



My Choice

A 12 year journey of Insights

Konrad Bartel



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Konrad Bartel studied Industrial Engineering, has 20 years experience as Production Manager / Director in the manufacturing environment and 12 years TOC Consulting experience in Marketing & Sales, Supply Chain, Manufacturing and CCPM Implementation. He worked with Goldratt Consulting on Viable Vision Projects. Konrad is also an Ontological Business Coach and implements TOC at organizations throughout South Africa and recently also in Saudi Arabia.



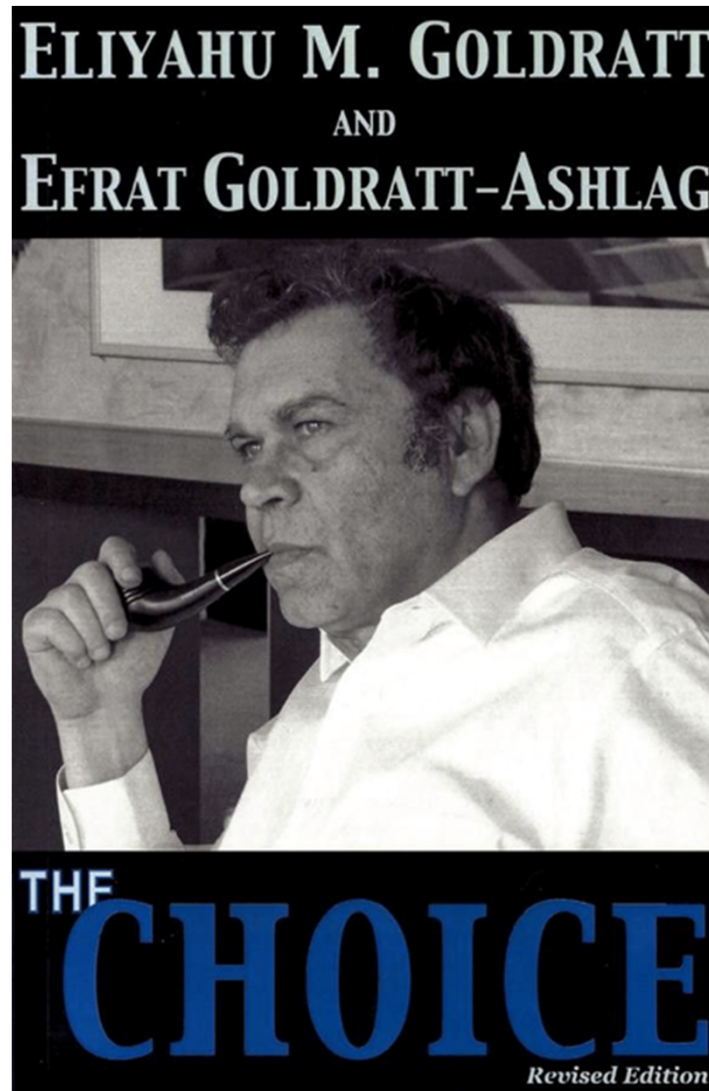
Mobile: 083 262 0062

Office: 021 843 3103

konrad.bartel@opslogik.com



A 12 year journey of Insights



Acknowledgements:

Dr Eli Goldratt

Henning du Preez

“The clever man”

