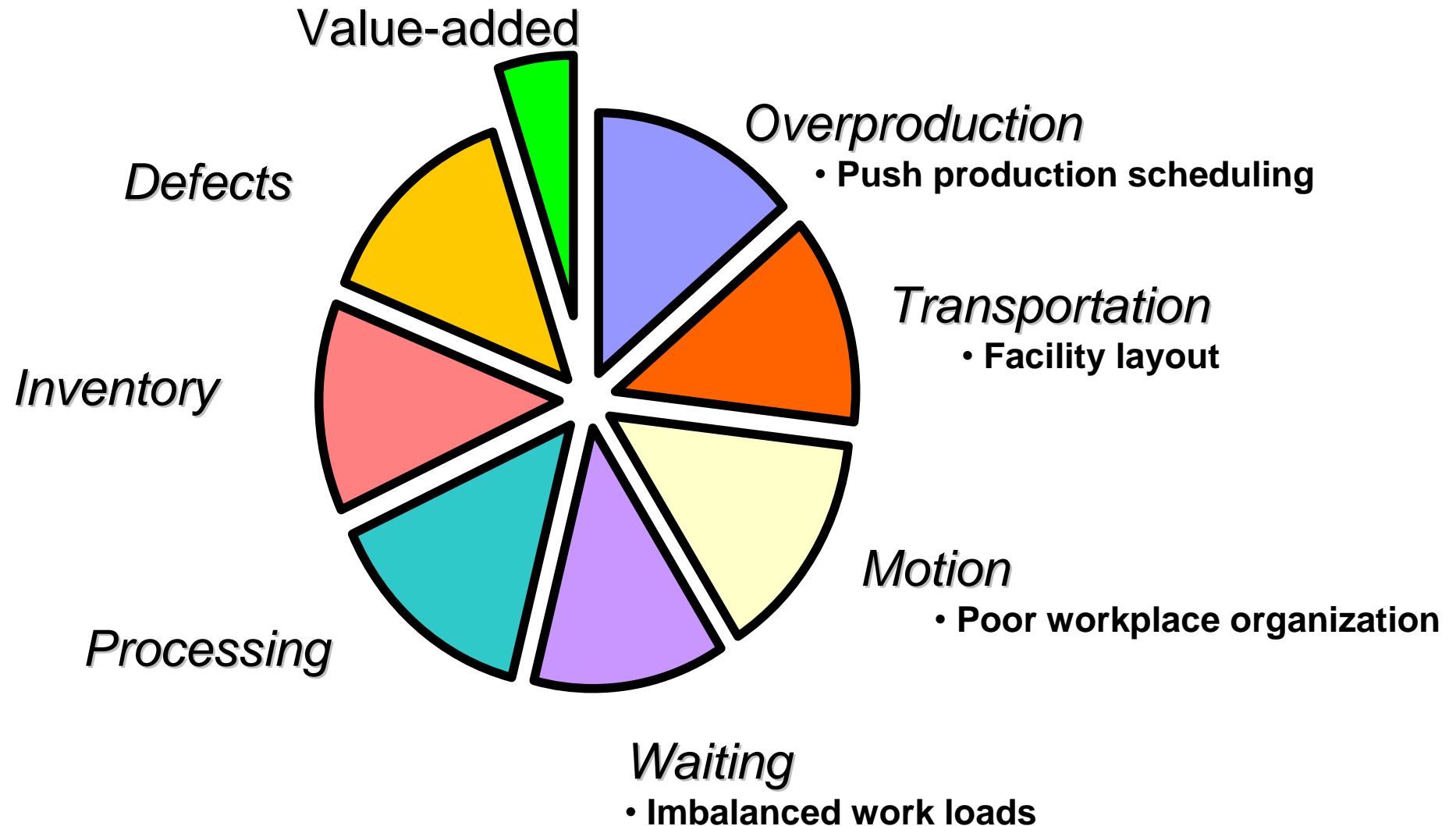


Make value added work twice as fast

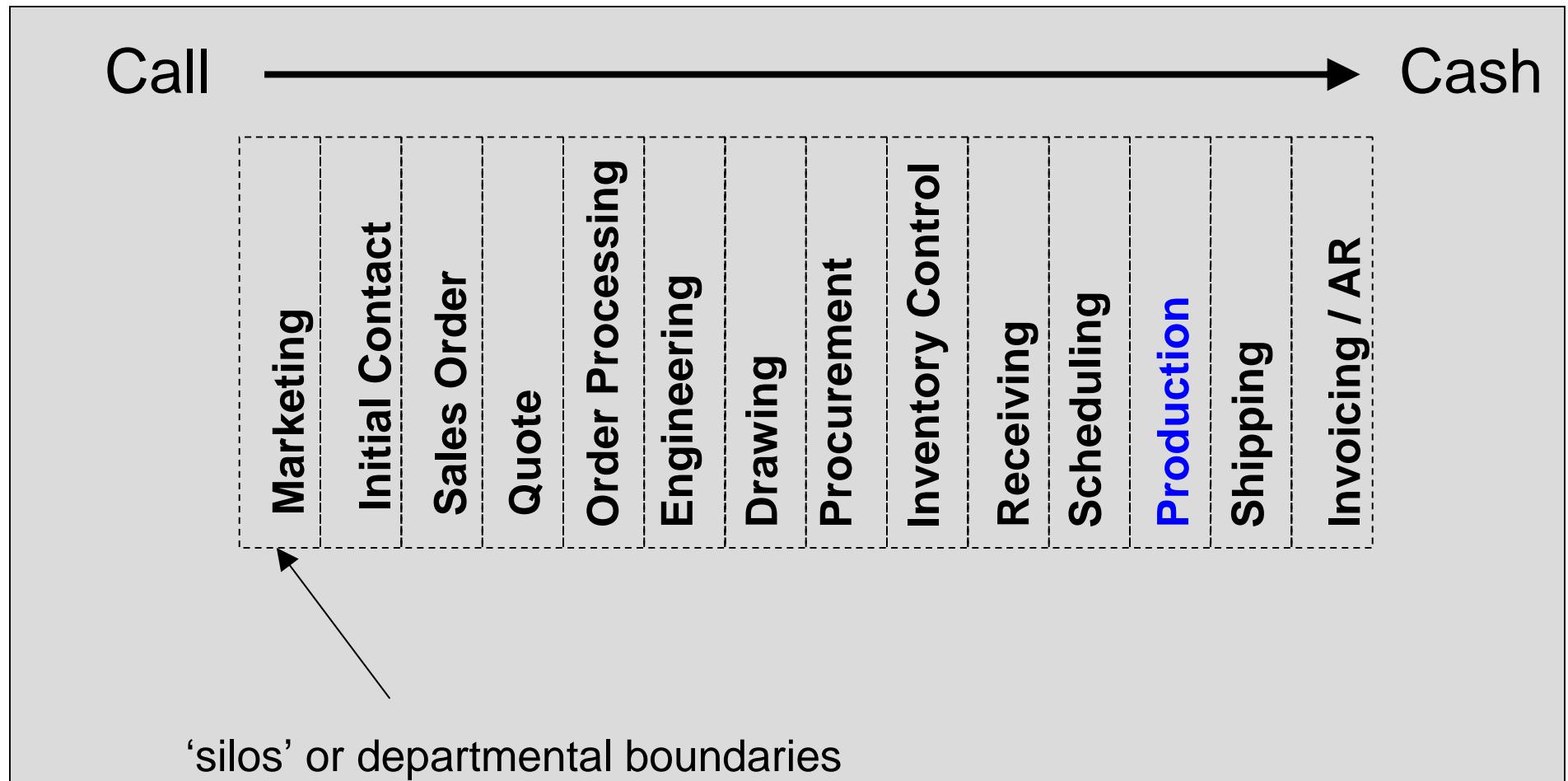
Waste elimination focus



