Theory of Constraints Practitioners Alliance   www.tocpractice.com

How to really significantly improve Timeliness, Quality and Job satisfaction in any Service Organisation without having to invest large amounts of money

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About the presenter

- **1985: Eli Goldratt introduces himself in my life with The Goal**

- 1985-2005: studying, learning, listening, reading, experimenting everything about TOC and TOC for Health with help and support of so many TOC experts

- **2005: first implementation** in a Hospital in The Netherlands based on Jonah programme by Alex Knight

- 2005-2013: several implementations in Healthcare in NL and UK together with Alex Knight & QFI

- 2010: Master of Science TOC for Healthcare Management Nottingham Trent University

- 2013-2016: development of general Solution TOC for Services together with Hans Steenpoorte & Michel Stijlen

- **2015: Books published** Servicefactory and Projectfactory (Dutch) together with Hans, Michel and Marianne Schram

- 2016-2018: several implementations of SF within Government, Healthcare, Software Industry, Housing Association, HRM- and IT-departments

About the presenter (2)

Together with several colleagues in The Netherlands I am committed to improve the life of many people working in Service Organizations. It is my firm belief that working in such organizations can be of tremendous value to both the employees and their customers: every living person (and every dying also actually) is dependent on service from any organization more often than not. Thus there is a win-win for many people involved if we succeed in improving the performance significantly. Not only will there be more value for (tax)money, there will also be a much happier workforce than ever before. And that is what we aim for!

I sincerely hope this webinar will add to this goal. **Every remark, feedback, question, improvement of the solution is very welcome.**

About this webinar

The Service Industry is a **growing industry** worldwide, both in terms of the amount of organizations as in terms of the size of them. This means that more than ever before there is value in keeping up the **required performance**; not only for the employees, but certainly for all its customers. And who is not?

In this webinar I can only **scratch the surface** of our general solution; I think it is enough to get started and I hope it is enough to get you involved. The solution is written **more in detail in the book** I wrote with 3 of my colleagues; but unless you speak Dutch the book won't be of any help. So, listen carefully, make notes, ask questions. And **download the PDF** afterwards and start using the solution. It helps!

Have fun!

Current Reality

Hospitals, government, Telephone companies, Housing Associations, et cetera **DO exist**, which means: most of what they do **works fine** or **works just fine**….

But sometimes things **break down**….

From the Outside

…. **and then as a customer you can't get through:**

- **Long waiting times** before you reach some one

- You get the **wrong person**

- You get the wrong service

- You don't get service at all

- You have to **wait for a long time** for service

- They will **call you back** (and they don't)

- ……

From the Inside

… but as an employee you experience this

- You can't always deliver **on time**
- You often have to **wait for information**
- Papers are **not correct**, you have to send them back
- You are **too busy** with other tasks or projects
- There is a **change in plans** and priorities
- We don't agree on **priorities**
- There is an **emergency**
- Employees and managers experience **high pressure**
- …..

Generalizing

Most Service Organisations demonstrate the same undesirable effects or symptoms*:

- Long **leadtimes**

- Poor **due date** performance

- Lack of **quality**

- High **workload**, high pressure on people

- **Complaining** employees, customers and stakeholders

* Words may vary per organisation, principles stay the same

Generalizing again

Here are the four areas most Service Organisations complain about*:

- The Goal is **not clear**

- Teamwork is **not effective**

- Flow is **stagnating**

- Improvement is **not happening**

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Complaint #1

The Goal is not clear

Management and Employees know what **TO DO** and usually they **measure that (KPI).**

But they don't know what **TO ACHIEVE** in terms of operational goals and they **don't measure that**.

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- high workload, high pressure
- performance is unknown or often poor

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Check for yourself:
- Are you busy all the time (or do you want to be)?
- What is the contribution of a team or dept. to the goal?

Complaint #2

Teamwork is not effective

In a lot of organisations there is an atmosphere of **mistrust**, anxiety, **avoiding conflicts**, even frustration, anger or **demoralisation**.

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Check for yourself:
- Is your work/task/question/order assigned to a person or to a team?
- What happens with your work when you are not there?

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- changing priorities, also known as Multitasking
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Check for yourself:
-    What is the waiting time to be admitted to a hospital?
-    How large is your backlog?
-    How many e-mails do you have in your inbox?

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- resulting in higher costs or lower benefits or both.

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Problems
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Check for yourself:
- How long is your TO-DO list?
- How many tasks are within time, scope and budget?

