



WORKINGSMARTER

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Identifying the seven deadly wastes

Waste is in your company. It's costing you a lot of money. If you look, you can find waste in almost every process — from the infamous getting out of the yard on time, to how many steps it takes to create a proposal to the time lost in following up on service orders.

Accepting the fact that waste even exists is the first step to driving out waste, allowing your team more time to add value to services and percentage points to your bottom line.

After you have accepted that waste is there and realize you do not need to be sick to get better, the next step is identifying the waste. What follows are the seven types of waste that can be found in almost any processes. When you name it, you can identify it and then you can eliminate it.

1. Overproduction — Something is done that doesn't need to be done, such as going to a site and cutting grass that doesn't need to be cut.

It also can be about delivering more quality on a project than needed or having too many people involved in creating a proposal.

2. Waiting — Employees standing around, looking for instruction from a supervisor or waiting for another employee to finish a job are common time wasters. Another is administrative staff waiting for information from salespersons before they can send invoices.

3. Transportation — The most obvious example is the truck traveling from one point to another; it's necessary, but it's still waste. Transportation

waste also can be moving equipment, paperwork or people from one point to another.

4. Extra processing — Why do we have two people doing a task that one person can do? This includes too much paperwork or reporting that isn't being used or information that isn't being shared.

5. Inventory — Whether it's too much or too little, battling inventory waste is a problem caused by a lack of discipline or standards to manage it. If you have an irrigation van, look in it and start adding up the potential dollars lost. That's waste, too.

6. Motion — Crawling over or around equipment to get to another piece of equipment is wasted effort. Watch someone loading or unloading a truck. Why do they load it this way?

7. Defects — Poor quality resulting in service calls, or machines breaking down, stopping production, or any other situation that causes rework or lost time. You don't have to put up with it.

Now that you have identified waste, motivate yourself to

eliminate it by estimating how much it is costing your company.

When I have clients do this exercise in a "Working Smarter Day" they realize that they can improve profits by driving out the waste they have identified. They also realize that sometimes the simplest and most common process can yield large gains when they take action to eliminate the waste.

As you and your team begin to identify waste, you might hear a common phrase that will always give it away. When you hear someone say, "I know we can't do *this* any faster. We have been doing it this way for years and we know that this is the fastest way to do it."

When you hear that, it's time to go work. You still have plenty of waste to identify.

MONTHLY CHALLENGE

Choose just one process and observe it, process map it, see how many of the seven types of waste you can identify, and then estimate the potential savings there would be annually if you were to drive the waste out of that one process.