

THE ICE CREAM SHOP

In order to be successful, businesses must run efficiently. They need to make the best use of all available resources, including time, materials, and people. A company's **resources** include everything that it can make use of as part of its operations. Does efficiency mean working as hard and fast as possible? Not necessarily—it's not enough for workers to simply perform tasks quickly. **Efficiency** means conducting a task with the minimum amount of effort while making the most of resources. The order in which tasks are done, the way that information about tasks is conveyed, the way that materials—such as product parts—are handled, and the layout of the work environment all affect the overall efficiency of a business. The business must also make products that customers want, when they want them. After all, it's not efficient to produce hundreds of products quickly and cheaply if no one wants to buy them!

Sometimes the best way to learn about something is to see how it *shouldn't* be done. The ice cream shop shown in the video needs some help with the efficiency of its operations, and it's your job to see where the inefficiencies in its processes might be. One way to find inefficiency is to look for places where waste is occurring. **Waste** includes any activities that unnecessarily use or discard resources. Activities that create waste can be fairly obvious, such as throwing a product away because it was made incorrectly, or can be more subtle, as in the case of wasted movement. For example, if employees have to move three times to complete an activity when it would be possible to configure the employees' workspace so that they only need to move twice, the activity is creating waste in the form of employees' unnecessary movement.

The resources that are used (and wasted) in business generally fall into three categories: time, materials (including machines), and people. For example, the wasted movement described above falls under the category of "people." As you watch the video, note all of the waste you see, using the following table as a model:

Waste and Inefficiency in the Ice Cream Shop

What Is Being Wasted?	What Is Causing This Waste to Occur?