Criteria for a Solution

Any solution to improve a service organisation must

- ✓ decrease leadtimes
- ✓ increase due date performance
- ✓ meet (and increase) production targets

while at the same time the solution must

- ✓ decrease Workload and –pressure
- ✓ increase Quality
- ✓ be available at no extra costs

A General Solution for Services

THE SERVICE FACTORY

Complaint #1: The Goal

Complaint	Element of the Solution
The Goal is not clear	1. Define the goal (Service Catalog) 2. Manage it

| Maintenance Datum: 05-12-2016 | Binnengekomen: week: 7 ptn totaal: 137,5 ptn | OHW: 30 ptn | Gesloten: Week: 10 ptn Norm: 18,5 ptn | Gesloten: Totaal: 173,5 ptn Norm: 167 ptn | Leverbetrouwbaarheid in cards: Week: 75% 6 weken: 91% Totaal: 76% |

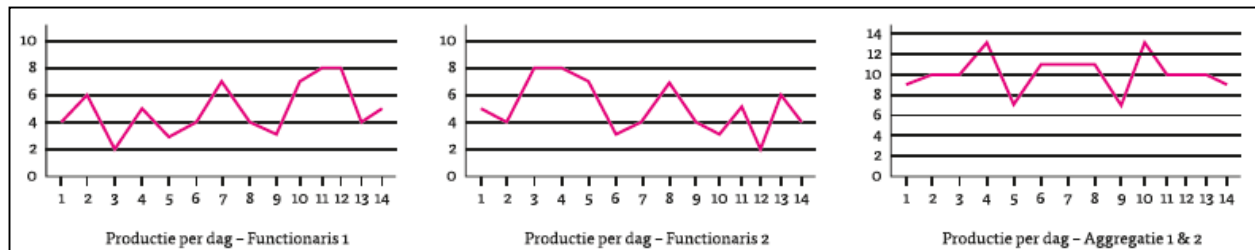| Product	Ingekomen		OHW	gerond				DLT			DLT Little		gem bewerkings tijd (dgn)		Leverbetrouwbaarheid norm: 90%						
	Week	Totaal		Week	Norm	Totaal	Norm	Week	Totaal	Norm	Week	Totaal	Week	Totaal	Op tijd (week)	%	Closed (6 weken)	Op tijd (6 weken)	%	Op tijd (totaal)	%
Mt-XS	0	3	0	0	1	3	8	0	1,22	1	0	0	0	0,03	0	0%	3	3	100%	3	100%
Mt-S	1	34	6	1	2	34	16	5,16	10,65	5	30	3	0,58	1,11	1	100%	17	17	100%	30	88%
Mt-M	2	27	3	3	5	38	40	8,61	26,71	8	5	0,73	2,64	2,63	2	66%	25	21	84%	26	68%
Mt-L	0	2	1	0	0	1	4	0	15,9	12	0	45	0	4,52	0	0%	1	1	100%	1	100%
Mt-XL	0	1	1	0	0	2	4	0	104,85	13	0	2,81	0	7,01	0	0%	0	0	0%	0	0%

