



## Insights into 5 Focusing Steps: Talking about the Constraint

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# About the content

In this webinar I will share my thoughts that I presented in the first broadcast of ThinkCamp OnAir and will also present material that I did not have time to present in the broadcast.



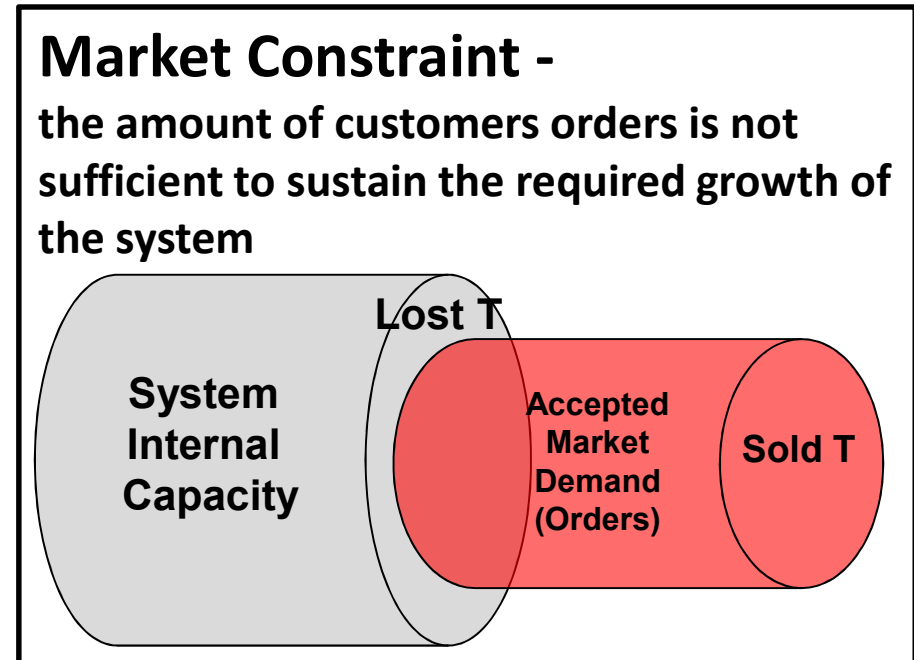
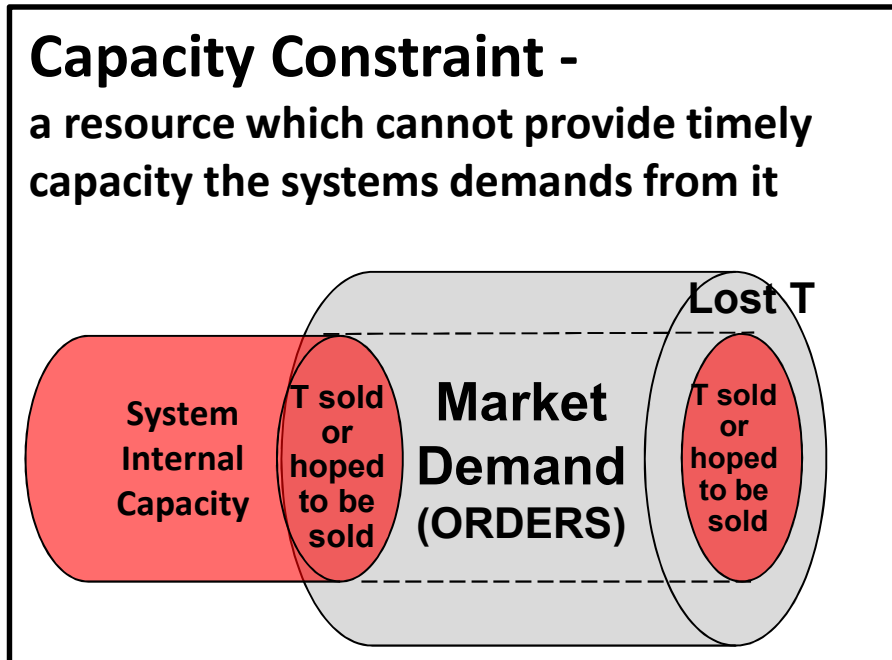
## 5 Focusing Steps

- 1. Identify (choose) the system's constraint**
- 2. Decide how to exploit the system's constraint**
- 3. Subordinate everything else to the above decision**
- 4. Elevate the system's constraint**
- 5. If the constraint is broken go back to step one but do not allow Inertia to cause the system's constraint**



