

Theory of Constraints for Business Improvement

FA-0809 · 2 days

Others

Introduction

Use the Theory of Constraints (TOC) to examine what limits a system's progress towards its goal. Identify a constraint, focus improvement effort and assess how changes affect the wider process through business and service examples.

A constraint is a system-level limiting factor, not a claim that one dissatisfied employee inevitably ruins an organisation. The programme encourages process analysis and evidence-based improvement rather than blame.

Learning outcomes

- Explain TOC concepts, philosophy and types of constraints.
- Apply the Five Focusing Steps to a business example.
- Relate operational measures to system-level goals and constraints.
- Compare TOC and lean thinking and evaluate a service-process case.

Prerequisites

No specific prerequisites.

Training outline

1. TOC concepts and simple reasoning

- What is the Theory of Constraints

The pigeonhole principle as an example of simple mathematical reasoning; distinguish this analogy from the TOC improvement method.

- Types of Constraints

Philosophical assumptions

Discuss convergence, consistency and respect as assumptions of the approach, not proven universal properties of organisations.

2. The Five Focusing Steps

- Identify the system constraint in relation to the goal.
- Exploit it: make better use of the existing constrained resource.
- Subordinate other work to that decision.
- Elevate the constraint where justified.
- Repeat when the constraint changes and avoid inertia.

3. Business and service applications

- Business examples of TOC application
- How the Theory of Constraints works in service organizations
- Establishing relationship between operational measures and Theory of Constraints

4. Comparison and case analysis

- Comparison of lean thinking with Theory of Constraints
- Case Study
- Conclusions