THE 80/20 INSTITUTE

Larkspur Precision

Lean Book

November 29, 2026

The period shown on this page. PGOS, from the company file.

The 80/20 Institute

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On time and quality

Sample company. These aren't your numbers.

The same standard as the board pack, for July 2026–September 2026.

Board pack. Earnings are $6,230 behind plan. −$6,230. July 2026–September 2026. File period Jan 15–Dec 15, 2025. The pages in this pack use this quarter. They are not added again. Quads come from the invoice file. The profit and loss statement is the sum of those invoices.

On time and first-pass quality, April–September 2026. Goal 95% on time and 98% quality.

A blank stays off. Nothing here posts.

On time and quality

Month	On time	Quality
Apr	91%	97%
May	92%	97%
Jun	90%	96%
Jul	93%	98%
Aug	94%	98%
Sep	95%	98%

How to read this page

Lean Operations. 4 of 8 streams support 82% of known profit. The bottleneck on Standard skid line is Queue. Planned $96.0K. Actual $73.7K. Variance −$22.3K. On the Profit Bridge: $96.0K from 4 posted savings. A kaizen dollar is separate from Cost Reduction and Procurement. Jan 15–Dec 15, 2025. Quads come from the invoice file. The profit and loss statement is the sum of those invoices.

A blank stays off. Nothing here posts.

How to run Lean Operations

Find the waste and the bottleneck in the few streams that hold the profit. Only an approved, measured savings reaches the Profit Bridge, and it is never a Cost Reduction cut or a Procurement save.

- Rank the streams that hold the profit. Name the sites, lines, warehouses, or crews. Rank them by the profit they support. The Core is the few streams that hold the profit. A stream with no profit figure stays unknown.
- Walk the flow. Write the steps you can see: work time, wait time, and work in process. Mark the bottleneck. If the steps are missing, the stream still opens and says so. The picture invents no times.
- Name the waste in plain words. Waiting, movement, extra stock, rework, over-processing, over-production, unused skill, and extra motion. Each note has a stream, an owner, and a date. A note becomes an improvement event only when a person types the charter.
- Write the standard and stand up the board. The current best way on a Core stream has a pace, an owner, and a review date. The daily board shows today's measures, today's problems, and today's actions. A missed review is a flag. Neither one is a dollar.
- Charter the improvement event. The event has a problem, a target, an owner, a date, and a plan for how the savings will be measured. Tie it to a Critical Few objective when one exists. The lesson for this work is Kaizen.
- Approve only a measured savings. An expected dollar is a check. It posts on the new path only after it is measured, approved by the lean owner, and not already a Cost Reduction cut or a Procurement save. Operating measures are never turned into a dollar.

Flow and stream rank

4 of 8 streams support 82% of known profit.

This is the profit the stream supports. It is not a Lean dollar.

Value streams

Stream	Band	Profit supported	Bottleneck	Wait	Work	Capacity
Standard skid line	Core	$4.2M	Queue	39	38	
Second skid line	Core	$2.3M	Queue	39	38	
Valve cell	Core	$1.2M	Queue	39	38	
Frame cell	Core	$840.0K	No bottleneck is named	39	38	
Weld flow	Middle	$730.0K	Queue	69	26	
Assembly flow	Middle	$520.0K	Queue	39	38	
Custom one-offs	Middle	$410.0K	Queue	69	26	Do not add capacity
Spare parts cell	Tail	$210.0K	No bottleneck is named	39	38	

Value stream steps

Steps in the order on the file. The named bottleneck is marked. A blank work time stays unknown. It is not zero. Nothing here posts.

6 more streams stay on the screen.

Standard skid line

Step	Work	Wait	Jobs waiting	Mark
Standard skid li ne release	12	4	2	
Queue	2	18	6	Bottleneck
Do the work	16	3	3	
Check	5	6	2	
Hand off	3	8	4	

Second skid line

Step	Work	Wait	Jobs waiting	Mark
Second skid lin e release	12	4	2	
Queue	2	18	6	Bottleneck
Do the work	16	3	3	
Check	5	6	2	
Hand off	3	8	4	

Which step holds the wait

The days on this flow. Wait at each step. Each bar is one step. A step with no wait figure stays off. A loss stays off. The longest bar holds the most wait. Nothing here posts.

Each bar is the wait already typed for that step. The unit is the one you typed. This page does not invent one. A blank wait stays off. It is not stored as zero. A loss stays off. A known zero stays on the chart. The longest bar holds the most wait. The chart shows the eight largest. The rest stay on the flow. Nothing posts.

Nothing here posts.

32 more steps stay on the flow.

Wait by step

Step	Wait
Custom one-offs · Queue	48
Weld flow · Queue	48
Assembly flow · Queue	18
Frame cell · Queue	18
Second skid line · Queue	18
Spare parts cell · Queue	18
Standard skid line · Queue	18
Valve cell · Queue	18

Profit by stream

Jan 15–Dec 15, 2025. Profit supported by each stream on the current book. Each bar is one stream. A stream with no profit figure stays off. The longest bar holds the most profit.

Each bar is the profit the stream is tied to. It is not a Lean dollar, and it does not post. A stream with no profit figure stays off. A known zero stays on the chart. The longest bar holds the most profit.

Nothing on this chart posts.

Profit supported

Stream	Profit
Standard skid line	$4.2M
Second skid line	$2.3M
Valve cell	$1.2M
Frame cell	$840.0K
Weld flow	$730.0K
Assembly flow	$520.0K
Custom one-offs	$410.0K
Spare parts cell	$210.0K

Waste and bottlenecks

Notes are in plain words. Nothing on this list is a dollar.

17 more notes stay on the screen.

