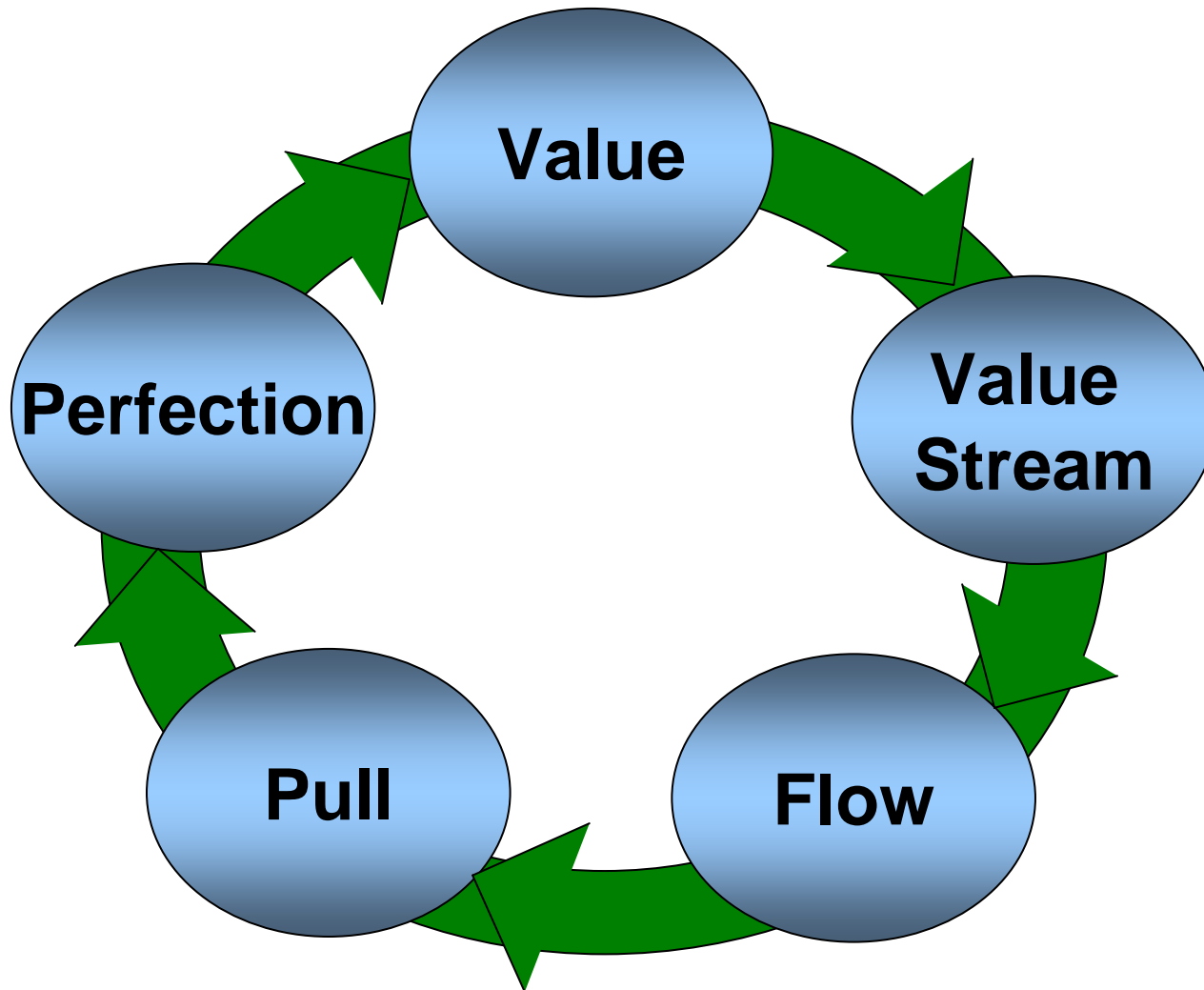


Lean Principles

5 Guiding Lean Principles



Value

VALUE is specified from the perspective of the customer:

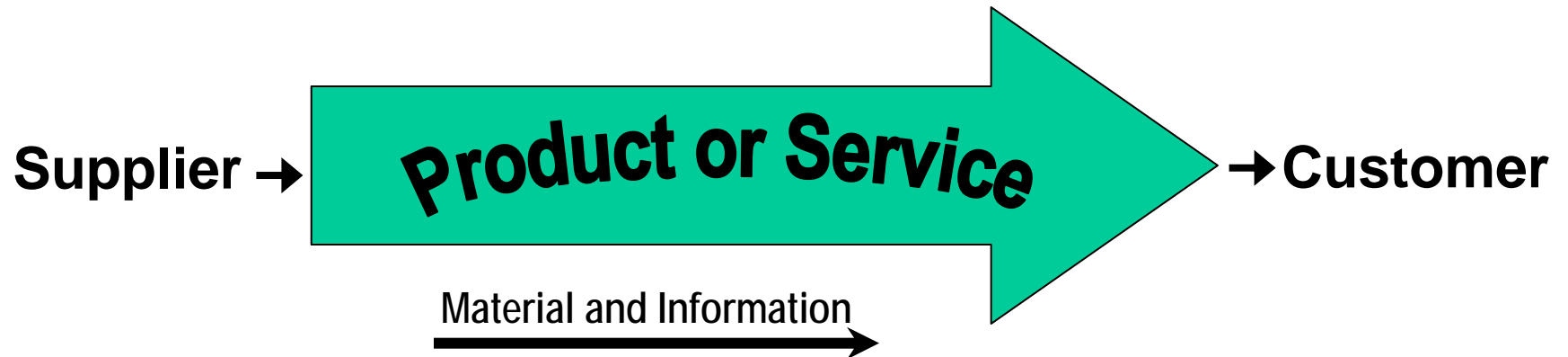
- It's about listening to the **Voice of the Customer** in order to meet customer requirements
 - Activities must affect the form, fit or function of the product or service
- It's about recognizing and eliminating **Waste**

“What is the customer willing to pay for”?

Value Stream

A **Value Stream** is...

- ALL the activities/steps that create customer value
- Starting with raw materials or initial information
- Ending with delivery to the end-customer



Flow

FLOW is created by a continuous sequence of value-added tasks along the value stream

- Processes are capable and predictable
- Minimal waits and queues
- No backflows or rework

Most current processes utilize a **Push System**

- Producing as much output as possible (using batching) and sending it to the next process, whether it's needed or not
- It is not synchronized with the needs of the customer

A **Pull System**, on the other hand, produces at the consumption rate of the next process

- Nothing is produced until the customer signals a need

Ideally, we want to create Pull!

PERFECTION

Manage toward **PERFECTION** – when a process provides pure value as defined by the customer, with no waste of any sort

- Avoid the tendency to compare yourself with the competition
- Lean is a journey, not a destination

Lean is a journey where we constantly strive to improve!

Two Parts of Any Organization

