Say goodbye to inefficiency



In this whitepaper, you'll find an overview of the nine most common inefficiencies in retail, along with a practical framework to identify these forms of waste within your business. We'll guide you through the process step by step and share useful tips to tackle these inefficiencies effectively.

Which of the following inefficiencies do you recognize?

Searching For work materials, a colleague, or information	**Corrections** Not getting it right the first time	**Unnecessary actions** Doing double or unnecessary work
Overproduction Producing more than necessary	**Waiting** For something, someone or information	**An incorrect planning** Working ad hoc and making corrections
Stock taking The effectiveness of the goods flow	**Waste of talent** The underutilization of talent in-house	**Trying to do everything yourself** Personal effectiveness not in order

Faster, smarter, stronger

Find them all

Recognizing waste in the workplace

Put on your waste glasses and note all the waste you observe in the work place for one week. By doing this together with one or more colleagues, you can look at it from different angles and collaborate.

Of course, you don't have to turn it into a competition, but it can be fun to challenge each other to identify as many examples as possible.

It may take some practice, but you'll see that you quickly get the hang of it. And who knows, you might just develop a taste for it! You've been warned.

START

1. SEARCHING

Searching for something or someone. In stores, a dustpan and brush are often a good example. The search for work materials, someone, or information is often a significant waste in practice.

Recognizing: Be alert when you or someone else is searching for something or someone. What is being searched for, and why?

To do: Standardize your work environment. Give everything a designated place, so you know where to find something. Ensure that everyone knows where to find items and that they are returned to their designated spots!

2. CORRECTION

Not doing something right the first time leads to disruption and rework. Think, for example, of not filling in a FIFO (First In, First Out) manner.

Recognizing: Be alert to the re-execution of tasks and the correction of something that has already been done.

To do:

- Ensure work planning is in order
- Establish clear procedures and work agreements
- Maintain clear communication
- Implement supervision and control

3. UNNECESSARY ACTION / OVERPROCESSING

Doing something that has already been done or is not needed at all.

Recognizing: This waste is not always easily visible, so make an effort to bring everything to light.

To do: Examine a labor-intensive process closely. Observe/analyze all steps and continually ask yourself whether all actions are necessary or if they can be simplified. Then, critically assess other processes in the same way and evaluate whether there are opportunities to streamline the process.

Tip 1: Focus on your circle of influence
A common 'mistake' is identifying inefficiencies that mainly involve aspects outside your control (for example, waiting for a delivery due to traffic). Concentrate on potential waste within your own organization, where you are able to address and resolve these issues.

Tip 2: Avoid trying to fix it immediately
Take a week (or two) to collect and identify as many examples of waste as you can.
Once you've done that, you can move on to the phase of developing solutions. Of course, start by tackling the most frequently occurring wastes.

4. OVERPRODUCTION

By utilizing production schedules, sales figures, and other information sources, you can make a solid effort to prevent overproduction (and thus waste) as much as possible.

Recognizing: Figures about shrinks or losses can be good indicators, as they show that something has been thrown away or sold at a reduced price.

To do:

- Actively work with production schedules, of course in combination with your own insights (weather or local factors can influence the production). Organizations increasingly have relevant key figures available for optimal production advice.
- Learn to use systems that create forecasts based on relevant data.

5. WAITING

Waiting for something, someone, or information: it is not productive. In an efficient organization, there is continuous attention to this type of unproductivity and the reduction of it.

Recognizing: Sometimes it is very visible when you see someone waiting. However, waiting for information is less visible. So, investigate: observe and keep your eyes wide open.

To do:

- Supervision and control are key to reducing or completely preventing unproductivity.
- Train the management team and shift leaders to recognize waste. Provide consistent attention to this when discussing and analyzing key figures related to hours and labor costs.

6. AN INCORRECT PLANNING

If the planning is not in order, you start off at a disadvantage. You are, if things go slightly wrong, constantly correcting and making ad-hoc adjustments.

Recognizing: Analyze in advance whether the planning aligns with the activity based labour standards per day and per department. Then, throughout the week, assess how much time is spent on adjusting the planning to make it accurate, and whether there are deviations from the plan due to improper staffing (excluding unforeseen situations).

To do:

- Ensure you have a solid baseline schedule with up-to-date availability.
- Plan based on a week-specific workload according to agreed timeline.
- Analyze (1) scheduled hours vs. standards and (2) actual hours vs. standards.



7. INVENTORY

Inventory levels are a good indicator for assessing the effectiveness of the flow of goods and the ordering process. Is the local inventory management in order?

Recognizing: Sometimes this is very apparent in the goods storage, but it may only come to light later through loss figures or lower productivity (unnecessary (over)stock is a significant drain on hours).

To do:

- Provide consistent attention to key figures related to inventory that give a clear picture of the situation.
- Establish and adhere to procedures for managing goods and materials (supervision and control).

8. WASTE OF TALENT

Not utilizing the talents you have within the organization is a form of waste.

Recognizing: Observe and make notes of the talents you have within the organization and the ambitions that exist. From there, seek the match between the organization's needs and the employees you have.

To do:
Conduct personal conversations with all employees to understand the ambitions and talents present. Encourage employees to contribute ideas for identifying and implementing improvements. Additionally, this positively impacts employee engagement and motivation.

9. TRYING TO DO EVERYTHING YOURSELF - PERSONAL EFFECTIVENESS

There is a significant risk associated with wanting to do everything yourself in terms of effectiveness within organizations. After all, you can only lead an effective organization if your personal effectiveness is in order. The level of planning and organization of someone in a key position often allows you to predict how efficiently the processes within the organization are structured.

Recognizing: To gain insight into this, you will need to engage on an HR level. By having conversations with team members, you can uncover their ideas about work, their thoughts on personal effectiveness, the added value of their roles, and their perspectives on their own positions.

To do:
Discuss the theme of personal effectiveness within the team (and measure it if necessary). Additionally, the team can investigate the level of personal effectiveness, how individuals are performing, and where there are opportunities to enhance it.

Do you have the full picture?

Have you identified the inefficiencies but aren't sure how to tackle them systematically? Or are you wondering if you really have the full picture? If so, reach out to one of our experts.

During a free online introductory meeting, we will discuss what you have observed, provide you with tips based on that, and talk about how we can assist you further (if needed and desired).

Would you like to know more about Endevries?
Then visit our website or feel free to get in touch.

endevries
WHERE DATA, PEOPLE AND PROCESSES ALIGN



Netherlands / International
De Bouw 141, 3991 SZ HOUTEN
+31 (0) 30 8200372

Germany
Kölner Straße 102, 42897 REMSCHEID
+49 (0) 176 42161830

Belgium
Tongersesteenweg 190, B-3800 Sint-Truiden
+32 (0) 49 6078432

info@endevries.com