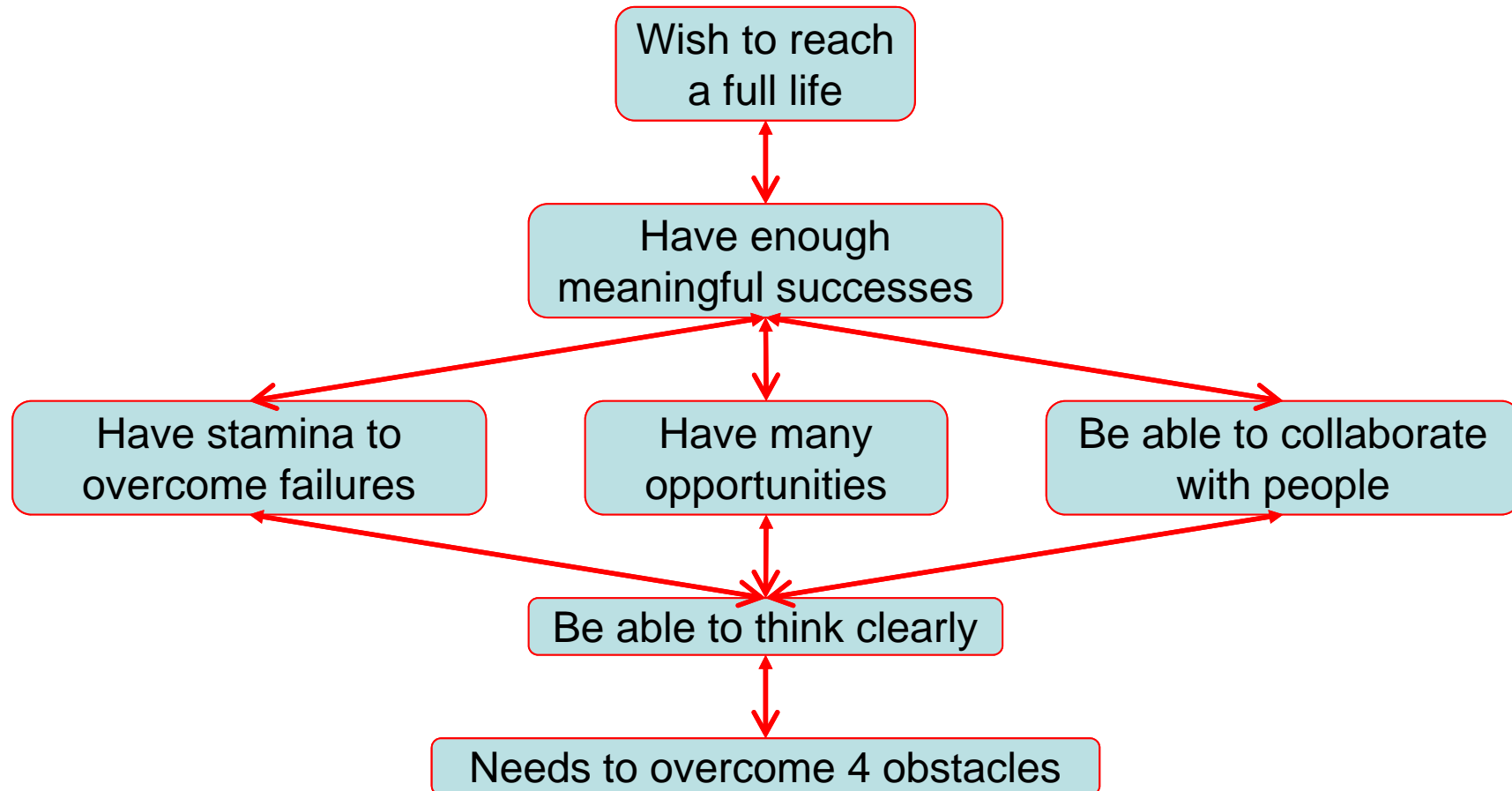


A 12 year journey of Insights

This presentation is based on the my experiences, my journey with TOC, over the past 12 years and contextualized based on the concepts of the book *The Choice*