# Where is the Constraint? Does it matter?

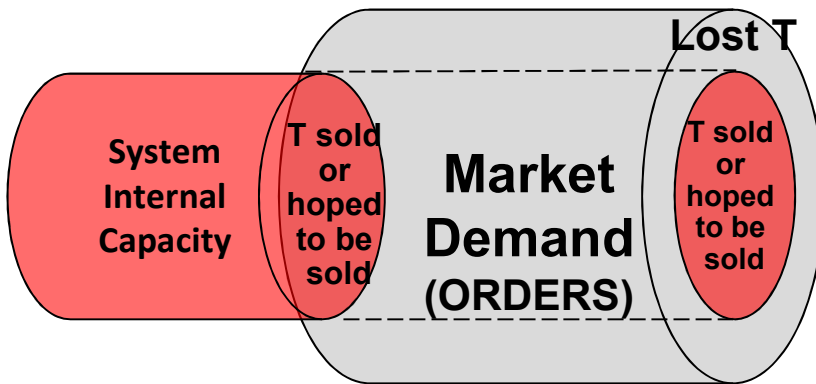
- Considering that what we do is Theory of **Constraints** – it should matter! After all, we claim that we manage a system through its CONSTRAINT!
- → One should know through WHICH element of the system one should manage.
- At the same time, it is a completely different scale of precision when we speak about the LOCATION of the Constraint in a company:



# Different scale of precision

## Capacity Constraint -

a resource which cannot provide timely capacity the systems demands from it

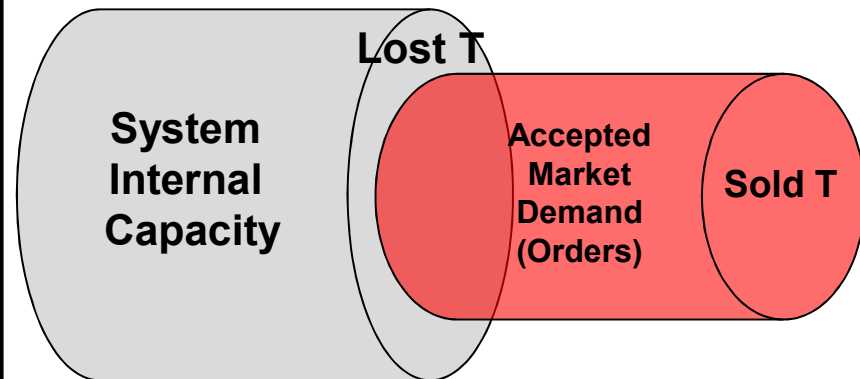


The need to:

- differentiate between a bottleneck and a CCR;
- know which of specific machine(s)/work center(s) (out of MANY) is a Capacity Constraint

## Market Constraint -

the amount of customers orders is not sufficient to sustain the required growth of the system



It is only ONE "point" –  
AMOUNT OF ORDERS

No further "split"



# Practical Implication (to manage!!) for a TOC Solution

## Capacity Constraint -

a resource which cannot provide timely capacity the systems demands from it

The need to:

- differentiate between a bottleneck and a CCR
  - **DBR or SDBR for production. Only MTO!**  
**But what about MTA?**  
**And distribution? Retail?**
- know **which of specific machine(s)/work center(s)** (out of MANY) is a CCR
  - **Does it matter at all EVEN for MTO - as we apply SDBR?**
- And what about a “wandering bottleneck (CCR)” depending on the intake of orders (the mix)?

## Market Constraint -

the amount of customers orders is not sufficient to sustain the required growth of the system

It is only ONE “point” –  
AMOUNT OF ORDERS

No further “split”

However, a lot of confusion  
and internal fights about  
“market constraint”,  
“marketing constraint”,  
“sales constraint”

This is not  
addressed in  
this webinar



## So – how to identify **WHAT** is the constraint in a specific system?

Isn't 5 Focusing Steps **ALSO** the way **HOW** **TO ELIMINATE** what is **NOT** the constraint?

1. Identify (choose) the system's constraint
2. Decide how to exploit the system's constraint
3. **Subordinate everything else** to the above decision
4. Elevate the system's constraint **Add MORE!**
5. If the constraint is broken go back to step one but do not allow **Inertia** to cause the system's constraint

*A harmful policy?  
The system owner?*



## Confusing wording of Step 5

1. Identify (choose) the system's constraint
2. Decide how to exploit the system's constraint
3. Subordinate everything else to the above decision
4. Elevate the system's constraint

in this location

5. If the constraint is broken go back

to step one but do not allow Inertia

to cause the system's constraint

There is NO system  
WITHOUT a constraint!

Doesn't it mean:

"do not allow Inertia to cause HARM to the system because of the new unidentified and unmanaged constraint" ?



# What if the system that we want to understand is **a country?**



**Step 1: Identify  
(choose) the system's  
constraint**

**Can the Constraint be  
OPPORTUNITIES  
for people  
to improve their  
living standard ?**

**NOT "the LACK of  
opportunities"!!**

**Check  
through  
Step 3  
and 4!**



# OPPORTUNITY as the SYSTEM'S CONSTRAINT

**Step 1:**  
Identify  
(choose) the  
system's  
constraint

**OPPORTUNITIES  
for people  
to improve their  
living standard**

The generic  
wording in  
each concrete  
case must be  
specific!



