Warehouse Value Stream Mapping

Overview:
• Value Stream Mapping is a technique used to document all of the product flows (value added and non-value added) and information flows that are required to move a product through the operation from start to finish and the time required for each step.

Purpose:
• Value Stream Mapping serves as a starting point to assist organizations (associates to senior leaders) in recognizing waste and identifying opportunities for Continuous Improvement. It also provides a structured vision for a more efficient, waste free future-state of the value stream.

Goals:
• Quantify and document the current state performance of a process (establish a baseline).
• Recognize the waste inherent in the value stream and identify opportunities for improvement.
• Prioritized opportunities for improvement.
• Opportunities to accomplish the following:
  – Balance the flow of product with customer demand.
  – Reduce lead times and increased on-time customer delivery.
  – Reduce inventory, processing times, and overall cost.
**Business Case:**

Like most organizations beginning the Lean journey, there were many concerns about the benefits they could achieve. We worked with the client’s local leadership team and identified the Outbound Value Stream as having the most opportunity for improvement. We began by developing a Current State map starting from the time a customer order was placed to the time it was shipped. During this process the team observed many of the wastes identified in non-Lean operations such as Waiting, Inventory and Over-Production.

**Approach / Solutions:**

1. Identify product families
2. Map product and information flows
3. Gather facts and data regarding the flow (value and non-value added)
4. Document the map using standard icons
5. Identify and prioritize opportunities for Continuous Improvement
6. Develop a Future State Map to communicate direction and focus activities
7. Integrate opportunities into a Continuous Improvement Action Plan.

**Results:**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Change</th>
<th>Metric</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Flow Oppor.</td>
<td>5</td>
<td>Standardized Work</td>
<td>6</td>
</tr>
<tr>
<td>Product Flow Oppor.</td>
<td>13</td>
<td>CI Projects</td>
<td>12</td>
</tr>
</tbody>
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**Summary:**

The Value Stream Mapping process helped the client uncover several inefficiencies in their value stream. To remedy these inefficiencies, we created & implemented a Continuous Improvement Action Plan consisting of Standardized Work and Continuous Improvement Projects.