



Lean – A Tool for Continuous Improvement of Business Performance

Businesses in the UK face many challenges and are working hard to create new and sustainable forms of competitive advantage, from providing customers with increased flexibility and faster lead-times through to improvements in design and productivity that ultimately reduce overall product costs.

Lean is a key well established tool in this battle for improved business performance, with its strength lying in the fact that the techniques are practical and easy to understand.

The concepts of Lean are equally at home in all business areas from initial product design through to sales order processing and from highly technical problem solving through to simple administrative processes.

In all businesses there are just three types of activity; value creating, non-value creating but unavoidable with present technologies or methods and pure waste (time, effort and materials) but waste has to be identified, which is only possible by 'mapping' the complete value stream from the customer back to the first business activity. The customer can be either an external recipient of a product or service or simply another employee in the business.

The starting point is to specify value from the point of view of the customer; this is an established marketing proposal (that customers buy results not products – a clean cup, not a dishwasher).

Then identify the value stream, the sequence of processes all the way from the first business activity to the final customer, tracking the experiences of the product or customer, not the experiences of the manager or employee.

Finally make value flow, understand your customer's demand, only initiate a process as needed, reduce time and waste and don't over-produce, be that products, services or paper (printing two copies when one will do). The goal is to produce what the customer wants, exactly when they want it, at a fair price and with minimum waste.