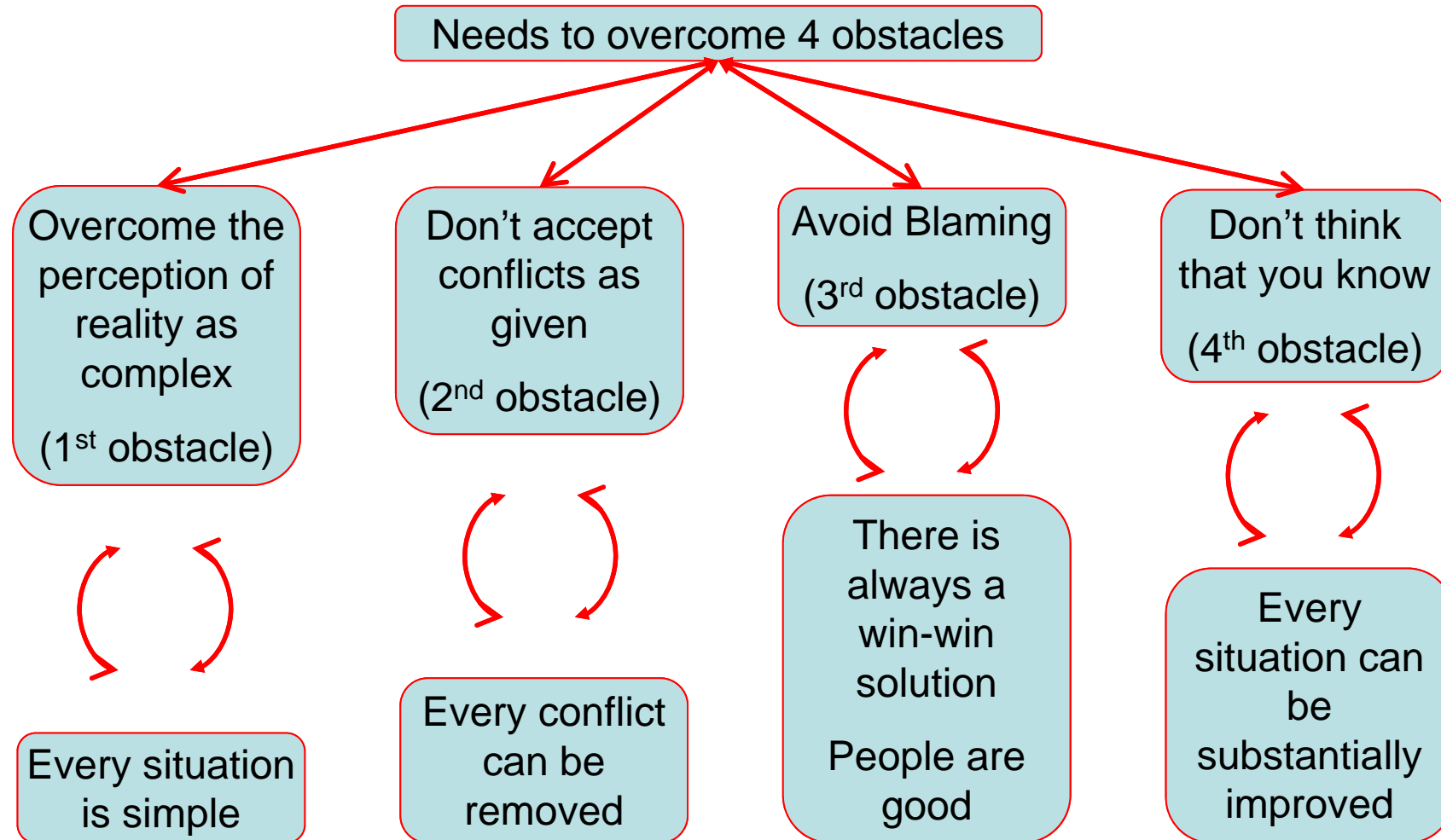


A Full Life...



