

# WHAT ARE THE DIFFERENT TERMINOLOGIES USED IN VSM? PART 1



# VSM TERMINOLOGIES

## **BOTTLENECK**

The bottleneck is the term given to the operation with the longest cycle time per unit or the one with the lowest capacity. A bottleneck operation is not only the deciding limit for the production pace, but it also determines the capacity of the production process.

## **BUFFER**

The Buffer, which is the inventory taken between operations, creates a counterbalance in the operations cycle time.

## **CHANGEOVER**

The changeover time or setup time is used to prepare an operation for a new product.

## **CUSTOMER DEMAND**

This term is used to describe the probable number of products that will be ordered by customers within a given period of time.

## **CYCLE TIME**

This is the total amount of time required to complete one cycle of a task from start to finish by an operator before he/she repeats this operation.

# VSM TERMINOLOGIES

## DOWNSTREAM

Downstream processes are the next set of operations that receive the finished or unfinished work-in-progress goods from the current operations in focus.

## DOWNTIME

Downtime is the period of time when the piece of equipment or machinery is needed is NOT available for several reasons. These reasons can range from breakdown of the machinery to its scheduled maintenance.

## ESSENTIAL NON-VALUE ADDED TIME

This term collectively describes all the unnecessary but uneconomical periods spent in an operational process such as unpacking deliveries, delivering parts, and even transferring tools from one hand to the next.

## FIFO

FIFO is an abbreviation of the term First-In-First-Out. FIFO is a queuing system that manages products as they arrive in queue.

## FLOW

A continuous production process with no buffers in the middle of operations is termed flow.



## HEIJUNKA BOX

The heijunka box is a scheduling system that equalizes operations. We have a separate lecture that discusses the Heijunka box in detail.

## INVENTORY

All stored products are termed as inventory. Inventory is done before, within, or after a process with the finished products.

## INVENTORY LEAD TIME

This is the period of waiting for the arrival of the goods or products in inventory.

**AIGPE**

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