

To continually examine our processes to provide greater value to our customers without waste.

# The Lean Line

**WOW**



**Focusing on the Waste:  
“Scrap/Rework/Defects”**

As we further explain the 8 common wastes that we want to tackle this year in our War on Waste, this week’s focus is on the waste called “**Scrap/Rework/Defects**”. As you may recall, “waste” is defined as anything other than the MINIMUM amount of time, equipment, tools, material, parts, people, and space required to ADD VALUE to the product/service/information-data.

Examples of **Scrap/Rework/Defects** include:

- Defects in fabrication
- Wrong installation
- Wrong design – Engineering/coordination
- Estimating errors – break apart differently for end-users needs
- Requirements misunderstood
- Punch lists (goal is to have nothing on punch list)
- Any info/data/material passed on that is incomplete and/or wrong
- Miscommunication
- Improper packaging & shipping techniques
- Over-producing resulting in scrap
- Not ordering enough material so requiring rework (set up to fab again later)
- Ordering the wrong material or equipment
- Lack of competence, Lack of training
- Not being informed or not knowing what the customer needs
- Lack of job knowledge, specifics of job



Following is a real-life occurrence of a recent **Scrap/Rework/Defect** waste by Grunau Company :

At one of our jobsites, a foreman was helping a service fitter install two DX coils in a 100-ton roof-top unit. There were a series of mistakes in this situation. The customer purchased the coils but from a company different than the manufacturer of the unit. When Grunau attempted to set the coils in place, the lower coil, according to the purchaser, was supposed to fit, but ended up not meeting the right dimensions of the unit. These coils weighed several hundred pounds and as they were put in place, three end loops were damaged. Due to our lack of checking dimensions, we created more work than was necessary. This resulted in rework waste that could have been reduced or eliminated by checking and confirming everything in advance.

**Scrap/Rework/Defects:**

- Limits competitiveness in establishing selling prices and limits end profit because of the extra costs involved.
- Prevents on-time job completion which causes additional costs in overtime, premium freight charges, and/or administrative costs, plus less customer satisfaction.
- Represents quality problems which may reach the customer.

This year, let’s make a concerted effort to act upon eliminating or reducing **Scrap/Rework/Defects** waste. Let one of the Lean Team members know how you have reduced or eliminated waste so we can keep tabs of our progress. **You can help us win this War on Waste!**