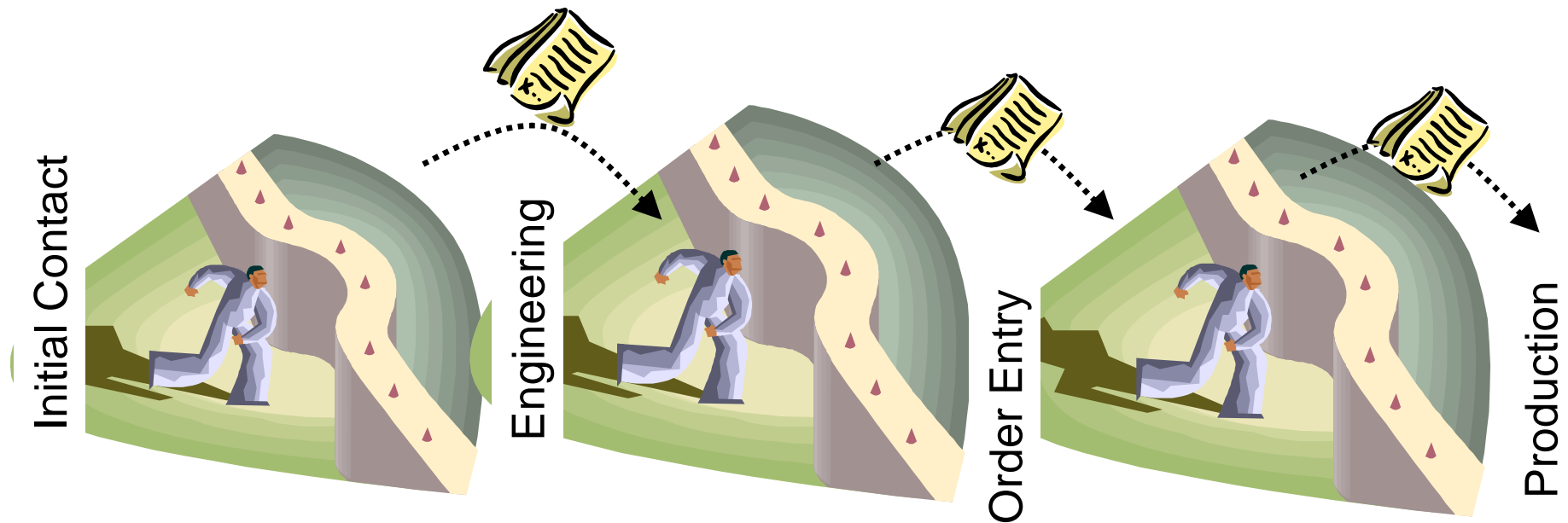
The 7 Wastes of Production



Taking a Value Stream View

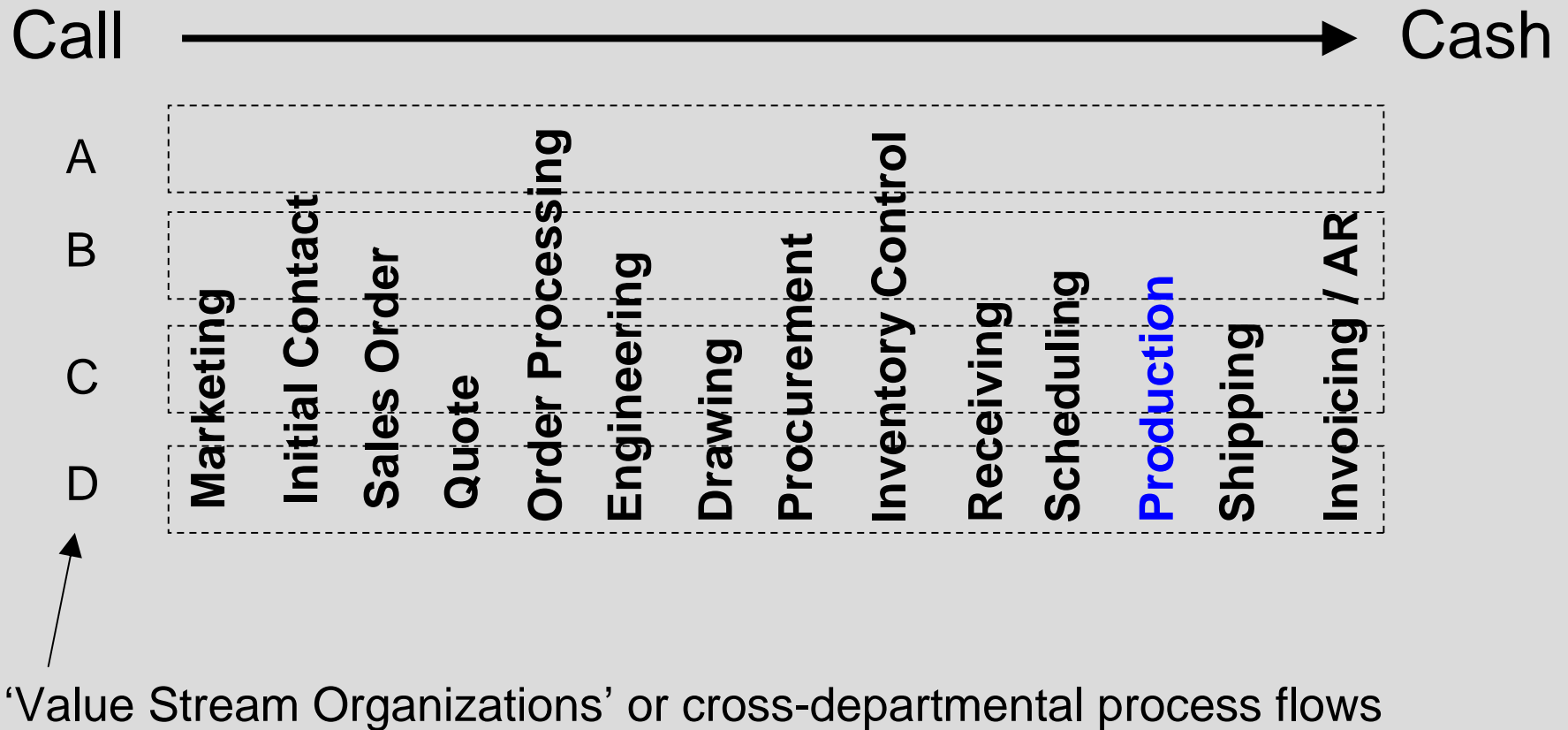


Functional Departments

