



Having Trouble Finding Good Help These Days?

An effective technique for making the best use of the labor you already have

MIA-BSI Webinar

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www.WeReduceChaos.com

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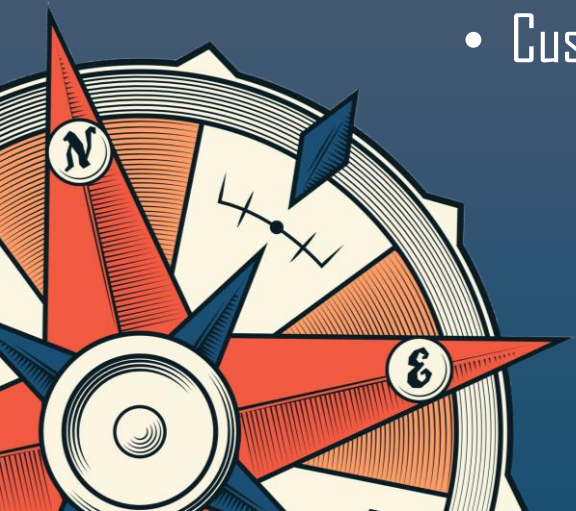
Challenges in the Labor Market

The tide rises for everyone

- Just as business picks up and you need more people, everyone else is hiring too
- Getting harder to find people who 'want to work'
- Good hiring prospects want more money

The impact:

- Lead times are stretching out
- Customers are screaming to get their tops installed



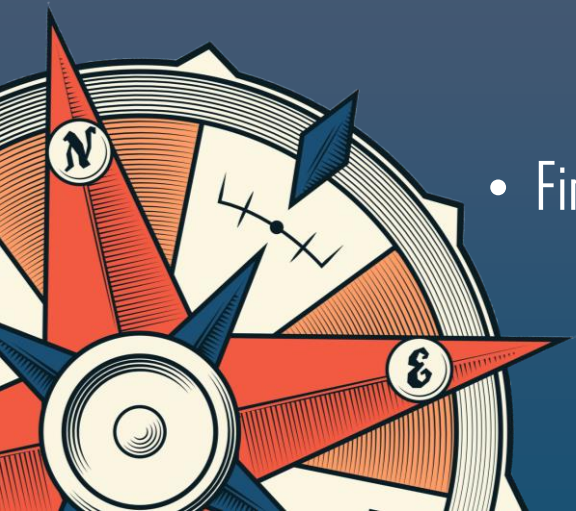
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Challenges in the Labor Market

Options:

- Pay more for the people you need
- Steal from others
- Find new sources of labor
 - Auto detail shops for polishers
 - Government programs
 - Community colleges or technical colleges
 - Non-violent ex-offenders
 - 'Older' employees
- Find a way to use what you have more effectively



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Value Added vs Non-Value Added

- **ALWAYS** defined by the customer
- Value Added (VA) Activity
 - The customer is willing to pay for it
 - It must be done correctly
 - It must change the product in some manner
- Non-Value Added (NVA)
 - Adds no value to the finished product
 - Waste
- Non-Value Added but Necessary (NVA)
 - Regulatory reports
 - Payroll processing
- GOAL: Eliminate or reduce NVA



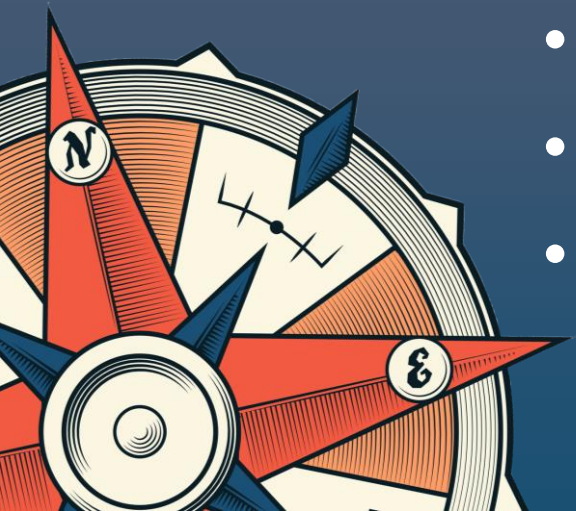
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NVA = Waste: TIMWOODS

- Travel
- Inventory
- Motion
- Waiting
- Over production
- Over processing
- Defects
- Skills



