## How to Value Stream Map

How do you create a current state value stream map?

# How do we create a Value Stream Map?

- This is a team exercise
- Involve the people that are involved in the process
- What actually happens not what should happen
- Usually supplier to customer for a specific product or product family

# Choosing the product or product family

- Need to choose one product / family of products to map.
- Select one to be mapped;
  - Needs improvement
  - Valuable to the company
  - High likelihood of success
  - Can form the basis of improvement for other products / families

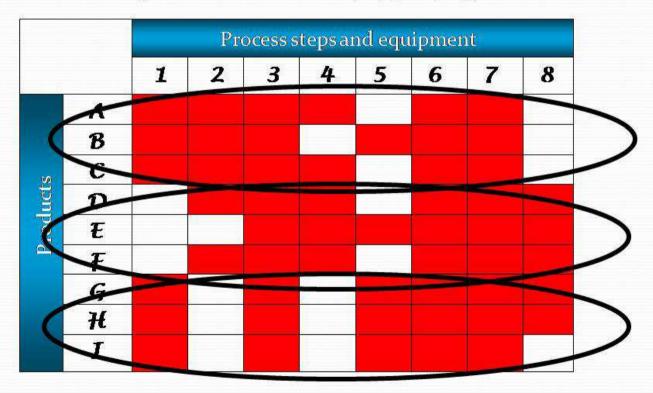
## **Product Family Analysis**

- Some times a company has many products and it can be difficult to decide which to map or define families of products
- Product families share common processes and process routes.
- Simple matrix can be used to identify product families (use your highest volume/contributing products)

## Product family analysis matrix

### **Product Family Matrix**

• Identify suitable Product Family by grouping:



Group products into families based upon similar downstream process steps

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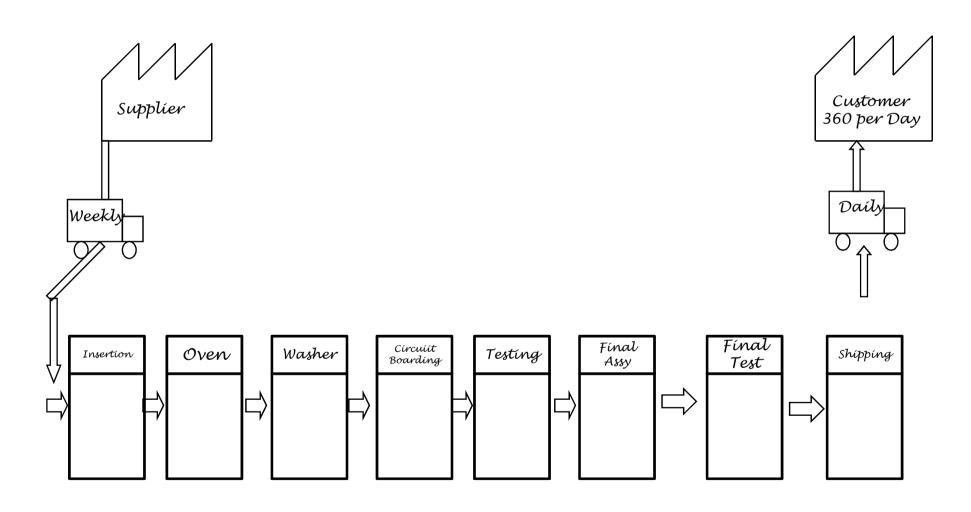
#### Where do we start?

A3 Paper, Pencil and inquiring set of minds...

- Define the Process to be mapped and bound the process (Supplier – Customer)
- Create a process box for each process step

 Sometimes we may map an entire supply chain and the process boxes can be companies.

## Map the process flow



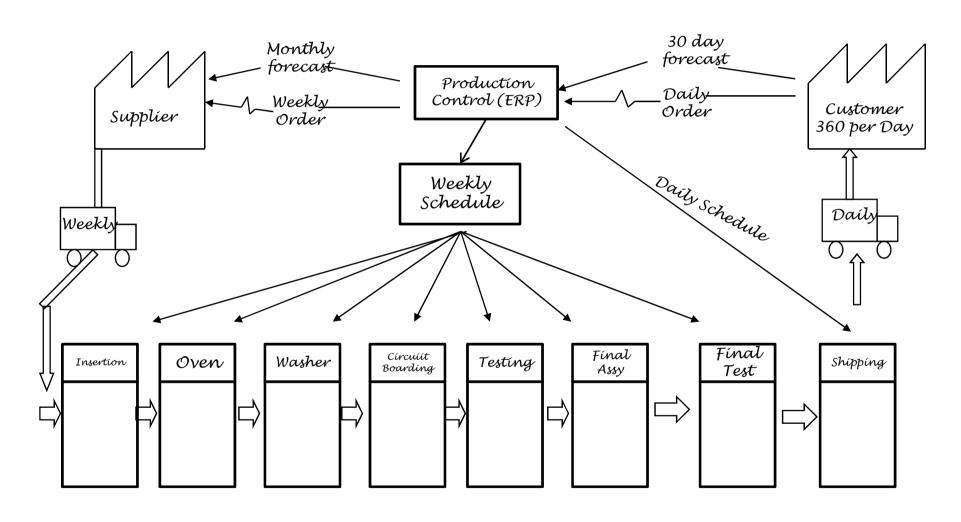
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#### Information flows

 One of the things that differentiates VSM from other techniques is adding the flow of information;

 Add information flows to show how orders are placed and schedules communicated.