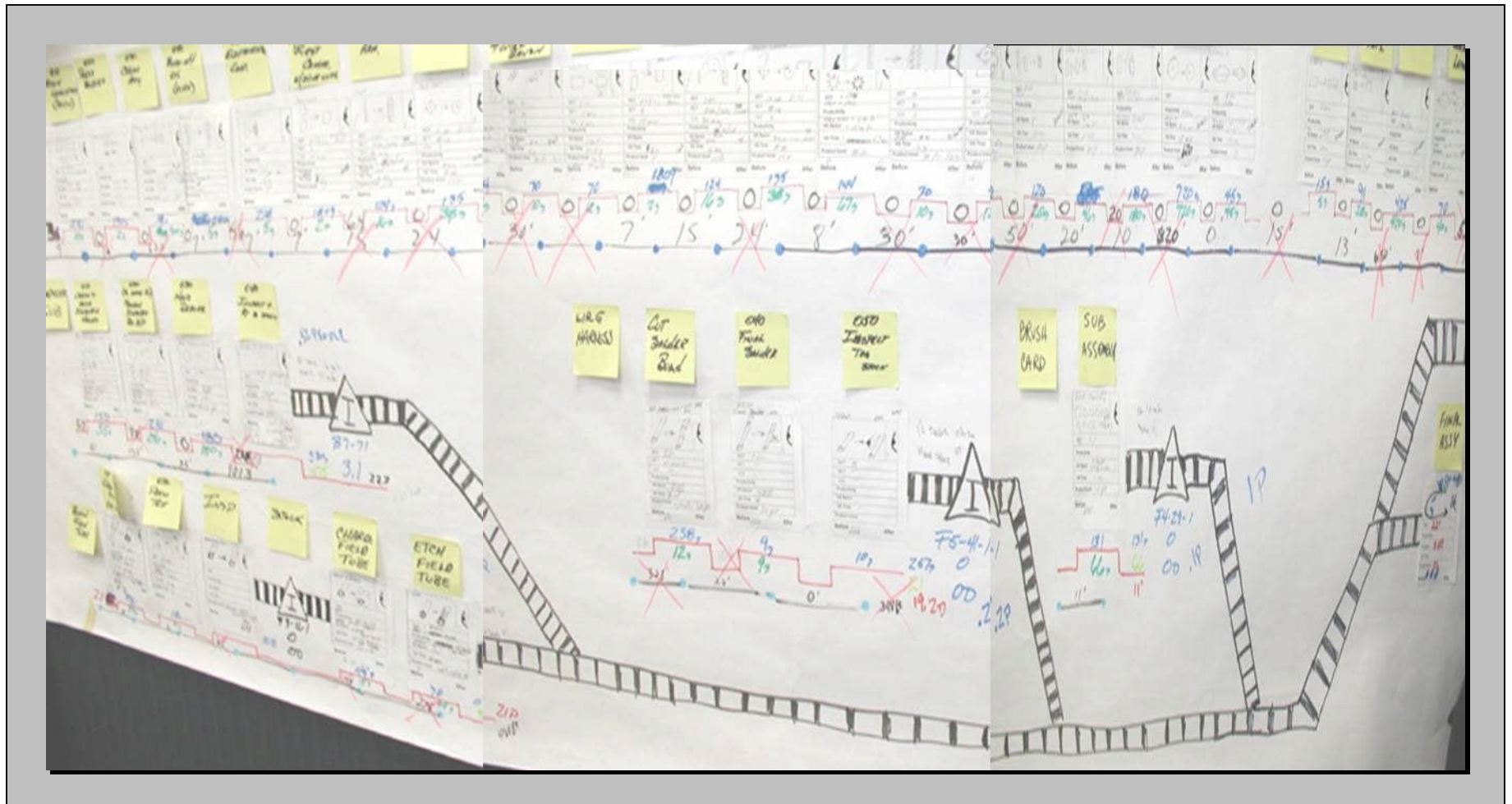


- Functional departments work independently
- Little inter-departmental communication
- Work sits in queue
- Information is batch processed

