



5 THINGS YOU NEED TO KNOW ABOUT LEAD TIME

1

THE DIFFERENCE BETWEEN WORK ITEM TYPES AND CLASSES OF SERVICE

Work item types go through different processes of preparation. In the common café example, they are the different drinks your business offers. A class of service is a set of policies that describe how an item of work should be treated. Going back to the same example, this is the treatment of an everyday customer vs. a to-go order in a hurry.

2

HOW TO CALCULATE YOUR LEAD TIME

Lead time is the time it takes to deliver an item. Measuring how long a ticket takes to move from the commitment point to delivery on your Kanban board tells your lead time. Understanding your average lead time allows you to be trustworthy and reliable to customers.

3

THIN-TAILED VS. FAT-TAILED

A lead time probability function is a curve that shows the distribution of actual data for the lead time from a Kanban system. The x-axis shows the number of days of lead time and the y-axis – the occurrence of that time within the sample data set (the number of tickets pulled through the Kanban board). Therefore, the longer the tail of your curve is, the bigger your lead time and the less predictable/reliable your process.

4

UNDERSTAND WHAT IS “EARLY” OR “LATE” WHEN YOU KNOW YOUR LEAD TIME

Knowing your average lead time allows you to define “normal” periods to finish a work item. With this information, you can easily calculate when you are starting an item early, late, or at the “last responsible moment”.

Learn more about lead time and how to maximize the benefits with our online KMP training! Find out more at [DJAA.com](https://www.djaa.com)

5

FAT-TAILED LEAD TIME AFFECTS YOUR FORECASTING ABILITIES

A fat-tail affects the mean much more than it affects the median. Simple forecasting equations, such as Little’s Law and the use of regression to the mean, require using this average. Just a few high-value data points skew the mean upward and may dramatically affect the accuracy of a forecast.

