

Contents

Foreword	v
Acknowledgments	vii
Introduction	1
Lean: Reshaping the Business Landscape	2
Practicing Lean	4
Executive Summary	7
Chapter 1: What Is Lean?	11
Getting Started	12
System Design	13
Team Technology	18
Process Models: Visibility of Systems and Processes	20
Chapter 2: Why Is Lean Important?	23
Value	24
Quality	25
Process Flow	26
Chapter 3: Why Should You Pursue Lean?	31
Waste	32
Errors	34
System Measurements	34
Operational Measurements	47
Chapter 4: How to Apply Lean	53
Strategic Breakthrough Process Improvement	53

Chapter 5: Real-World Example: National Distributor	77
Implementing SBPI	77
How to Apply at Your Company	92
Chapter 6: Real-World Example: Regional Distributor	95
Process Mapping.....	97
How to Apply at Your Company	105
Chapter 7: Real-World Example: Local Distributor	107
Process Mapping.....	112
How to Apply at Your Company	117
Chapter 8: Survey Results	119
First-Time Pass	119
Error Tracking.....	119
Takt Time	120
Filling Orders Upon Receipt of Order.....	120
Small Company Shipments	122
Replenishment Cycle	122
Expediting Orders	125
Resources Needed for Order Delivery	125
Returns	125
Accounts Receivable Collection Cycle	127
Small Company Cash Flow	127
A Final Word	129
Appendix A: Organizational Learning, and Methods and Tools	131
Organizational Learning	131
Methods and Tools.....	134
Appendix B: Calculating First-Time Pass Yield.....	137
Appendix C: Plan-Do-Study-Act (PDSA) Cycles.....	139
Plan Tests	141
Perform Tests	143
Collect Data	143
Glossary	145
References and Resources.....	151
About the Authors	153
NAW Institute for Distribution Excellence Publications.....	155