THE CONSTRAINT in the  
areas close to the river -  
**opportunities for  
local people to use  
water for  
agriculture**

**Step 2:**  
Decide how to  
exploit the  
system's  
constraint

The river is there. There are villages and homesteads not far away from the river. The underground water is only 6 meters deep. Some villages have a water pump.

*However,*

- *They do not have money to buy diesel to operate the pump.*
- *Or, they have lost the expertise how to operate the pump (the person who knew is not living there any more).*
- *Or, they do not have the spare parts (nor the money to buy them) to repair the broken pump.*
- *They do not have agricultural tools.*
- *They do not have the knowledge how to do agricultural work.*

**PLAN!**

Should the  
plan be "HOW  
TO REMOVE  
THE  
OBSTACLES"?

**THESE ARE  
OBSTACLES TO  
EXPLOITING THE  
OPPORTUNITY  
TO USE WATER  
FOR  
AGRICULTURE**



**CAN TOC BE USED ON A PERSONAL  
LEVEL IF THERE IS  
NO OPPORTUNITY TO  
CHANGE?**

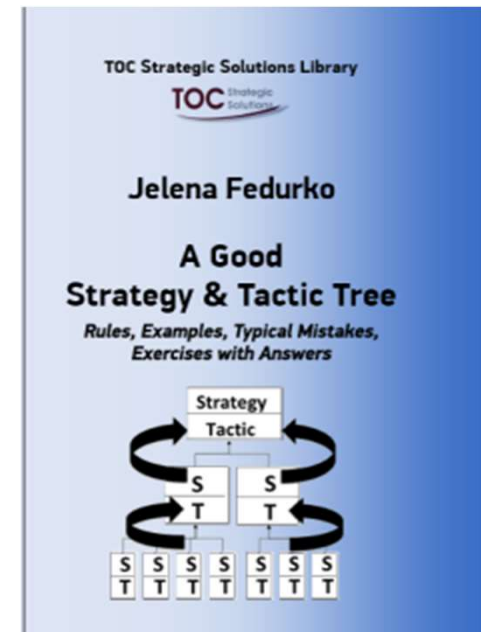
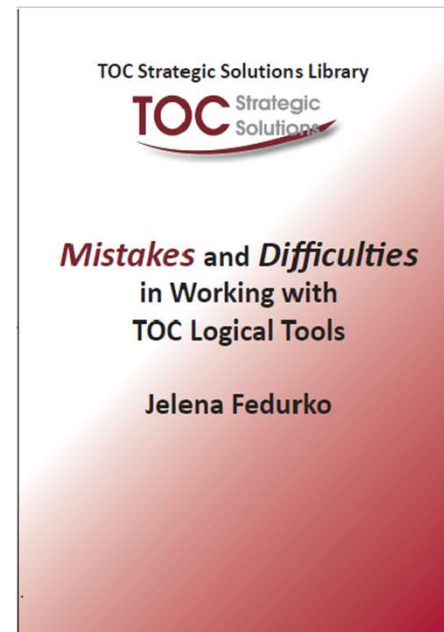
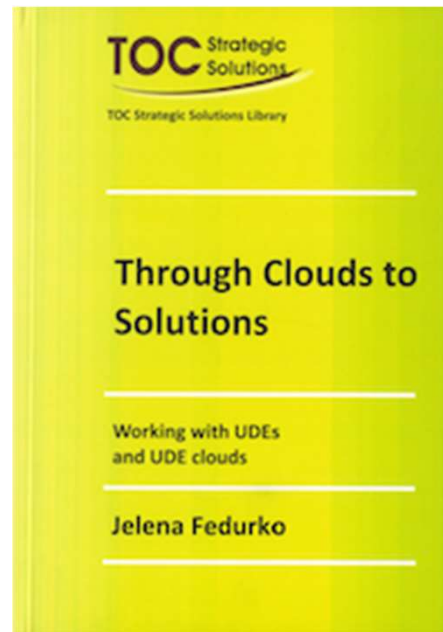
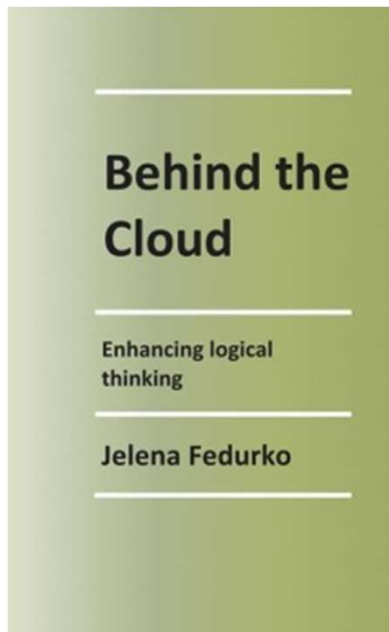
**UDEs?**

**Cloud?**

**Ambitious Target?**



# My four books on TOC logical tools for understanding the problem, developing the solution and structuring the implementation



Visit <http://tocexpert.com/books/>

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