

# THE 8 WASTES

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# TXM



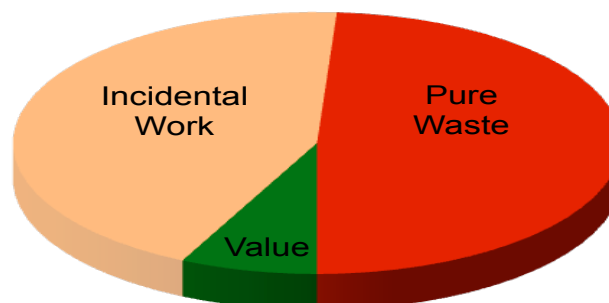
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## THREE CATEGORIES OF AN ACTIVITY

### 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

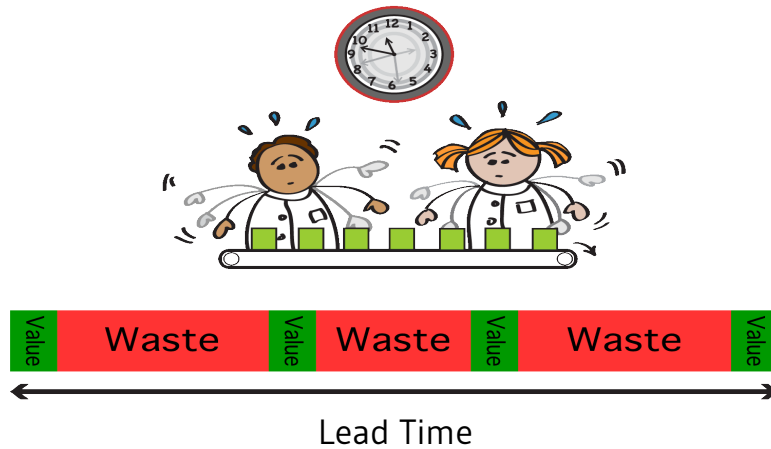
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## LEAD TIME, VALUE AND WASTE



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

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## IS THIS VALUE OR WASTE?



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

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## IS THIS VALUE OR WASTE?



Discarding defective products  
– Definitely a Waste

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## IS THIS VALUE OR WASTE?



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## IS THIS VALUE OR WASTE?



Poorly organised Workplace  
- Inefficient processes.

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## IS THIS VALUE OR WASTE?



Poor Ergonomics.....

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## IS THIS VALUE OR WASTE?



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

DO YOU KNOW THEM?

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## THE 8 WASTES

- Transport
- Inventory
- Motion
- Waiting
- Over Production
- Over Processing
- Defects
- Skills underutilized



## 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



## INVENTORY



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

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## 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

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## WAITING



- Waiting for a machine to finish its cycle.
- Waiting for someone else to do their job.
- Waiting for 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

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## 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

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## 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



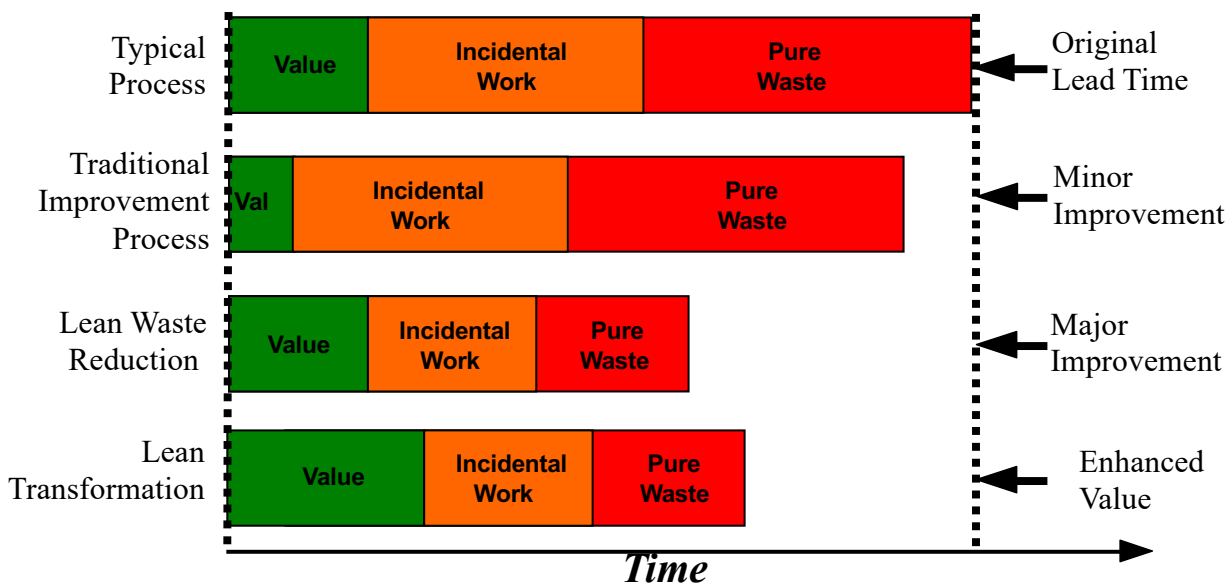
## SKILLS - UNDERUTILISED PEOPLE



- 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

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## 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

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