

# THE 8 WASTES

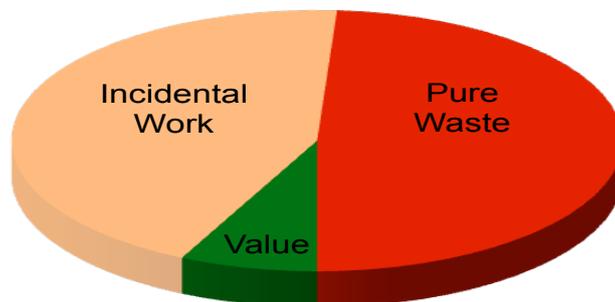
TIM SCURLOCK & LEE CANDY  
TRACERCO  
FEBRUARY 2021



## THREE CATEGORIES OF AN ACTIVITY

### Incidental Work

Activities causing no value but which cannot be eliminated based on current state of technology or thinking  
Required (regulatory, legal compliance)



### Pure Waste

Any activity the customer is not willing to pay for  
Pure waste/loss

### Value Added Activities

An activity that transforms or shapes material or information  
And the customer wants it  
And it's done right the first time



## LEAD TIME, VALUE AND WASTE



Lead Time

So what? Assuming that we will not eliminate what little value exists, the entire organization should be focused on lead time reduction (waste elimination)

3



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## IS THIS VALUE OR WASTE?



Moving of stock around the factory more than once.....Waste?

4



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## IS THIS VALUE OR WASTE?



Discarding defective products  
– Definitely a Waste

5



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## IS THIS VALUE OR WASTE?



6



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## IS THIS VALUE OR WASTE?



Poorly organised Workplace  
- Inefficient processes.

7



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## IS THIS VALUE OR WASTE?



Poor Ergonomics.....

8



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## IS THIS VALUE OR WASTE?



9



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL

TXM

TYPICALLY THERE ARE  
EIGHT TYPES OF WASTE  
WE LOOK FOR  
IN A WORK PLACE

DO YOU KNOW THEM?

TXM



10

© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL

## THE 8 WASTES

- Transport
- Inventory
- **M**otion
- **W**aiting
- **O**ver Production
- **O**ver Processing
- **D**efects
- **S**kills underutilized

11



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL

**TXM**

## TRANSPORT



- Moving materials and product around the site and from site to site.
- Double handling.
- Excessive mail attachments
- Travelling to and from client meetings
- Couriers

12



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL

**TXM**

## INVENTORY



- Any form of batch processing
- Expediting and “work chasing” on a regular basis
- High levels of stationery
- Large amounts of work in progress

13



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## MOTION



- Excessive movement of people
- Searching for information and files
- Finding data on shared or personal drives
- Swapping information between IT systems – cut and paste of data
- Moving between office equipment

14



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## WAITING



- Waiting for a machine to finish its cycle.
- Waiting for someone else to do their job.
- Waiting form information from clients or internal departments
- Waiting for work to be checked
- Waiting for decisions to be made or approvals
- Systems response time or downtime

15



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## OVERPRODUCTION



- Producing more than is needed sooner than it is needed
- Completing activities before they are required
- Individual targets v teamwork
- Purchasing stationery before it's needed

16



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL



## OVER PROCESSING



- Processes that don't add value to the customer.
- Excessive sign offs.
- Duplication of paperwork or files
- Unread reports with excessive data
- Too many checklists of quality checks
- Re-entering data across systems

## DEFECTS - ERRORS, MISTAKES & CORRECTIONS



- Defective product or service
- Missing or incorrect information in data
- Calculation errors in billing and invoices
- File filing errors
- Client data held in different IT systems

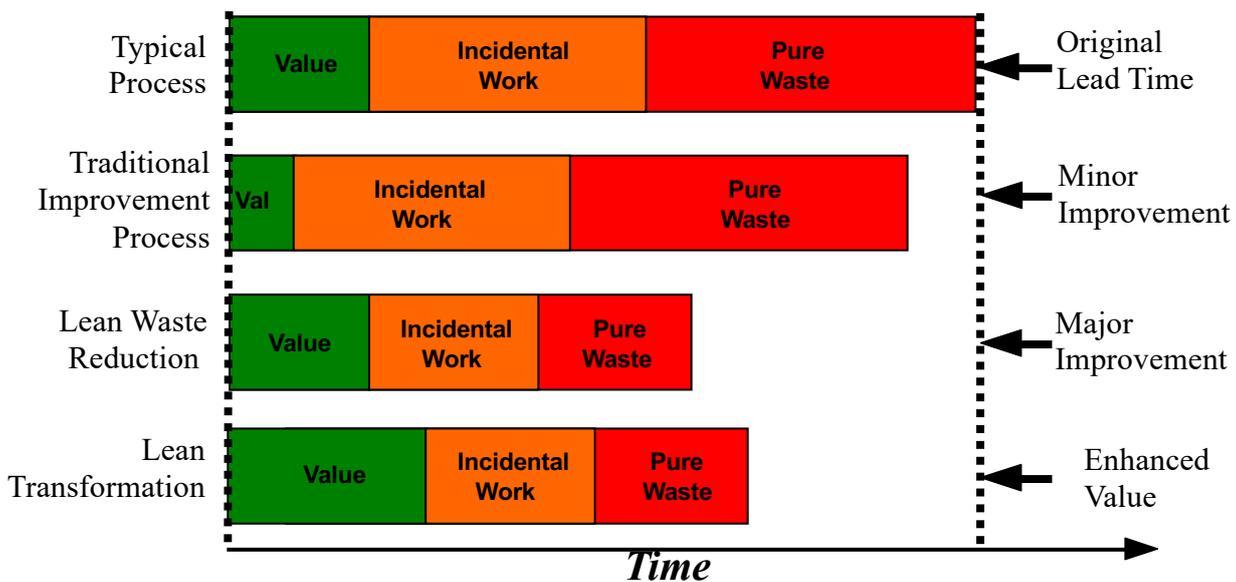
## SKILLS - UNDERUTILISED PEOPLE



- Limited employee authority,
- Management command and control,
- Inadequate business tools available



## WHERE ARE THE OPPORTUNITIES?



## WASTE ELIMINATION

# Eliminate the Pure Waste



Convert **Incidental Work** to **Pure Waste**  
by introducing new products, processes, or  
thinking



# Eliminate the Pure Waste

21



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL

TXM

## ACTIVITY

**List examples of each of  
the 8 wastes across your  
business**

- The 8 Wastes:
  1. Transportation
  2. Inventory
  3. Motion
  4. Waiting
  5. Overproduction
  6. Over Processing
  7. Defects - Errors, Mistakes & Correction
  8. Skills - Underutilised People

22



© TXM Lean Solutions Pty Ltd 2020 CONFIDENTIAL

TXM



**TXM Lean Solutions Pty Ltd**  
211/134 Cambridge Street  
Collingwood VIC 3066 Australia

P +61 3 9607 8241  
[info@txm.com](mailto:info@txm.com)  
[www.txm.com](http://www.txm.com)

