Lean Six Sigma Metrics

LEANOhio

Time Metrics – how long it takes to produce a product/service? How much of that is processing time versus idle time	**Cost Metrics** – how much does the process cost to operate (FTEs). Is there identifiable savings for the project	**Quality Metrics** – how often does the process lead to mistakes that require rework. How do customers view the process?
• Lead Time for process- total time (from start to finish from the customer's perspective including waiting time)to develop the product/service. Typically expressed in days • Best and worst completion time • Percent on-time delivery • Processing time- time to complete a process or process step, excluding wait time • Activity ratio – processing time divided by lead time, expressed as a percentage • Value added time • Non-value added time • Non-value added but necessary time • Percent value added time	• Labor savings • Cost savings • Cost per product- including labor, material, and overhead to produce the product/service	• Customer satisfaction • Rework • Percent complete and accurate – percent of occurrences that work in process released to the next step does not require a downstream customer to make corrections or request information that should have been provided initially. • Rolling first pass yield – percent of occurrences that the product or document passes through the entire process without needing rework.
Output metrics How many were produced each month/year • Production • Backlog – number of products/services that have not been started or entered into the process • Work in process – things currently being processed • Inventory- a supply of raw materials, finished products, and/or unfinished products in excess of customer demand	**Process complexity** – to be done during the event • Process steps • Value added process steps • Decisions • Handoffs • Loop backs • Black holes	**Organizational Metrics** • Lean events conducted • Lean Event participation – number of employees • Lean training provided-number of employees attended.