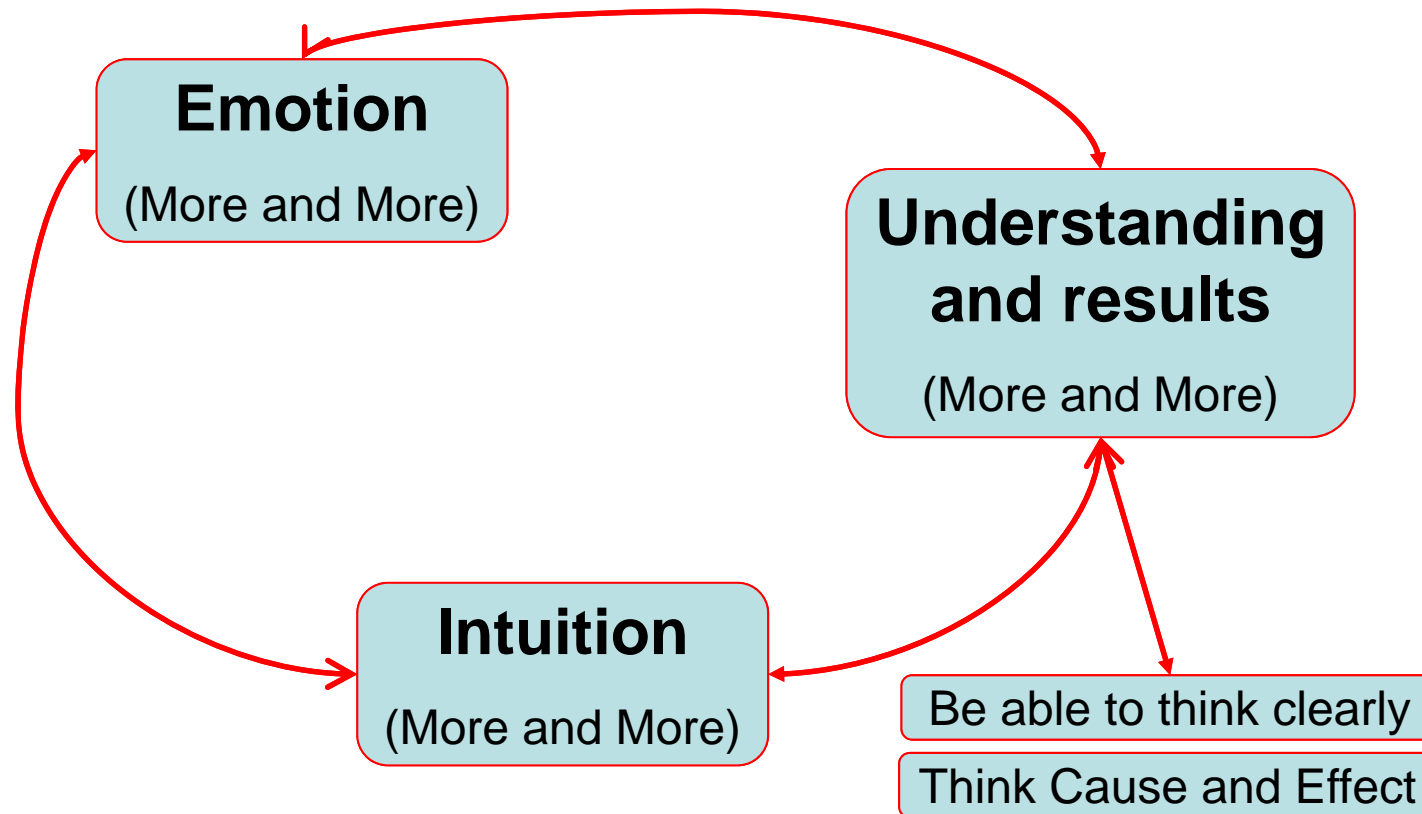


A Full Life...





Be able to think clearly...





3 July 2002 – Debra Smith

The Start of a Journey:

**“THE MEASUREMENT NIGHTMARE”
2 day SAPICS CM SIG Workshop**



3 July 2002 – Debra Smith

The Cost World

- “A cent plus a cent plus a cent....will (finally accumulate to a fortune)
- Global improvement = sum of local improvements.
- E.g Sum of local costs (weight of the links) = Cost of the whole (weight of the chain)

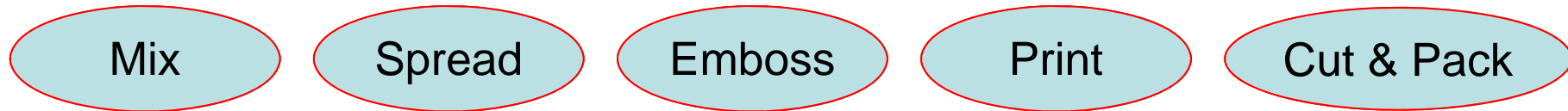
The Throughput World

- “Show me the leverage point and give me a long enough lever, and I can move the earth”
- Global Improvement NOT EQUAL to sum of local improvements.
- E.g. Sum of strength of each link NOT EQUAL to Strength of whole chain
- Due to how systems operate (like independent chains or networks), the Global Improvements is only equal to the Sum of improvements on the weakest links.

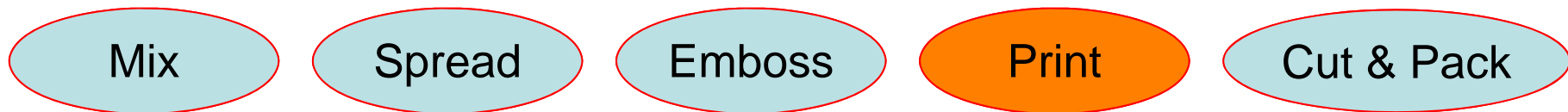
“In a good TOC implementation, you must get Finance on-board as quickly as possible. If you go against them, they can kill it immediately”



