



What is VSM?

In order to answer the question “what is VSM” we first need to understand what a Value Stream is.

Value is first defined as anything for which a consumer is willing to pay for, thus an activity however required that does not create Value in the eyes of the consumer is non-value added.

Secondly it gets the name Stream from the fact that Lean’s goal is to get value to flow just like water does in a river or Stream. Lean works to removed blockages in the flow of value through the stream bed.

A Value Stream can be defined as follows:

The Value Stream represents the actions and activities taken to bring a product into existence, from the raw material extraction to the final consumption.

So if we take that definition we will see that a Value Stream goes from natural raw material all the way to final recycling or disposal, in fact. However we rarely deal with the total Value Stream when mapping it, as we can rarely effect changes in those parts of the stream we have no control over.

A Value Stream Map is simply a visual representation of the actions and activities that occurred in the Value Stream we are mapping.

What is VSM? The Answer

There are two answers to what is VSM, depending on how that question gets asked and when, so let’s give you both answers.

VSM could be the Value Stream Map that was drawn based on a product Value Stream. It would include all processing and communications used to create the final product. This means the map includes all action or activities whether they produce value or not. Once VSM of the current state is drawn it is analyzed for improvement opportunities, with the goal of eliminating as many non-value added ones as possible, and additionally to improve the flow of the stream,

VSM can also refer to the act of creating the Value Stream Map. Value Stream Mapping is the process which first draws the current state map and then draws a target ideal future state Value Stream Map. So in this second case VSM is an activity undertaken to map and identify improvement opportunities for a product Value Stream.

For more information see Value Stream Mapping page.