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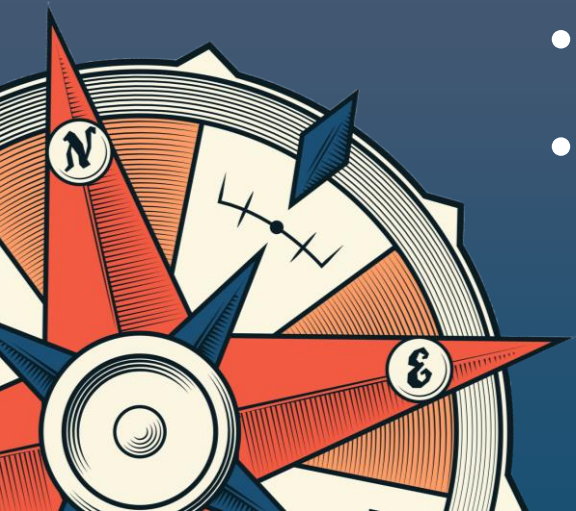
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Saw Example

- Moving the slab cart to the saw
- Find paperwork for the next job
- Setting up the CNC program
- Cutting stone
- Unload cut pieces to the cart
- Helping another employee move an island top
- Inspecting the top to make sure it is correct

- The customer is willing to pay for it
- It must be done correctly
- It must change the product in some manner



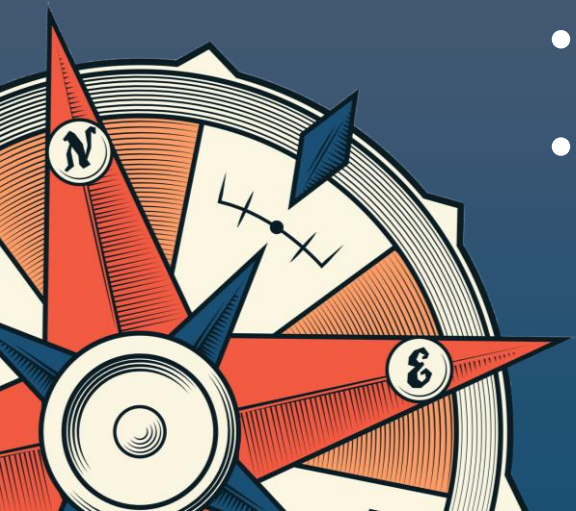
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Saw Example

- The customer is willing to pay for it
- It must be done correctly
- It must change the product in some manner

- Moving the slab cart to the saw - NVA
- Find paperwork for the next job- NVA
- Setting up the CNC program – NVA
- Cutting stone – VA
- Unload cut pieces to the cart – NVA
- Helping another employee move an island top – NVA
- Inspecting the top to make sure it is correct – NVA



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Install Example

- Driving to the job
- Unloading the truck and setting up tools
- Placing finished top section on cabinets
- Making seams
- Going to the truck to get a tool or caulk
- Installing a sink
- Getting the check from the customer or getting a signoff

- The customer is willing to pay for it
- It must be done correctly
- It must change the product in some manner



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Install Example

- Driving to the job – NVA
- Unloading the truck and setting up tools - NVA
- Placing finished top section on cabinets – VA
- Making seams – VA
- Going to the truck to get a tool or caulk – NVA
- Installing a sink – VA (Only physically attaching the sink to the top
- Getting the check from the customer or getting a signoff – NVA

- The customer is willing to pay for it
- It must be done correctly
- It must change the product in some manner



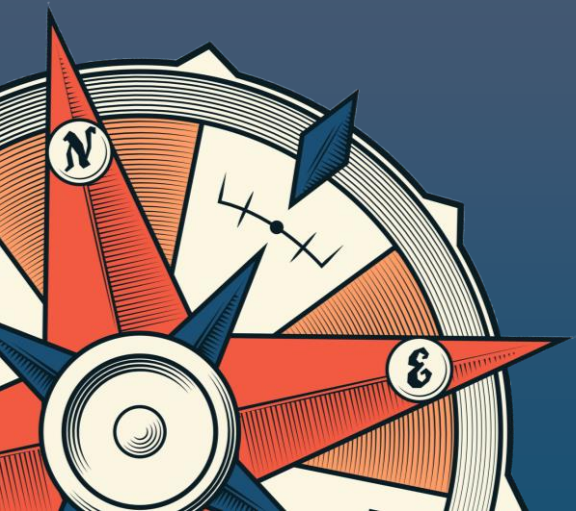
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How Do We Change This?

- Make the work visible: Job board with jobs posted in sequence for each operation
- Ensure the paperwork is complete, correct, and clear before releasing to the shop
 - Standardize paperwork and train
- Helpers to load, unload, and move carts



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What's The Impact?

