



## Sometimes words are, in fact, not enough!

And in business, the solution often involves the use of Visual Management. As the following article explains, there are two primary types of Visual Management, each saving organizations countless amounts of time and money.

But why try to explain when the title says it all...



не мусорить  
Neodhazují  
kein Abfall  
nie zaśmiecać  
没有乱抛垃圾

Mary Jane Conway-King

## Visual Management

by: Sheila Julien, Senior Associate

When one recognizes the power of Visual Management, words seem superfluous.

Visual Management is a powerful communication tool that lets people know quickly and effectively exactly the right thing to do in each situation by way of an agreed upon use of signals. Because Visual Management highlights the critical information in ways that can't be ignored, it enables a person to assess the status of the situation at a glance. Consequently, people can get far more done, more quickly, with fewer errors and without the need of additional instruction.

This is huge – faster response time, fewer mistakes, increased safety, higher productivity!

Visual Management has been effective in improving results in almost every organization. Among the benefits with specific examples are:

- Speed of execution in a time-sensitive process
- Reduced number of OSHA-reportable accidents
- Fewer errors in production, materials management, maintenance, and office operations
- Faster process analysis and improvements
- Reduced inventory and fewer stock-outs
- Higher productivity and throughput
- Better team-work and more engaged employees

There are two types of Visual Management tools:

- Tools that indicate quickly and reliably what actions to take and not to take in order to maintain process control
- Teamwork tools that communicate how a process is performing compared to an agreed upon standard or goal, so the people doing the work easily spot and implement the needed adjustments or improvements

### Action Aides

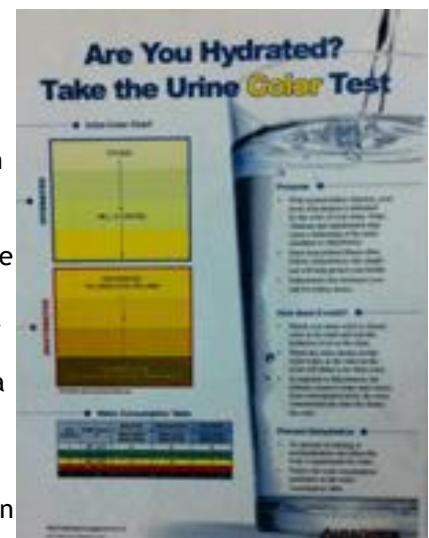
Many of the examples of Visual Management quickly show 'status at a glance'. They communicate the right action at the right time. These techniques are very powerful tools to reduce defects or errors. For example:



- One company uses color-coded grease (color of the grease container must match the color painted onto the machine) to make sure that only the correct grease is used on a machine. This greatly reduces the chance of an expensive maintenance error.
- A grocery store improved compliance with the placement of aisle displays by using premeasured floor markings at the right places. Previously, store personnel had to measure every time they set up a new aisle display to ensure it was placed with proper clearance.
- A nuclear power plant reduced by 83% the time required to push the 48 non-sequential buttons in the sequence required in emergency situations to shut down the reactor by color coding the buttons to flag the sequence.
- Shadow boards are used by nearly everyone. Shadow boards, a common '5-S' tool, have outlines that indicate exactly what must be on the board and where it must be. Shadow boards have drastically reduced the frequency with which items are missing as well as the time that is consumed looking for the item.
- The office equivalent of shadow boards is also in use. 'Conditional formatting' is used on forms so that if key data is missing it stands out with a highlighted 'fill.' When the field is completed, the highlighting disappears. Everyone knows not to hand in a form with any spaces still highlighted.



- A manufacturer reduced safety incidents by using neon colored gloves and changing the colors at regular intervals.
- A company uses wall markings to ensure pallets are not stacked over a safe height.
- Several manufacturers use tape or paint on the floor for traffic control and to indicate where things go.
- In manufacturing processes the andon cord is used to signal an urgent need for a supervisor to help solve a problem. Grocery store check-out lanes often use a blinking light for exactly the same purpose.
- One company, concerned about dehydration of employees, posted a color guide in the bathrooms to indicate when people should take action to hydrate.
- Another makes sure that manuals are kept in sequence by angling a piece of tape across the whole set and then slicing the tape to separate the manuals. If one is missing or out of sequence, it is immediately obvious.
- A chemical company uses visual standards so workers can determine at a glance if the product has the right color and clarity and take the appropriate action.
- Photographs of an organized work place are used to help people maintain '5-S'.