Waste log

Stream	Kind	What was seen	Owner	Date	Status
Standard skid line	waiting	On Standard skid line, standard skid line release held work that the next step was not ready for.	Reed Cedar	2026-06-05	open
Second skid line	movement	On Second skid line, queue held work that the next step was not ready for.	Reed Cedar	2026-07-12	turned into an event
Valve cell	extra stock	On Valve cell, do the work held work that the next step was not ready for.	Reed Cedar	2026-11-08	closed with no event
Frame cell	rework or defects	On Frame cell, check held work that the next step was not ready for.	Reed Cedar	2026-10-13	open

Stream	Kind	What was seen	Owner	Date	Status
Weld flow	over-processing	On Weld flow, hand off held work that the next step was not ready for.	Reed Cedar	2026-04-19	turned into an event
Assembly flow	over-production	On Assembly flow, assembly flow release held work that the next step was not ready for.	Reed Cedar	2025-12-17	closed with no event
Custom one-offs	unused skill	On Custom one-offs, queue held work that the next step was not ready for.	Reed Cedar	2026-08-22	open
Spare parts cell	extra motion	On Spare parts cell, do the work held work that the next step was not ready for.	Reed Cedar	2026-05-28	turned into an event

Improvement events and Critical Few charters

An expected dollar is not on the Profit Bridge until it is an approved, measured savings.

16 more events stay on the screen.

Improvement events

Event	Stage	Owner	Critical Few	Measurement plan
Improve standard skid line 1	idea	Reed Cedar	No objective	
Improve second skid line 2	idea	Reed Cedar	Reprice the three deepest discounts	
Improve valve cell 3	idea	Reed Cedar	Reprice the three deepest discounts	
Improve frame cell 4	idea	Reed Cedar	Reprice the three deepest discounts	
Improve weld flow 5	scheduled	Reed Cedar	Reprice the three deepest discounts	
Improve assembly flow 6	scheduled	Reed Cedar	Reprice the three deepest discounts	
Improve custom one-offs 7	scheduled	Reed Cedar	No objective	
Improve spare parts cell 8	scheduled	Reed Cedar	Reprice the three deepest discounts	

Standard work

Core standards current: 1 of 4.

Standards

Work	Stream	Owner	Reviewed	Current	Adherence
Standard for Standard skid line	Standard skid line	Reed Cedar	2026-05-01	Stale	80.0%
Standard for Second skid line	Second skid line	Reed Cedar	2026-04-15	Stale	92.0%
Standard for Valve cell	Valve cell	Reed Cedar	2026-10-20	Current	Unknown

Daily boards

A missed review is a flag. No action on the board is a dollar.

Recent boards

Site	Date	Reviewed	Open actions
Hill plant	2026-11-13	Reviewed	0
River plant	2026-11-13	Reviewed	0
North plant	2026-11-13	Reviewed	1
Hill plant	2026-11-12	Reviewed	0
River plant	2026-11-12	Reviewed	0
North plant	2026-11-12	Reviewed	0
Hill plant	2026-11-11	Reviewed	0
River plant	2026-11-11	Reviewed	0

Measures and history

Operating measures are a reading of the flow. They are not a dollar.

2025-10 to 2026-11 · oee · one average per month

Each point is the monthly average of the days with a reading. A month with no known day stays off the line.

6 earlier months stay on the screen.

2026-W31 to 2026-W46 · weekly actual · one point per week

Each point is the weekly actual for that week. A week with no actual stays off the line.

8 earlier weeks stay on the screen.

Nothing here posts.

Monthly average

Month	Measure	Average
2026-04	OEE	68.5%
2026-05	OEE	67.0%
2026-06	OEE	65.9%
2026-07	OEE	66.8%
2026-08	OEE	68.9%
2026-09	OEE	71.3%
2026-10	OEE	73.6%
2026-11	OEE	75.2%

Weekly actual

Week	Weekly actual
2026-W39	71.5%
2026-W40	72.2%
2026-W41	72.9%
2026-W42	73.3%

Week	Weekly actual
2026-W43	74.2%
2026-W44	74.4%
2026-W45	74.7%
2026-W46	75.6%

Weekly review decisions

A decision does not change a dollar.

Read the measure trends.

Read event progress against the Critical Few.

Read which standards are current.

Read measured savings against the expected dollar.

- Frame cell is a Core stream with no named bottleneck.
- Frame cell has no standard.
- Standard for Standard skid line is adherence below the line.
- Standard for Second skid line is stale.
- Improve valve cell 11 is running with no measurement plan.
- Improve frame cell 12 is running with no measurement plan.
- Improve weld flow 13 is running with no measurement plan.
- Improve weld flow 21 is done with no measured actual.

Decisions

Decision	Owner	Date
Keep the bottleneck on the Core stream. Do not add cap acity on the tail.	Reed Cedar	2026-11-06

Approved measured savings

Lean Operations posts $96.0K.

Legacy rows are labeled. Operating measures stay off the approval list.

Which improvement holds the measured saving

This year.

Measured saving

Improvement	Saving
Improve valve cell 19	$30.5K
Improve second skid line 18	$25.4K
Improve standard skid line 17	$17.8K
Improve frame cell 20	$15.0K

Measured savings

Event	Posted	Assumption	Evidence	Approver
Improve standard skid line 17	$17.8K	The measured change holds for a quarter.	Before and after pick audit	Reed Cedar
Improve second skid line 18	$25.4K	The measured change holds for a quarter.	Overtime hours before and after	Reed Cedar
Improve valve cell 19	$30.5K	The measured change holds for a quarter.	Callback visits before and after	Reed Cedar

Older expected-dollar rows

Event	Expected	Label
Improve assembly flow 22	$22.3K	