- We freed up a lot of skilled labor time
 - Standardized our paperwork
 - Made production schedule visible
 - Hired a few lower wage helpers that want to learn and grow
- Starting to train helpers in Master/Apprentice structure
- Shop capacity increased 10%+
 - Profits are up
 - Reduced some of the backlog



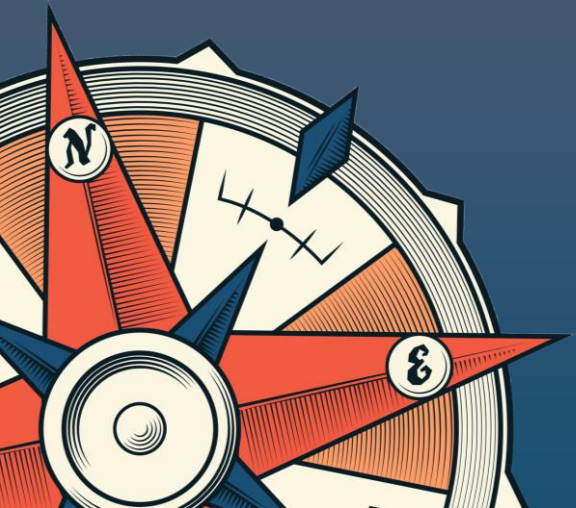
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Application

- Where are you likely apply this approach?
 - The critical jobs in your shop
 - Highest skilled employees and hardest to replace
 - At your bottleneck operation
- VA/NVA calculator
 - <https://www.wereducechaos.com/helpful-stuff/>



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What if We Apply This to the Product Itself?

- For the time the slab enters your shop until the finished top is installed, what percent is actual VA work?
 - Normal lead time for a kitchen = weeks
 - Normal VA time for a kitchen = hours
 - Normal to see 5% - 10%
 - TIMWOODS
- Addressing this effectively requires the right production management system
 - Optimize product flow
 - Maximize capacity utilization



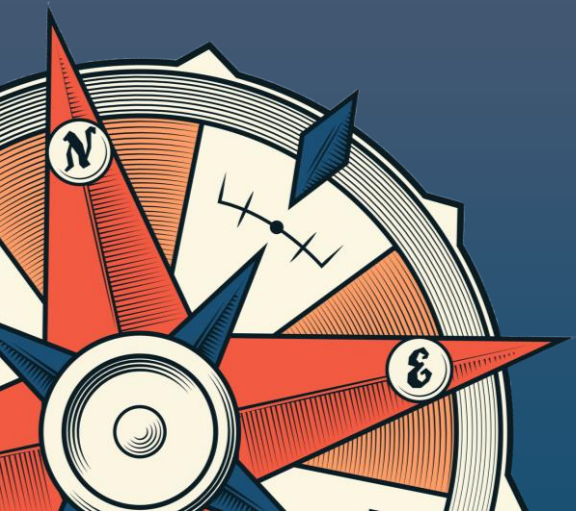
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What is the Impact When You Apply This Approach With the Right Management System?

- Increased capacity
 - 25% minimum – not unusual to see 30% - 40%
- Higher profit
 - Even if you add some lower skilled labor
- Lower inventory
 - Easily 50%
- Shorter lead time
 - From weeks to days
- Shorter cash cycle
- A more manageable shop

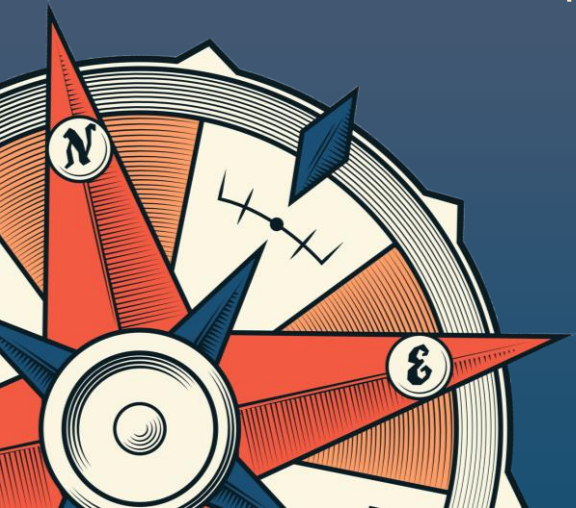


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Case Studies

- Structural Steel Fabrication
 - <https://www.wereducechaos.com/structural-steel-fabricator/>
- Wood Roof Truss Manufacturer
 - <https://www.wereducechaos.com/wood-roof-truss-manufacturer/>
- Countertop Fabricator
 - <https://www.wereducechaos.com/countertop-fabricator/>



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What questions can I answer for you?

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