KickSTART

What is Waste?

Waste is a concept that emanates from lean thinking. The idea is that everything we do we do for a customer, somebody who pays for our actions and activities. Customers know what actions they are prepared to pay for, the things that they value. Everything else that we do, the things that a customer wouldn't be prepared to pay for, is wasteful. If you take all of the waste out of your processes and only do exactly what the customer values then you have the lowest cost and best quality service possible.

There are eight types of waste; they can be remembered using the acronym TIM WOODS. It doesn't really matter what type of waste an activity is, just that you recognise it as waste and then work to remove it.

T. Transport

- Description: unnecessary movement of data or materials
- Example: sending information packs rather than using e-mail
- Example: double keying data between systems
- Costs include: labour, fuel and increased risk of delay

I. Intellect

- Description: failing to utilise the talents of your colleagues
- Example: not empowering individuals at work
- Example: recruiting individuals with higher qualifications than necessary
- Costs include: frustration, boredom, stress and increased staff turnover

M. Movement

- Description: unnecessary data processing
- Example: walking backwards and forwards to a store room
- Example: multiple key strokes to accomplish a single task
- Costs include: time and cost to complete the activity, risk of error

W. Waiting

- Description: delays between one work step finishing and another starting
- Example: waiting for an SLA to expire before working a task
- Example: waiting for a security guard to let you enter a building
- Costs include: lost time and customer attrition

O. Over-processing

- Description: adding more to a service than a customer is willing to pay for
- Example: multiple repeat quality checking
- Example: formatting charts and data in multiple reports
- Costs include: lost capacity that could have been used elsewhere

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O. Over-production

- Description: providing more than is immediately needed
- Example: hiring people for roles that don't exist
- Example: buying items in bulk that you don't need because they are cheep
- Costs include: increased processing time

D. Defects

- Description: errors caused by the process
- Example: issuing checks to correct mis-payments
- Example: incorrect data entry leading to "lost" records
- Costs include: rework and testing

S. Stock

- Description: items in excess of customer need
- Example: excess IT capacity
- Example: a backlog of work requests
- Costs include: write offs and complexity