How to be a "Flow Thinker"



Start the Journey with a Map

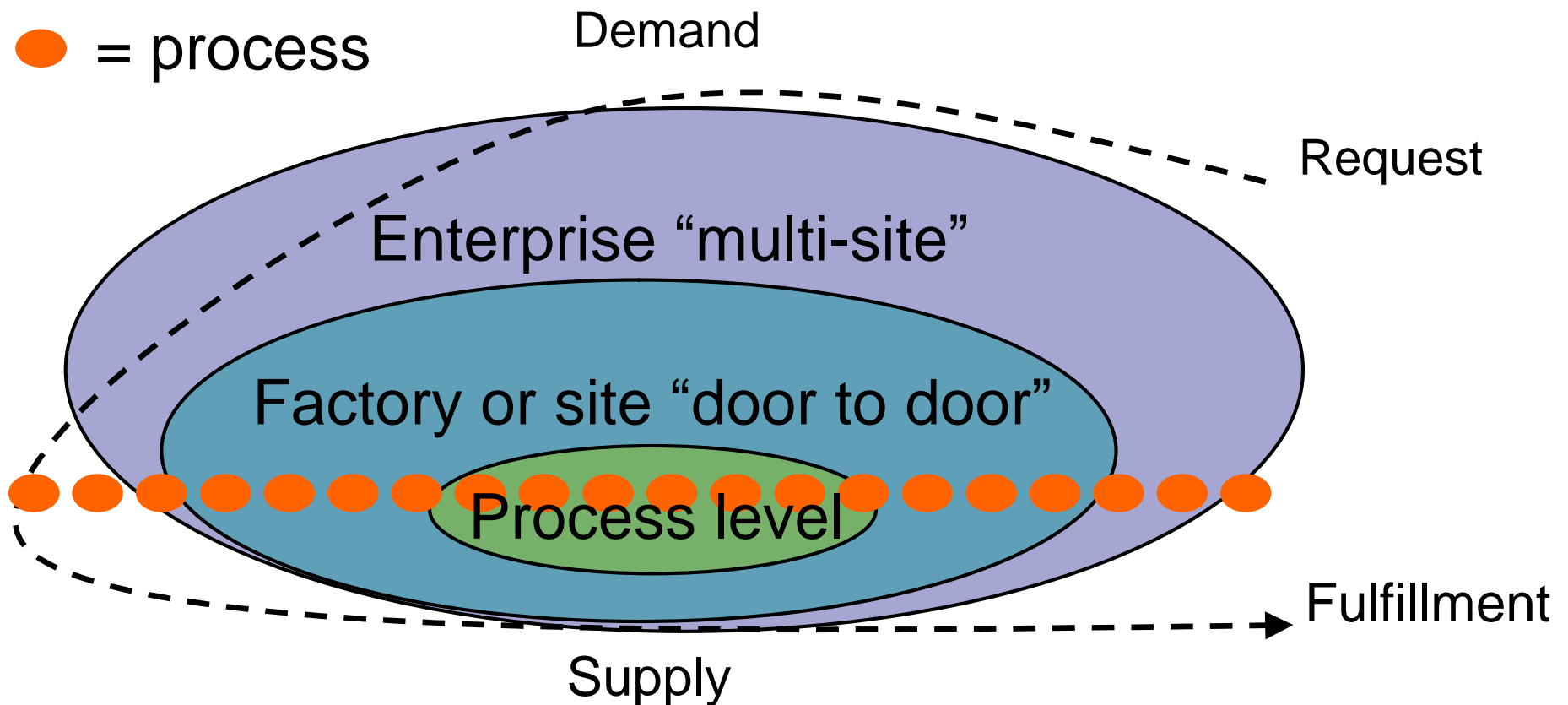


Value Stream Mapping Definitions

- A **Value Stream** is the flow of all of the activity, value added and otherwise, needed to fulfill a request.
- **Value Stream Maps** are drawings that makes the flow of material and information visible.
- **Value Stream Mapping** (VSM) is the name used to describe the activity of creating these drawings.
- **Current State Maps** describe the process as it is today.
- **Future State Maps** describe the ideal state based on applying Lean principles.

The Levels of Mapping

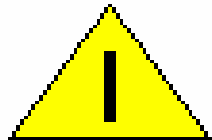
Value Stream Mapping (VSM) can be used any time there is a request for a good or a service.



VSM Team Activity

1. Understand executive level strategic need for flow
2. ***Identify primary Value Streams***
3. ***Draw Current State Map***
4. ***Draw Future State Map***
5. *Create detailed implementation plans*
6. Appoint Value Stream Managers to implement
7. Communicate learning to entire organization
8. Map all Value Streams, and repeat steps 3 to 7

