KPMG

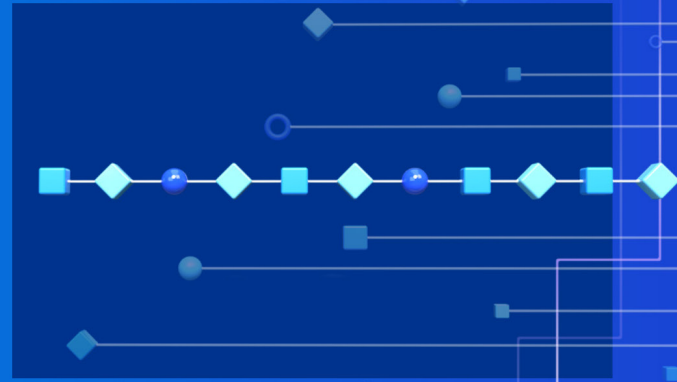# Lean Process Reviews

An innovative approach that improves your business

The pace of digital transformation is accelerating. As employees shift to virtual work and customers demand a better experience, successful organizations will need to ensure their people and processes adapt efficiently and effectively in this new reality.

The pandemic has highlighted the need for high-quality, robust and efficient processes that deliver the same results and outcomes, whether performed in-person or virtually.

Lean Process Reviews can improve the quality and efficiency of your processes by engaging your people – the often-overlooked human element in the improvement journey.

Lean helps organizations:

- Deliver greater value to your customers and minimize waste
- Streamline processes, minimize costs and improve quality and efficiency
- Engage and empower your teams to actively participate in business improvement

Learn more about Lean Process Reviews ▶

Client success stories

Lean has helped organizations unleash the potential of their people and processes:

73% Month-end	**26%** Sales	**60%** Payroll
improvement in month-end close process (from 11 to 3 days)	*reduction in unnecessary customer interaction points*	*improvement in 'first time right' processing of employee records and timesheets*
95%+ Payments	**$500K** Warranty	**87%** Claims
of payments processed via Electronic Funds Transfer (from 60%)	*saved annually by streamlining warranty submission process*	*reduction in claims handling time*

Source: KPMG in Canada

What is Lean?

Lean is a continuous process improvement mindset that creates business value by eliminating waste. Initially developed for manufacturing environments, Lean is used increasingly across the whole enterprise, including operations and finance.

Most processes generate waste and inefficiencies (typically up to 95%). By identifying and removing 'wasteful' activities such as wait time or the effort spent correcting errors, your employees can pay greater attention to running the business.

Examples of waste in processes

Transport
Copying information from one spreadsheet or system to another without materially changing

Inventory
Batch processing of transactions or unread emails waiting to be actioned

Motion
Switching between different software spreadsheets or searching for information on shared drives

Waiting
Waiting for information from other teams before processing transactions

Over processing
Just-in-case approvals or unnecessary handoffs between teams

Over production
Time spent creating detailed presentations and reports which are not used

Defects
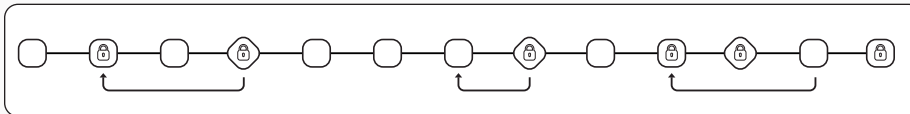Adjustments to transactions after being processed (e.g. credit notes)

Skills
Highly-trained staff spending more time copy and pasting data or chasing for information
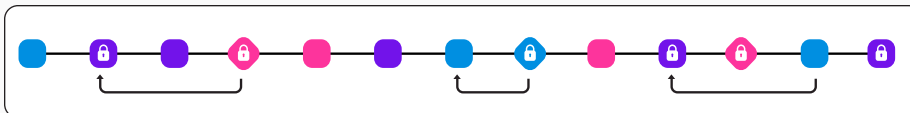
Typical process

Processes are performed based on tacit knowledge, with controls performed at all levels to ensure quality and risk mitigation.
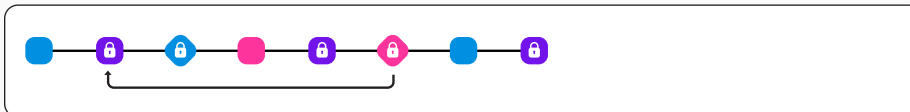

Lean Process Reviews

Applying a Lean lens to processes empowers your team to identify waste and improvement opportunities

Better business performance

Lean helps organizations increase productivity, streamline processes and improve customer experience

Value: what customers want **(maximize)**

Necessary Non-Value: required activities **(minimize)**

Waste: non-essential activities **(remove)**

Process controls

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