2003 – Vinyl Manufacturing Company



Overall Equipment Effectiveness = 64% - Very good



Mixing's performance measurement = Print Set-up time

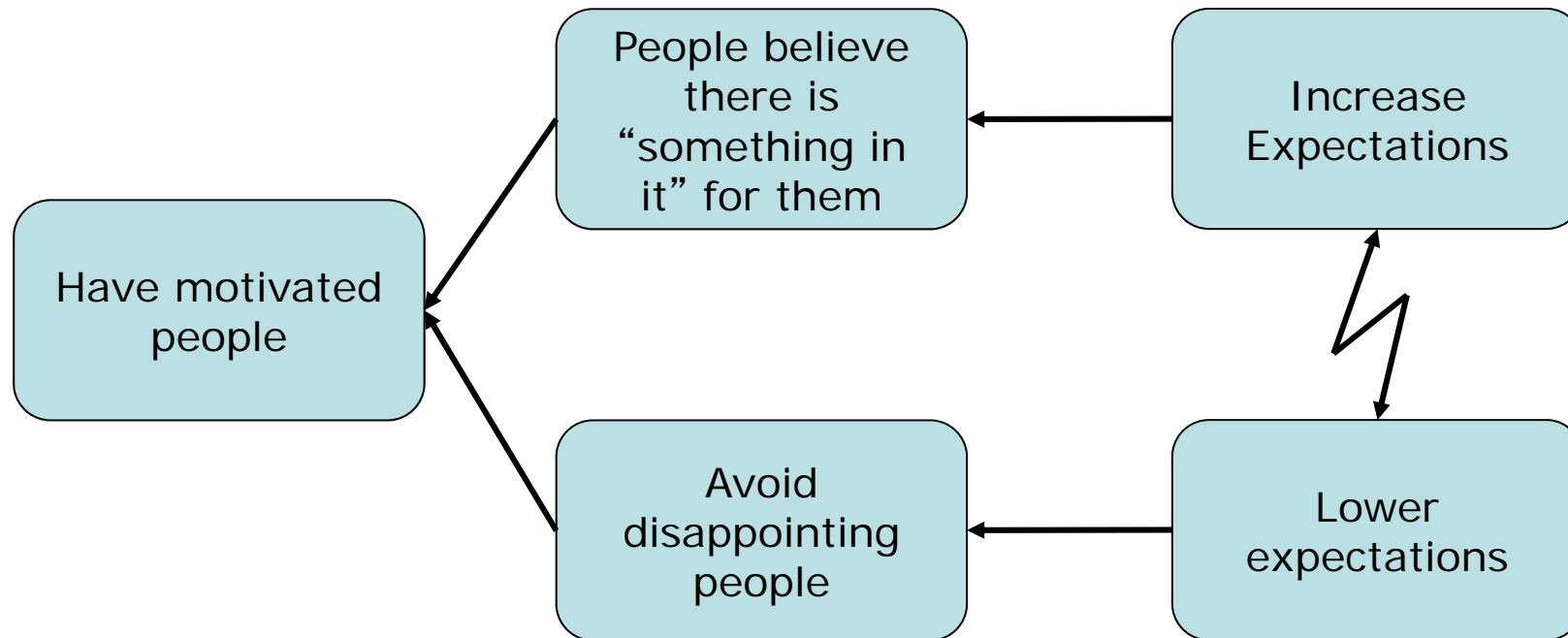
Throughput up 30%

Bought for R1.00 – Sold for R20+ Million



Motivating People

When we use incentive schemes there is an inherent conflict



The wrong assumption: people must be motivated to work

The Law: “people are inherently motivated” Management must remove the obstacles to motivation – the de-motivators



Engines of Disharmony

- Many people don't really know (cannot clearly verbalize) how what they are doing is essential to the organization.
- Most people don't really know how what many of their colleagues are doing is essential, or at least contributes to the organization.
- Organizational Conflicts - People are under operating conflicts - conflicting policies or conflicts in resource allocation.
- Inertia - Many people are required to also do tasks for which the reason no longer exists.
- Individual Conflicts - Gaps between Responsibility and Authority.

**Use the Organizational S&T to address / remove the
Engines of Disharmony**



4 April 2006 – Viable Vision

Viable Vision Event

Do you think it is possible for YOUR company to achieve *net profit equal to your current total sales* within 4 years or less?