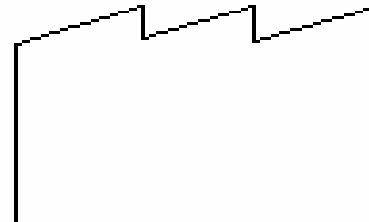
Value Stream Mapping Symbols



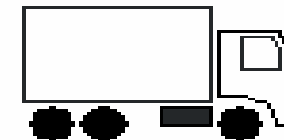
Inventory



Queue



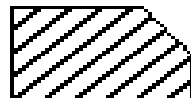
Customer or Supplier



Truck



Operator



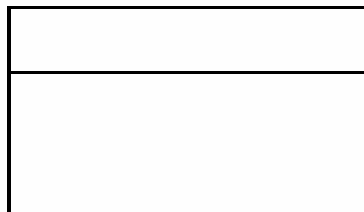
Withdrawal Kanban



Production Kanban



Signal Kanban



Process



FIFO (First In First Out) Lane

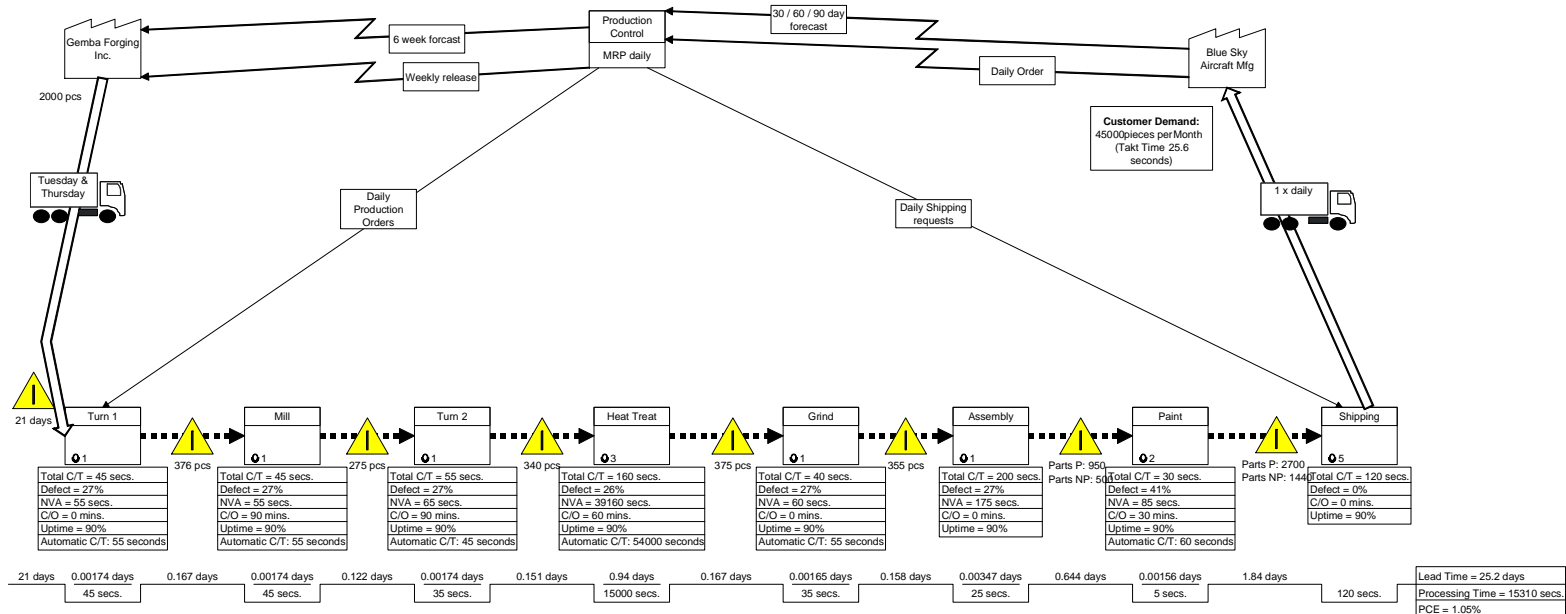


Kaizen Burst

Current State Map

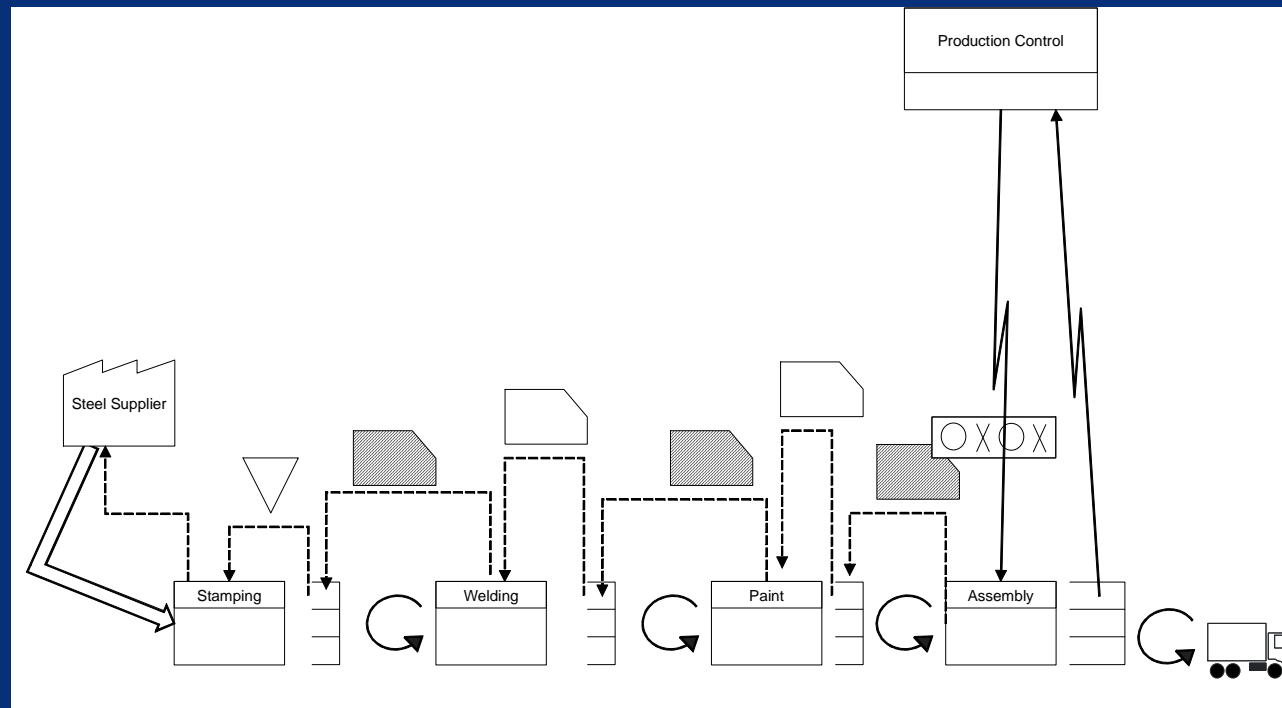
The Current State Map represents the “as is” condition of the Value Stream.

