

Eight Wastes in the Office

When I began my lean journey, I knew little about the concept, but I did know that in “lean” language, eliminating waste (extra manpower, time, or resources) was crucial to continuous improvement. While this concept has been embraced by the manufacturing sector, it has often been overlooked by the office sector. Each of the eight wastes: Overproduction, Motion, Inventory, Transportation, Waiting, Under-Utilized People, Defects, and Over-Processing can be applied to the daily operations of an office environment.

1). Overproduction –

- ∞ Is it necessary to print reports for everyone in the department?
- ∞ Can documents be transmitted electronically?
- ∞ Is your work batched before it goes to the next step?
- ∞ Do you do A/P processing once a week?
- ∞ How often do you do check runs?

Some ways to address these wastes are:

- ∞ Ask report recipients if they need a hard copy of the entire report. (Chances are they only use a small portion of it, and might prefer to receive it electronically or not at all).
- ∞ Consider processing A/P and A/R daily. It will give you a much clearer picture of the business conditions and will allow adjustments to be made in a timelier manner. There are usually no hard and steadfast rules that say check runs MUST be done on Friday.

2). Motion –

- ∞ How far away is your fax machine?
- ∞ How many frequently-used numbers are preprogrammed on the fax machine or phone?
- ∞ Does your copier have a collator?

Some ways to address these wastes are:

- ∞ Consider centrally locating equipment that is used by many or most employees on your staff. Also, consider small, inexpensive printers at each employee’s workspace. When printing short reports, these are extremely convenient for the employee and can eliminate excess time spent waiting for other print jobs in a queue.
- ∞ Speed dial on phones and fax machines can save a great deal of time and motion.
- ∞ If you must collate reports, it is prudent to have a copier that will collate, staple, and even hole-punch reports.

3). Inventory –

- ∞ How full is your “In-Basket”?
- ∞ Is there a way to stop the flow of work until you are ready?
- ∞ Can anyone help reduce the backlog?

Some ways to address these wastes are:

- ∞ Utilize cross training methods, which can be an invaluable tool to keep work flowing. Ensure that employees understand that cross-training makes them more valuable to your organization.
- ∞ Pick up or receive your workloads more frequently, lessening the load that will be passed to the next step.

4). **Transportation** –

- ∞ Do you send several faxes, emails, or letters?
- ∞ Is there any way to reduce the quantity of correspondence or the number of recipients?
- ∞ Would it be faster to simply call the person? (In an office environment, transportation can be likened to how information is passed from one person to another).

Some ways to address these wastes are:

- ∞ Be considerate to colleagues by not sending out all-staff emails unless they are necessary.
- ∞ By calling someone, instead of emailing or faxing, the time spent typing the correspondence is eliminated. Making a phone call also eliminates the time spent waiting for a fax to complete, and provides a quicker response to any questions. It also provides an opportunity to get the right information the first time and clear up any confusing directions.

5). **Waiting** –

- ∞ Do you find yourself waiting for an answer before proceeding?
- ∞ Does the paper train run slowly?
- ∞ Is there a way to streamline the train to eliminate the bottlenecks?

Some ways to address these wastes are:

- ∞ Waiting for approval, absent employees, having extra inventory, can all cause bottlenecks, so review your approval process. Does the CEO need to review every invoice for payment? If not, approval limits could be raised or additional employees could be given authority for approval.
- ∞ Again, there should be someone cross-trained to complete each employee's tasks in case they are absent.
- ∞ Look at the trends in your department. For instance if you see a greater number of orders processed at a certain time of the month, find out why. It is possible the sales staff pushes at the end of the month to make their numbers, and if this is the case, sales incentives could be restructured to encourage the sales staff not to wait for the end of the month.
- ∞ Reduce batch sizes for data processing by increasing the number of times information is passed from work centers.

6). **Under-Utilized People** –

- ∞ Are there people that do not seem to be busy?
- ∞ Can they be cross-trained to assist in other areas?
- ∞ Can the A/R clerk assist the A/P clerk on check run days?
- ∞ Can the payroll clerk help when it is not a payroll week?

Some ways to address these wastes are:

- ∞ The team should work as one, helping where help is needed. Look carefully at each employee: oftentimes, people accept positions to get their foot in the door of an organization. There might be someone working in a marketing position that has an aptitude for finance or someone in the assembly department that has a background in information technologies. These people's abilities should not be overlooked.

7). Defects –

- ∞ Very simply, is work accurate and complete?
- ∞ Are there data entry errors?
- ∞ Are mailings mislabeled?
- ∞ Was the wrong amount of postage put on an envelope?
- ∞ Was a report run and distributed before the information is correct?

Some ways to address these wastes are:

- ∞ Before printing reports review for accuracy, choose the “Print to the Screen” option ensure that the document is in the correct format and provides the necessary and correct information. Does your balance sheet actually balance?
- ∞ Any parcels that may require additional postage should be placed in a separate area. That way, they can be weighed to assure the proper postage is affixed.
- ∞ Think of simple incentives for providing complete and accurate information. If a department keeps their accuracy at a certain level the members could receive a small token, such as lunch or a gift certificate.

8). Overprocessing –

- ∞ Are invoices or reports reviewed by multiple people?
- ∞ Is it necessary to have approval on invoices that have been matched through a “three way match” with a PO and packing list?

Some ways to address these wastes are:

- ∞ Does every invoice really require approval? Look at the chain of command for processing an invoice for payment, and reconsider the number of approvals required.
- ∞ Become comfortable with electronic data. In the instance of a “three-way match,” if the PO was entered into the system and the items have been received into the system, it may not be necessary to provide additional documentation such as paper receivers and packing slips.

Because of the intricacies and different technologies in offices, eliminating office wastes cannot be done all at one time—it should be an ongoing process. Implementing changes in procedure can be very difficult, but by encouraging employees to find wastes and suggest improvements, a Lean mentality will eventually become common practice and save substantial amounts of time and money.