- Kanban cards are used to signal replacement.
- A wear line indicated it is time to replace the tool, just like the purple ink spot indicates the receipt tape is about to run out.
- One manufacturer has two colored pegs. When the fixture comes off the machines and needs maintenance, it is hung on the RED peg; when it is returned ready for use, it is hung on the GREEN peg.
- Illustrated job aides help people make sure the work is done in the correct sequence each time.
- Color coded tags on products make it easy to identify which are passed expiration date and should be picked up for returns.

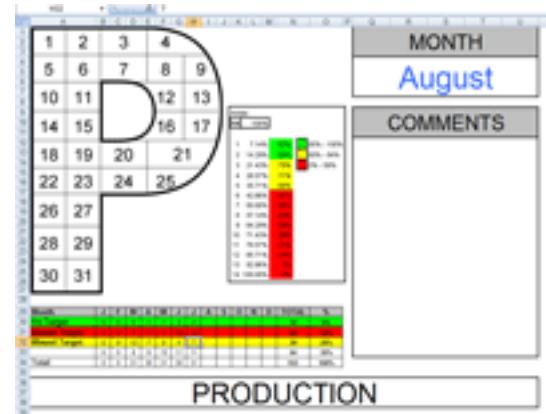
The power of each of these Visual Management tools is that the person who NEEDS to take action can see instantly exactly what action to take – whether it is to use certain grease, refurbish a part, lower the stack, or take a big drink of water. The information is in the right place at the right time. No direct supervisory instructions are required.

## Management Aides

Visual Management also helps teams of people manage their own process real-time by making team process performance information visible real-time. When the process is going according to the standard, everyone knows to ‘steady on’, but the Visual Management system also quickly communicates when there is a variation to the standard, such as defects, mistakes or an excessive backlog. The work team sees the results, owns the results, and knows how to adjust accordingly.

Here are a few examples:

- One organization uses color coded letters that instantly show people how the group is doing on important metrics. For example a poster with a large letter ‘P’ is colored green, yellow, or red each day of the month, depending on how production volume met the standard. A letter ‘Q’ is used to communicate how well the team is meeting the quality standard.
- Visual real-time posting of the backlog data enables people to move easily to where they are most needed without specific supervisor instruction.
- Visibility to the number of calls waiting helps a call center moderate talk time to reduce the number of abandoned calls.
- Several organizations use stop lights – red, yellow, or green – to indicate whether the performance is on target, merits caution, or needs urgent attention.
- Some organizations have found that using the stop signs to report safety status improved safety. People would see the green light and want to keep it going. If the light turned red (for OSHA reportable) or yellow (for first aid) it would quickly refocus people’s attention on safety.
- Dashboards are used to quickly communicate important information.





- The basic problem-solving charts are Visual Management devices to facilitate the analysis of variation.
- Production analysis boards record the quality, safety, and productivity at each work center and are reviewed by the team at each shift change to identify necessary actions.
- Value stream mapping is a form of Visual Management that helps people to understand what others do and how each step affects the rest.
- A manufacturer has the inventory on the computer screen automatically color yellow if the quantity is low and red if it is out.

## The Benefits of Visual Management

Visual Management facilitates tremendous improvements in human performance. It has reduced human error by over 80% while increasing throughput. Since people can see what must be done themselves, they can act without a supervisor's involvement — speeding action and freeing up supervisory time to work on improving the system. Consequently, all the business metrics improve:

- Inventory down
- Errors down
- Part availability up
- Throughput up
- Improvement ideas up
- Quality shipments up
- Teamwork up
- Job satisfaction up

Visual Management is a simple and tremendously effective way of communicating what must be done, when, and how. A Visual Management tool or technique often seems so simple that in retrospect one cannot understand why it had not been thought of before! People are much more effective and happy when there is clear and timely information about what is the best action to take and they are empowered to act.