

ANDON (“lantern”)

A line indicator light or board hung above the production line to act as a visual control. Andons are used to visually signal an abnormal situation.

BATCHING

Working on multiple units at one process step before moving the units on to the next step. Can cause waiting, inventory, and overproduction waste, and opposite of what Lean strives for.

CAUSE & EFFECT DIAGRAM / FISHBONE DIAGRAM

A problem-solving tool used to establish relationships between effects and multiple causes.

CYCLE TIME

The time between completed items of the process. It is a measure of how well the process is keeping up with customer demand. It is calculated by dividing available work time in a shift by the number of completions in the shift. The cycle time must be less than the takt time to deliver customer value.

5S

A method of creating a self-sustaining culture that perpetuates an organized, clean, and efficient work place by Sorting, Setting in order, Shining, Standardizing, and Sustaining.

5 WHYS

A simple problem solving method of analyzing a problem or issue by asking “Why” five times. The root cause should become evident by continuing to ask why a situation exists.

FLOW CHART / PROCESS MAP

A problem solving tool that illustrates a process visually. It can show the “as is” process or “should be” process for comparison and should make waste evident.

JUST-DO-IT (JDI) / JUST-STOP-IT (JSI)

A small-scoped, customer-focused improvement to a process that can be done by one to a few individuals and doesn't require a lot of pre-analysis to do. Generally within that individual's control.

KAIZEN ("RIE")

Japanese for Continuous Improvement. Based on the philosophy that what we do today should be better than yesterday and what we do tomorrow should be better than today, never resting or accepting status quo.

KANBAN ("billboard")

A means of communicating need for products or services. It is generally used to trigger the movement of material where one piece flow cannot be achieved, but is also used to "signal" upstream processes to produce product for downstream processes.

KPI (Key Performance Indicators)

Metrics designed to track and encourage progress towards critical goals of the organization. KPI's:

- Are aligned to the strategic goals,
- Are effective at exposing and quantifying waste,
- Are readily influenced by employees.

MUDA

Japanese for waste.

NUMBER DONE RIGHT

A measure of process and service level quality. Usually a count of the number of times where a product, service, or step was performed without any defects (per the customer) or rework.

POKA-YOKE ("mistake-proofing")

A Japanese expression meaning "common or simple, mistake proof."

PROJECT

A long-term effort for improving a process involving significant amounts of pre-work, many groups, and usually requires additional resources, such a

ROLLING FIRST TIME YIELD

A measure of process quality that quantifies the overall percentage of time a product or service goes through a process without any rework. Calculated by taking the product of the percent of times where the product or service goes through each process step without rework.

SMART GOALS

Goals that are Specific, Measurable, Attainable, Relevant, and Time-specific.

STANDARDIZATION

The system of documenting and updating procedures to make sure everyone knows clearly and simply what is expected of them. Essential for measuring and implementing continuous improvement.

TAKT TIME

The frequency with which the customer wants a product. How frequently a sold unit must be produced. The number is derived by dividing the amount of time available in a shift by the customer demand for that shift. TAKT time is usually expressed in seconds.

VALUE-ADD, NON-VALUE-ADD & BUSINESS NECESSARY

Type of identification of process steps which:

- The customer would pay for and changes the fit, form, or function of the product or service (Value-Add)
- The customer would not pay for (Non-Value-Add)
- Are required for regulatory or control reasons, or by policies (Business Necessary)

VALUE STREAM

All of the steps, both value added and non-value added that are required to deliver a product or service to a customer.

VISUAL MANAGEMENT

Systems that enable anyone to immediately assess the current status of an operation or given process at a glance, regardless of their knowledge of the process.

VOICE OF THE CUSTOMER (VOC)

Desires and requirements of the customer at all levels, translated into real terms for consideration in the development of new products, services and daily business conduct.

8 WASTE TYPES

DOWNTIME:

- 1) Defects
- 2) Overproduction
- 3) Waiting
- 4) Non-utilized human talent & things
- 5) Transportation
- 6) Inventory
- 7) Motion
- 8) Excessive Processing

WORK IN PROGRESS (WIP)

Information or material that has entered a process and has been partially worked on, but has not yet resulted in a fully completed product or service.