You are invited to spend a day with

Dr. Eli Goldratt



Best Selling Author and World Renowned Advisor To Business

A Unique Opportunity



Every situation can be
substantially improved

If we cannot make 2bn Net Profit

What must we do to make 4bn Net Profit?



2012 – Applying Flow Principles to Services Resource Management

The Application:

A Large Medical Supply Company

- ± 80 Service Engineers
- 1200 open tasks – service calls to clients and support the company's Projects division
- $\pm 80\%$ tasks “in the black”
- Resource Efficiency: $\pm 20\%$ (billable hours billed)



Principles Of Flow

Flow Concept:

TOC Approach

1) Primary Objective of Operations: Improving Flow

An Effective Application for Improving Flow in Relatively unstable environments

2) Practical Mechanism to Control when not to "Produce"

Use Time Based Approach – Do not release work ahead of time – time Buffer approach to provide same priority & focus everywhere

3) Local Efficiencies must be abolished

Subordinate all other resources to the system constraint, ensure sufficient protective capacity.

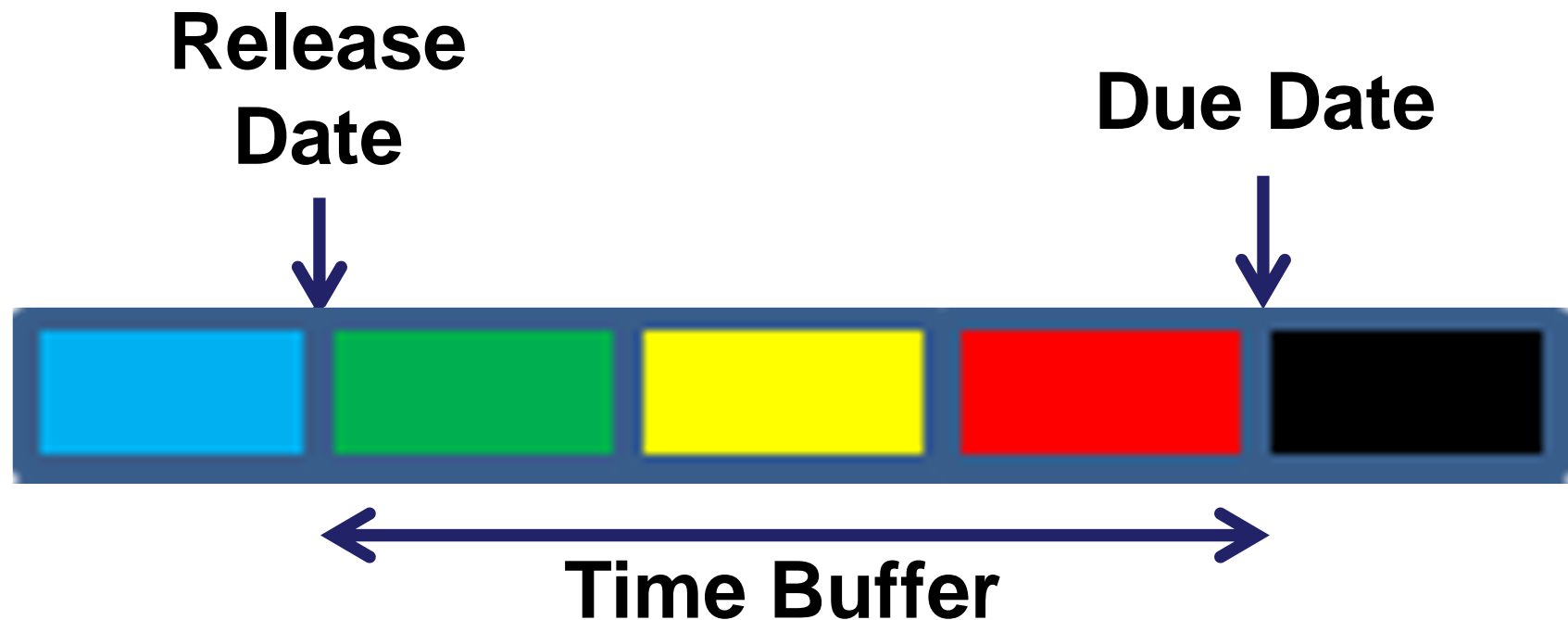
4) Focusing Process to Balance Flow

Use time buffers – record reasons for Red zone penetration and continuously improve processes and re-balance flow