- Start with the customer (request)
- Define the data boxes (processes)
- Draw material flow (push, pull)
- Draw information flow (triggers)

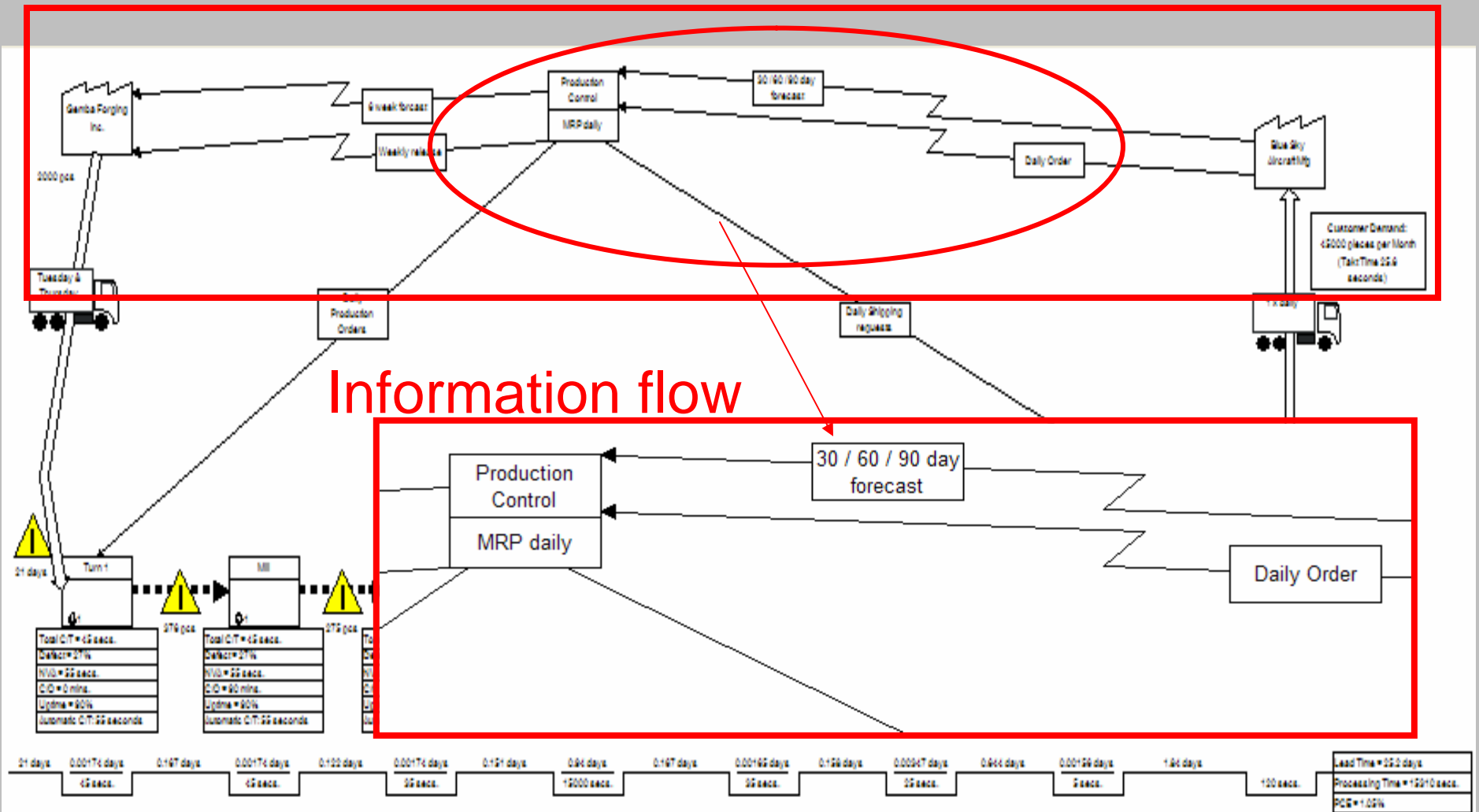


Future State Maps

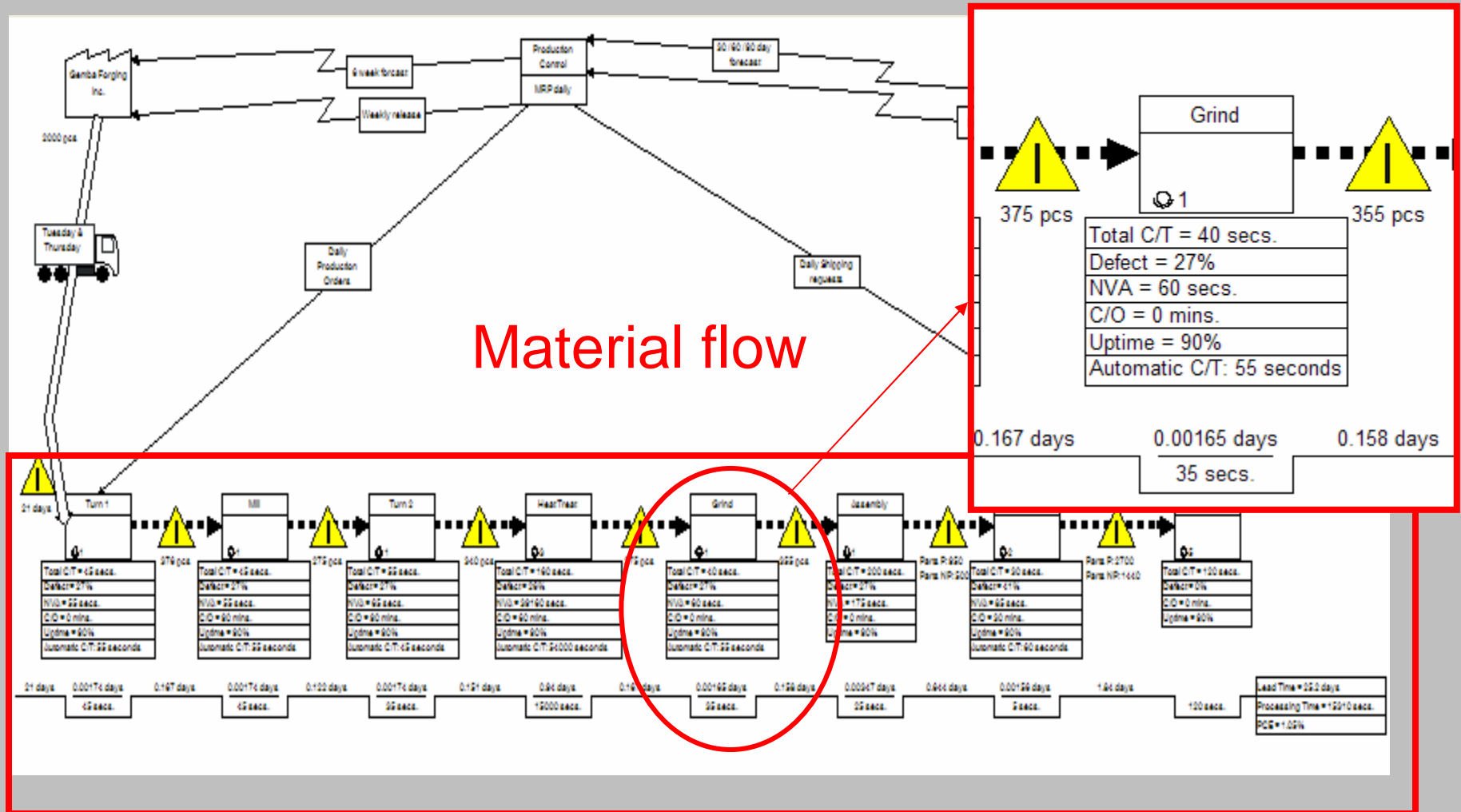
The Future State Map represents the “ideal” condition which will be achieved in 2 to 3 months.



