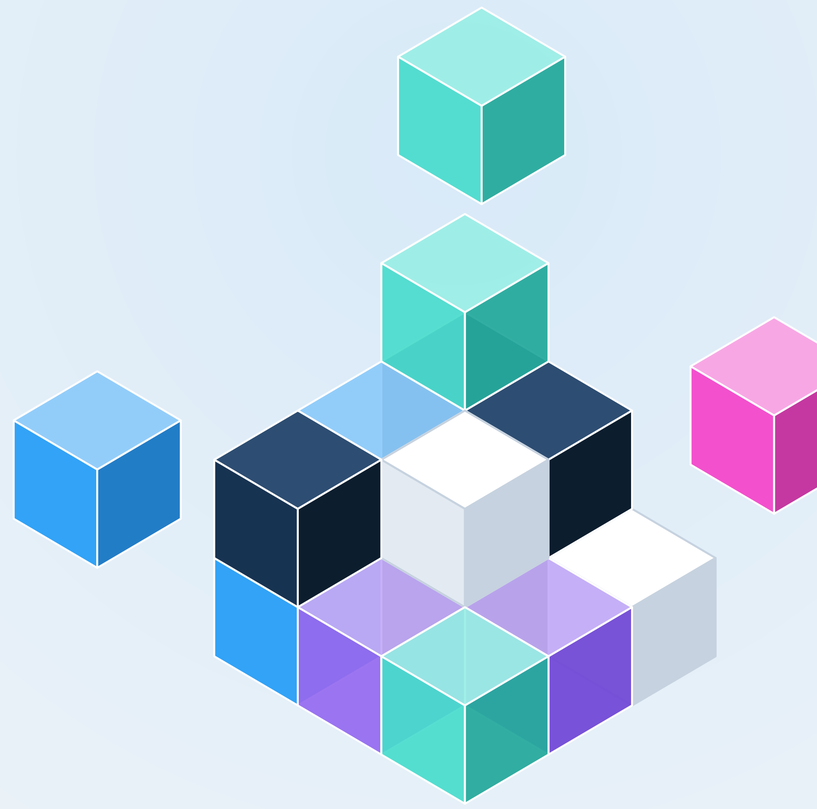
LEAN FOUNDATIONS

Value-Added vs Non-Value-Added Work

Every step in a process is either value-added, necessary but non-value-added, or pure waste. One customer-centered question sorts them.



01 THE CORE MODEL

ONE QUESTION · THREE OUTCOMES

Would the customer pay for this step?
It changes form, fit or function and is done right first time

YES	NO, BUT REQUIRED	NO
Value-added Do it, then do it better	**Necessary non-value-added** Minimize it	**Pure waste** Eliminate it
Machining a feature	Legal or safety checks	Rework and sorting
Assembling a component	Regulatory documentation	Waiting and searching
Configuring the order	Required audits	Double data entry

Value-added (VA)

Moves the product toward what the customer wants, done right the first time.

Necessary NVA

Adds no value but is required today by law, safety or current technology.

Pure waste

Neither adds value nor is required. Remove it outright.

02 WHERE TO ACT

Most lead time is non-value-added; that is where the leverage is.

SPEED UP VA — REMOVE NVA

OPTIMIZING VALUE-ADDED WORK

- \+ Better tools and methods shorten VA time
- − VA is usually a small share of lead time
- − Effort here often hits technical limits

REDUCING NON-VALUE-ADDED WORK

- \+ Waiting and transport fall without capital
- \+ Lead time drops far more than VA effort
- − Necessary NVA needs rule or design changes

03 WORKED EXAMPLE

ORDER FOR A REPLACEMENT PUMP · TWO STEPS CLASSIFIED

STEP	CLASSIFICATION	STEP	CLASSIFICATION
Re-key order in ERP customer data typed twice	**Pure waste** nobody pays for re-entry	**Pressure test** required by safety rule	**Necessary NVA** minimize, cannot drop

04 MANAGEMENT TAKEAWAYS

01 — Classify from the customer view
Ask whether the customer would pay for the step if it were itemized.

02 — Attack waiting before working
Queues and handoffs usually hold more time than the work itself.

03 — Challenge "necessary"
Review required NVA regularly; rules and technology change.

05 COMMON MISTAKE

LIMITATION

Labeling people as waste

The classification applies to activities, not to roles. Use it to redesign work, never to judge individuals.