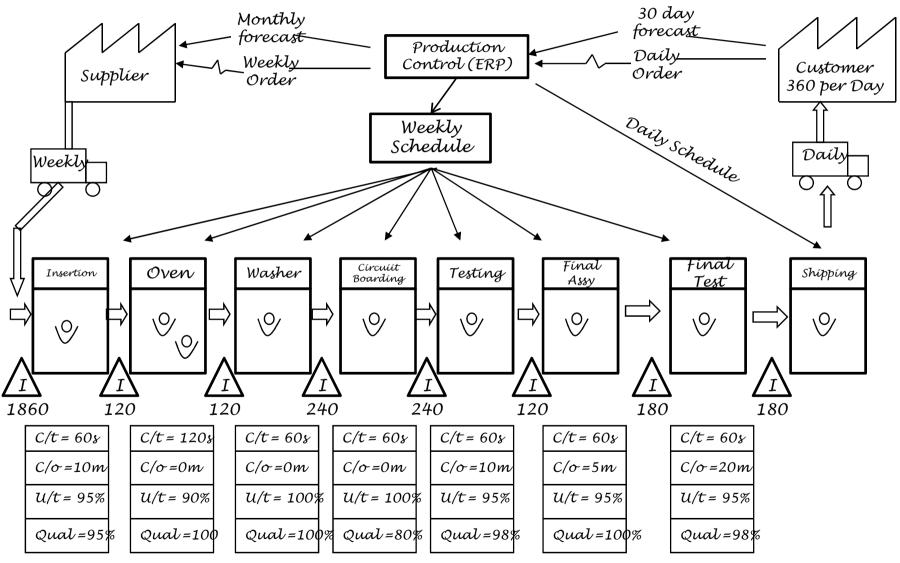
#### **Add Information Flows**



## Collect process data

- Next we need to record the process data for our process, typical data that should be collected;
  - Inventory
  - Cycle time (time taken to make one product)
  - Change over time (from last good piece to next)
  - Uptime (on-demand machine utilization)
  - Number of operators
  - Net available working time
  - Scrap rate
  - Pack size/pallet sizes

#### Add The Data



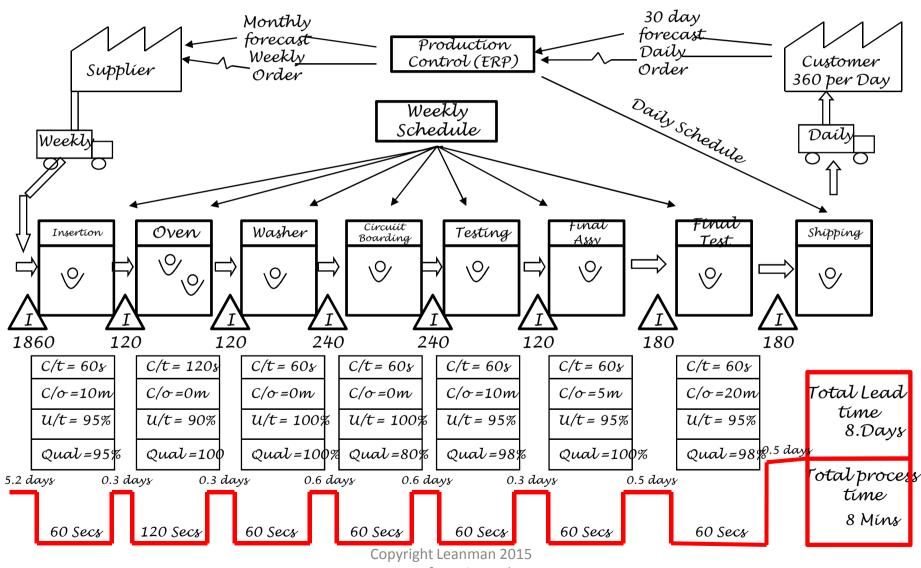
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## Creating a time line

- We want to show how long inventory remains in the system
- How long a product is processed for

- Use inventory and daily demand to calculate how many days of inventory you have.
- Processing time is time taken to process one item not a batch

## Analyze the data



#### What does our VSM tell us

 The timeline tells us that product takes only 8 minutes to be processed but a single piece of inventory can be within the organization for over 8 days...

 The data boxes show us which processes have long changeovers or poor quality performance and other issues.

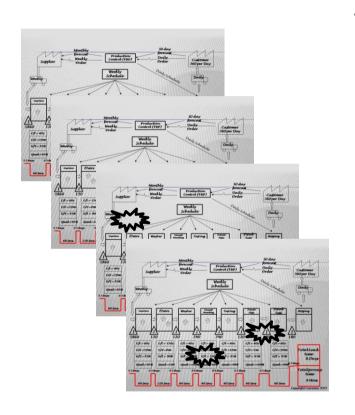
## Next stage for our VSM

 The next stage is to create our Ideal state value stream map.

 This should be a challenging improvement on where we are today.

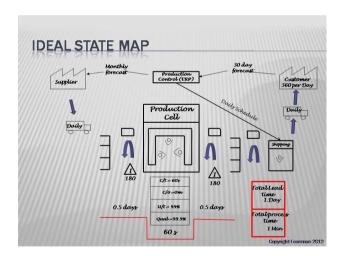
 Future state maps can then be created to move us toward the ideal using kaizen improvement bursts.

#### Moving from Current State to Ideal State VSM



Through a series of future state maps utilizing Kaizen Bursts we move from Current state to our ideal state map.





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