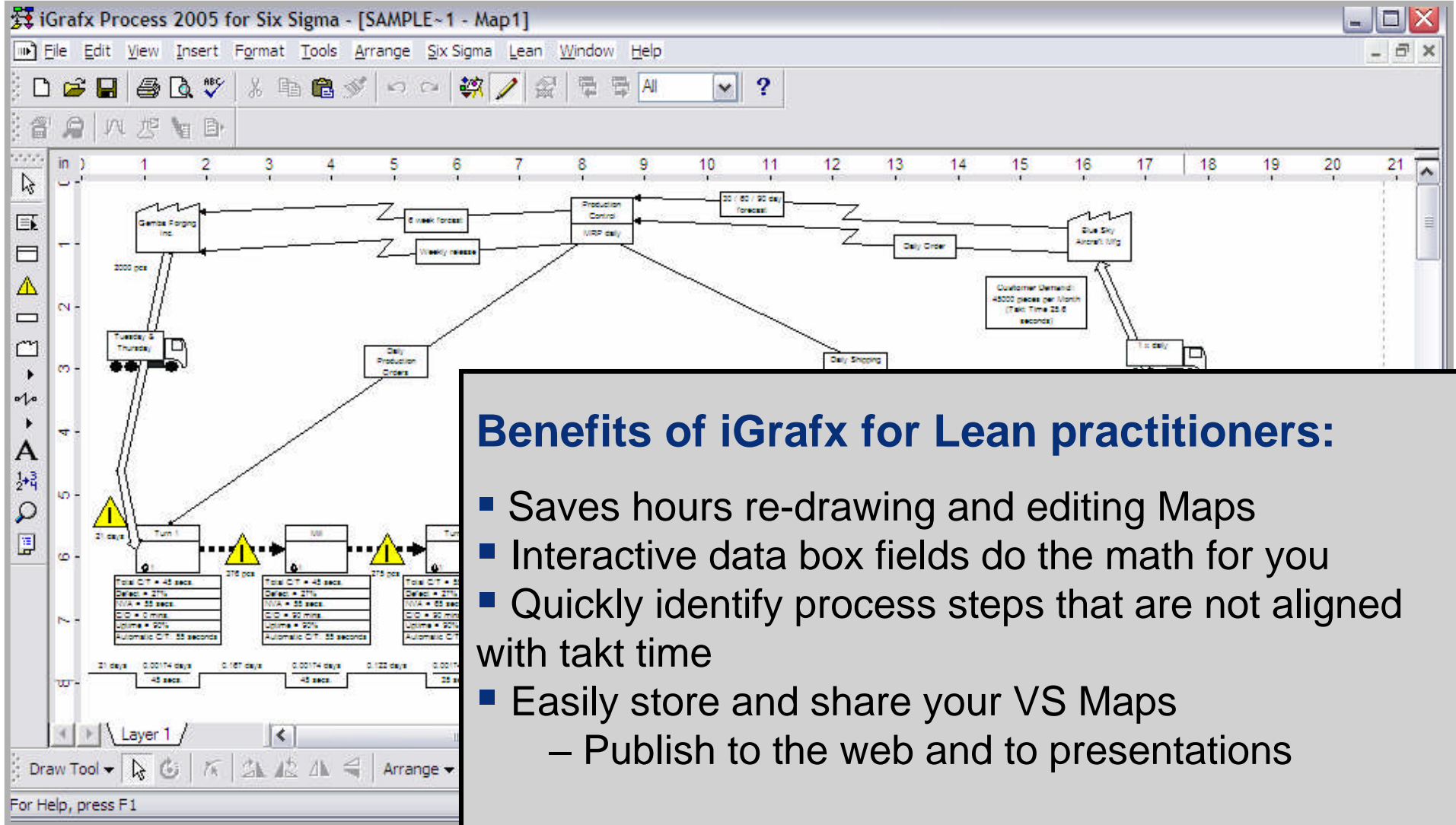
Electronic Value Stream Map



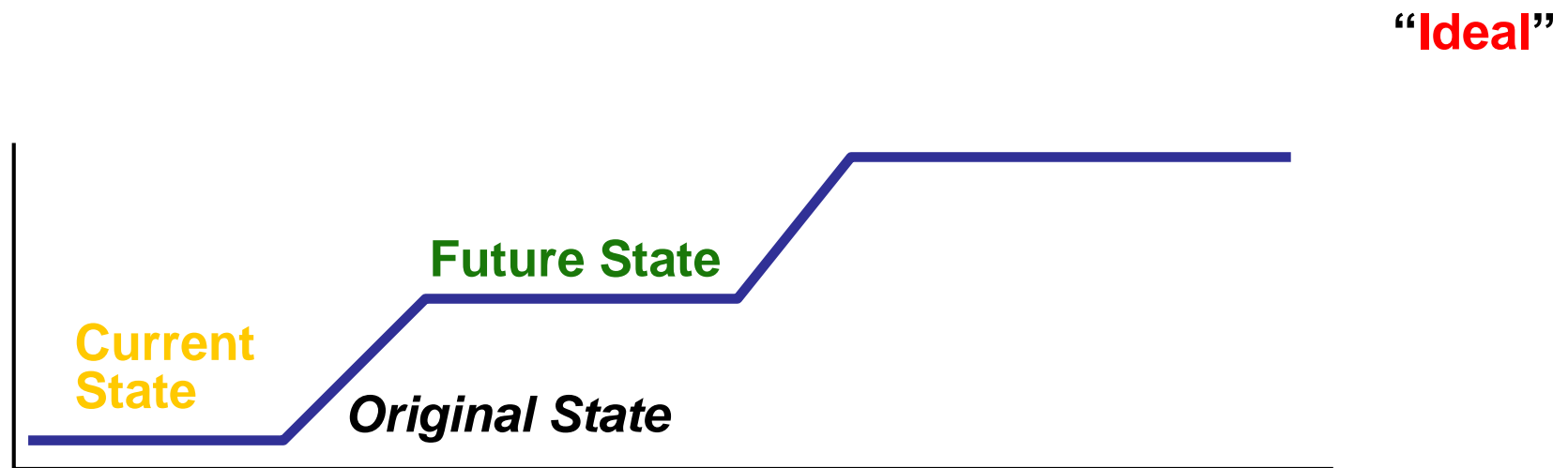
Electronic Value Stream Map



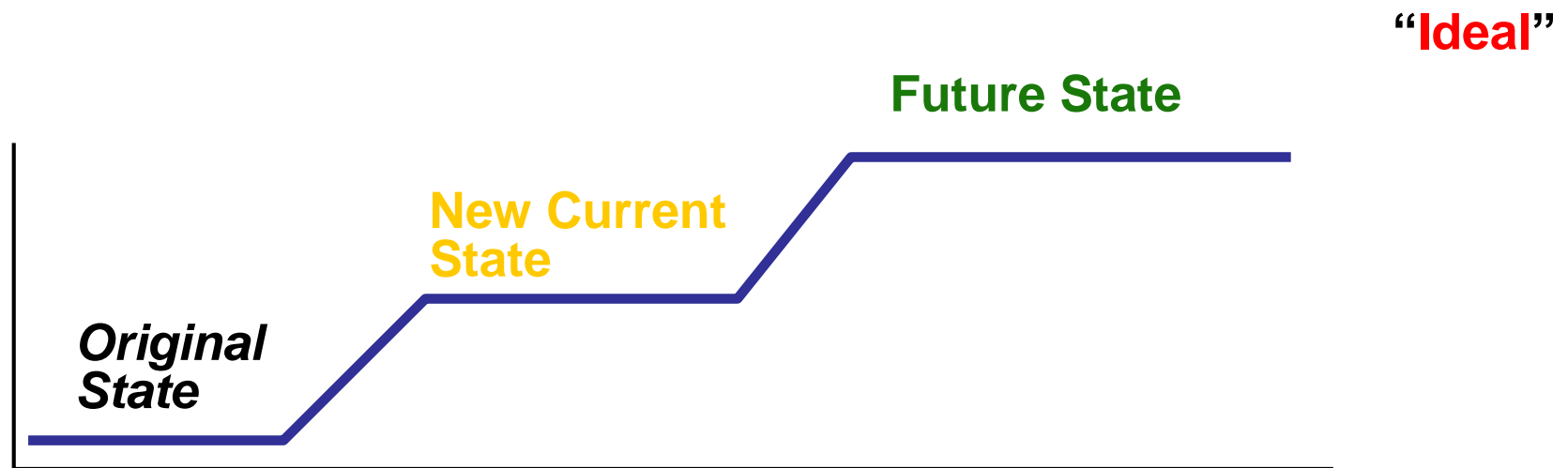
VSM: Pencil vs. Computer?



Improving Towards the Ideal



Improving Towards the Ideal



Summary

Value Stream Maps and direct process observation will show you:

- The overall work flow from request to fulfillment
- Linkages between material and information flow
- The 7 wastes and system-level causes of waste
- High impact improvement areas
- All of the facts about a value stream in one place

Summary

Electronic VSM speeds up improvement towards ideal because:

- You spend more time on improvement activity
- You can quickly document, share, and update VS Maps
- Helps you analyze the data

Next Steps

- Download today's presentation and other materials online at <http://www.gemba.com/tool-kit.cfm?id=149>
- Join us for a Demo of iGrafx VSM capabilities tomorrow
 - See iGrafx VSM in action
 - Friday, Feb 25th at 11:00 am PST
 - Register online at <http://www.igrafx.com/events/webSeminars.html>

Want to Learn More?

- Sign up for a 2 day VSM course offered by Gemba Research
 - Join Gemba onsite at iGrafx near Portland, OR
 - Get 2 days training on Value Stream Mapping, with iGrafx software included.
 - Get all the details at www.gemba.com
- Join us for Lean 201 in April
 - Watch for your invite coming soon