Complaint #2: Teamwork

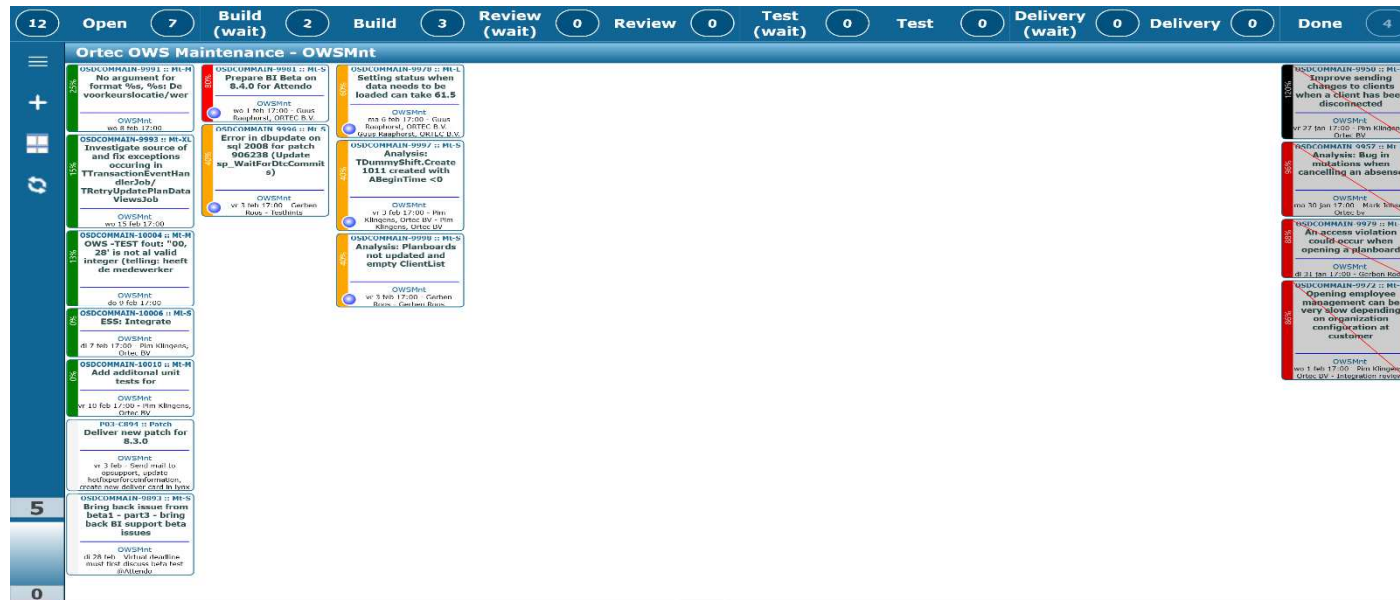| Complaint	Element of the Solution
Teamwork is not effective	3. Assign work to TEAMS (aggregate) +. Create: - Community of Trust - Unity of Purpose

Focusing on... RESULTS
Embracing... ACCOUNTABILITY
Achieving... COMMITMENT
Mastering... CONFLICT
Building... TRUST

Productie per dag – Functionaris 1   Productie per dag – Functionaris 2   Productie per dag – Aggregatie 1 & 2

Complaint #3: Flow

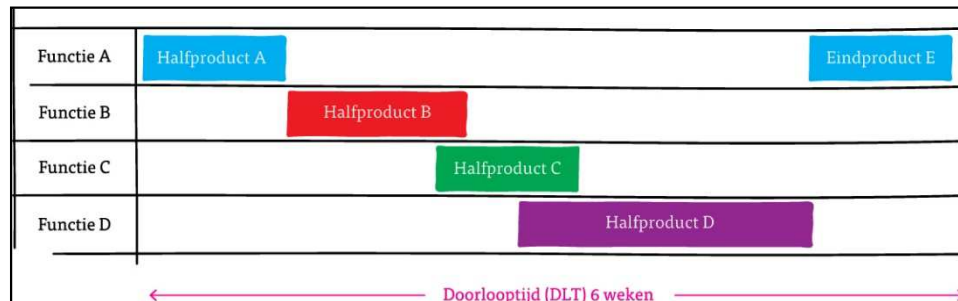| Complaint	Element of the Solution
Flow is stagnating	4. Control WIP 5. Use Buffer Management to - Prioritize uniformly on due date - Eliminate multitasking - Focus on completion

Complaint #4: Improvement

Complaint	Element of the Solution
Improvement is not happening	6. Optimize goal-related - Operational: longest task-duration - Tactical: common Reason for Delay

6+ Elements of the Solution

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The Goal is not clear	1. Define The Goal 2. Manage The Goal
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Check on Desired Effects

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Know when to intervene to meet the targets	1. Define The Goal 2. Manage The Goal

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Next steps

Follow the sequence of the Logical Thinking Processes to increase the probability of being successful

❑ Check for possible **Side Effects** (Negative Branch Reservations)

❑ Surface the **Obstacles** and create the **Intermediate Objectives**

❑ Create the **implementation plan** by sequencing AND assigning

- Elements of the Solution
- Solutions for the Side Effects
- Objectives to overcome Obstacles

❑ Implement and have **Results**!

Disclaimer

➢ The explained solution is a **General Solution** for Service Organisations of **any kind**. It is NOT specific.

➢ Each Service Organisation and each type of Service Organisation **will be different** by default and will require **specific adjustements** of the Solution.

➢ Within every implementation the implementor MUST check both the prevailing **Current Reality**, its **Undesired Effects**, the **Core Problem(s)** and the **validity of the Elements** of the Solution.

➢ So far we have made the solution work for Healthcare (in a wide variety), Government, Housing Associations, Software companies, IT departments, HRM companies, Engineering. We are working to expand the area's of influence.

Questions?