

# The Fundamentals of Lean Service

There are many books and other resources available on lean service, but I'm not sure they make it clear what are the key issues you need to get to grips with. Similarly training in lean tools won't necessarily enlighten you on the key concepts. Here are our thoughts on the first principles of lean service.

Lean is about flow – to the pull of the customer. Control the flow and you control the cost of the process. Improve the flow and you improve the cost. So what does that mean in terms of lean service ?.

Firstly, consider the total process time (flow time) for your service. That may be measured in days or hours (or even months). Let's say it is X hours.

How much of that total process time is spent on actual value-adding activities (touch time) ?. Let's call that Y hours.

The amount of waste in the process is  $X - Y$  hours, and it is not unusual for 80% of the total process time to be "waste".

The waste in a process is caused by a number of understandable factors – waiting time due to poor scheduling; work patterns; absence; the tendency to batch work; equipment downtime; and so on. The objective of lean is to remove waste and, thus, reduce the total process time, freeing up more time to do more work. Better work patterns, better layout of equipment, preventative maintenance and better communications can all improve the flow time and such improvements are relatively easy to make.

But there are two other important causes of waste that we need to bear in mind in lean service improvement.

## Company Profile

We are process improvement specialists with over 20 year's experience, providing training and consultancy in lean service, process analysis and improvement, and lean finance.

## Contacts

Address Suite 1, 25 Westerton Road  
Cumbernauld  
Glasgow  
G68 0FF

Phone 07977 574 802

Email [info@ideas2action.co.uk](mailto:info@ideas2action.co.uk)

Web [www.ideas2action.co.uk](http://www.ideas2action.co.uk)

LinkedIn [uk.linkedin.com/in/leanaccounting](https://uk.linkedin.com/in/leanaccounting)

The first is the variation in the actual activity time (touch time) in the process. Where activity times vary greatly due to differing skill levels of staff or widely differing requirements, this inevitably causes a great variation in total process time. The temptation is to plan services on the “worst case” scenario, causing long gaps between activities; or to keep consumers waiting in order to keep valuable resources occupied. Reducing the variation in activity times, through training, sharing best practice, or triaging into different routes, will help greatly reduce total process time.

The second important cause of waste in a service process is the variation in consumer demand. Where demand varies considerably by hour, day or season, then process times will inevitably fluctuate greatly. While we can rarely control consumer demand in a service environment, there are many things we can do to manage it better – incentives to move demand into quieter periods, or a well managed appointments system, for example. At the same time we can analyse demand to truly understand the fluctuations and, thus, flex capacity to meet specific periods of demand.

By understanding and managing the variation in activities times and in consumer demand, and working as a team, we can have a considerable impact on total process time, greatly improving the level of service and the capacity of the process.

## **Ideas into Action**

### **Understanding, Involving, Improving**