System Structure

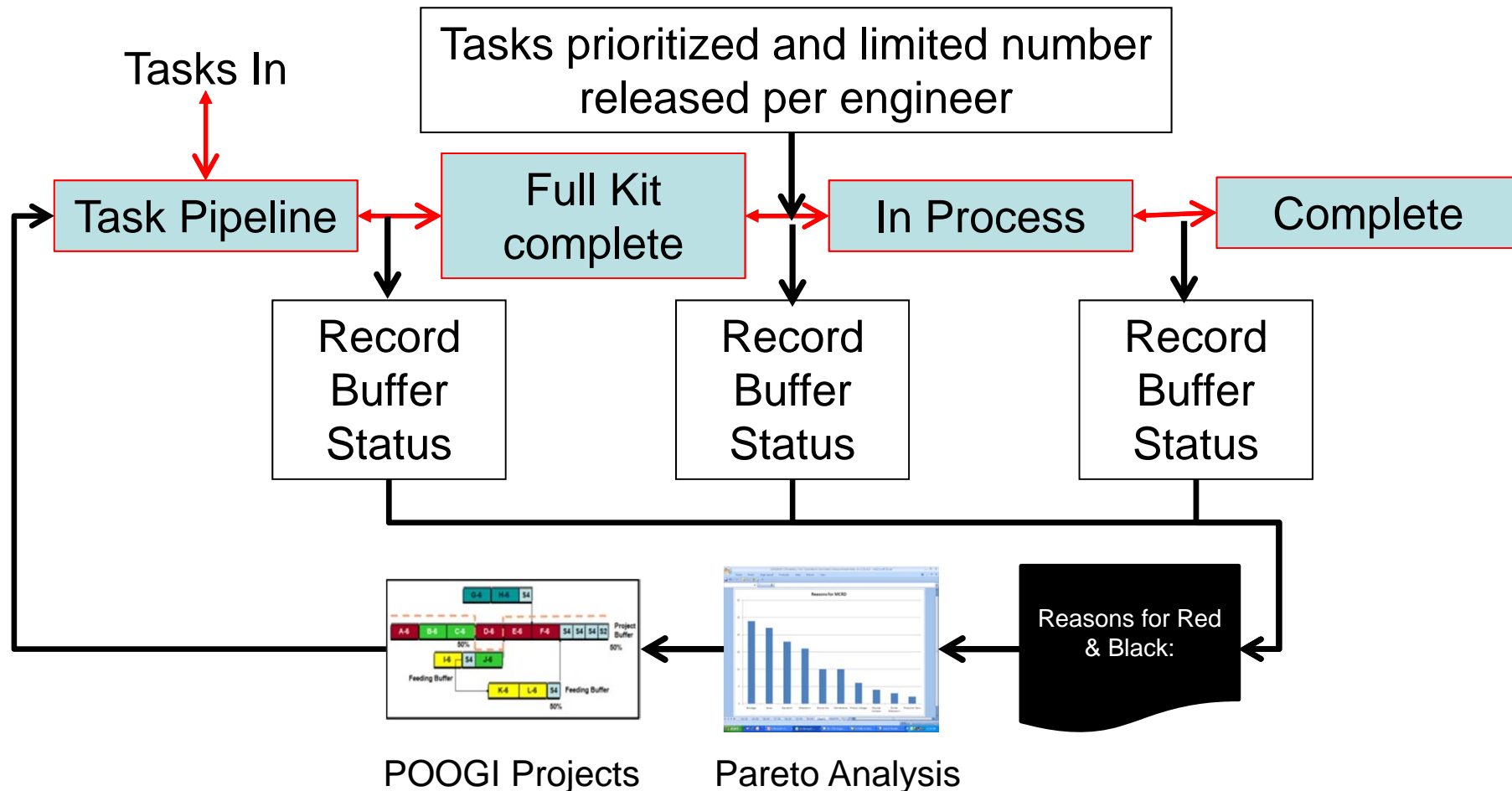
- Defined a Time Buffer for different work types:



Time to reliably complete a task by type



System Structure



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7th International TOCPA Conference
23-24 May 2013, South Africa

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Thank you