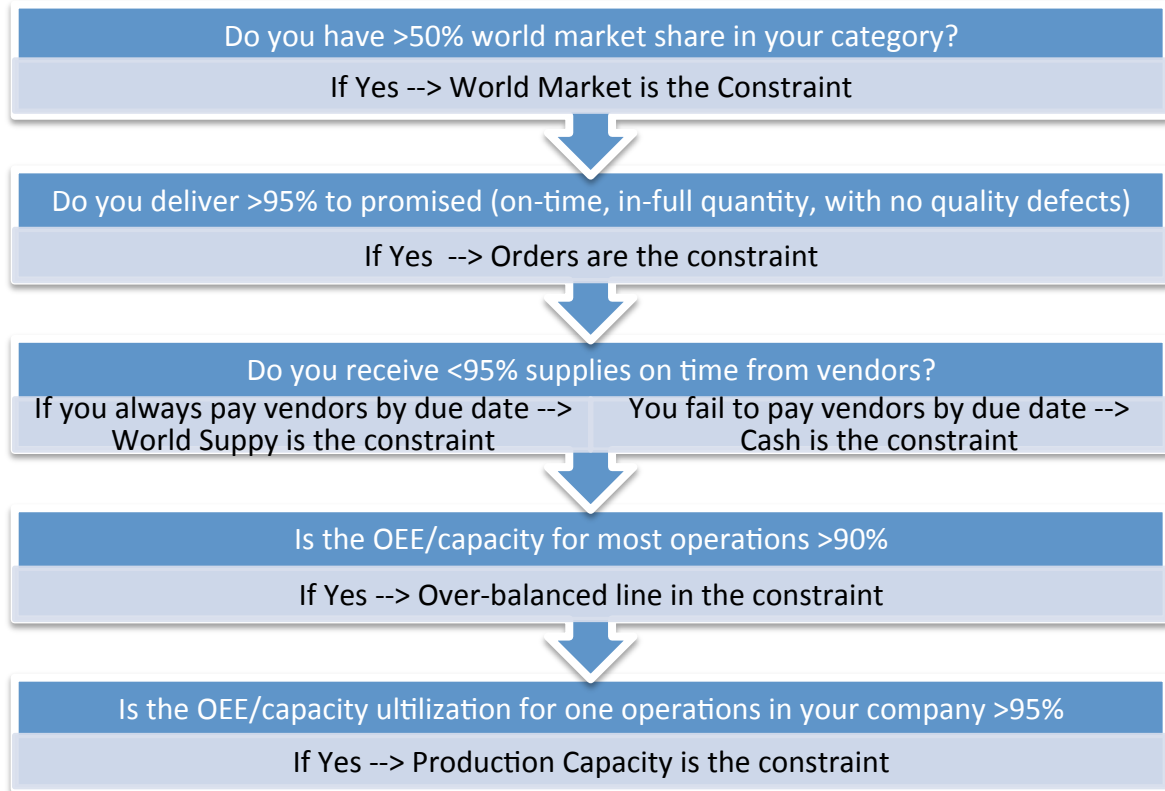


## How to Identify Your Constraint

“What is MY constraint???” – such a simple question provokes a shockingly wide variety of responses. In theory, the diagnostic process is quite straightforward:



When such kind of analysis is performed, odds are that production capacity will appear to be the initial constraint. By observing where WIP is piling up, where expediting usually happens, etc. one can usually zero in on which specific resource is the constraint. Incidentally, this resource might just as easily be a skill set / person as a physical resource.

Seasoned TOC implementers and consultants know that this methodology presents an over-simplistic picture. In most, if not all organizations, the REAL constraint is unrelated to any of these things. It has to do more with the fabric of the way the company relates to itself; it's written or unwritten policies, norms, and beliefs.

Based on our collective experience we find that another type of analysis is a great supplement to the above questionnaire:

# Policy Constraint ID Questionnaire

Do the owners crave to improve current performance significantly?

No --> Lack of burning desire is the constraint

Are the owners convinced that significant improvement is possible?

No --> Cynicism / lack of confidence is the constraint

Is there an internally consistent Goal for the organization?

No --> Absence of a clear Goal is the constraint

Is the Goal commonly understood and agreed?

No --> Alignment is the constraint

Is the measurement unit of the Goal clear and frequently reported to the top team?

No --> Information reporting is the constraint

Are harmful local measures being used in the company (e.g. machine efficiency)?

Yes --> local measurement / synchronization / teamwork is the constraint

Are system priorities known at all points of time

No --> Management systems / management attention is the constraint.

Are system priorities being used to continually focus the team's attention?

No --> Lack of discipline is the constraint

Are corrective actions being regularly taken to improve the things that need it most?

No --> POOGI (Five Focusing Steps) are the constraint

The last item begs further explanation. For example, based on the first type of analysis, supplies appear to be the constraint. Irregular supply issues may likely be due to internal factors rather than just “World Supply Shortage” or “Cash Shortage.” Perhaps having the wrong supplier(s), over-aggressive payment/pricing terms, unwillingness to seek funding and/or poor internal coordination are causing the stockouts. It is important to every organization to have a frequent process for flagging issues and taking corrective actions to respond to this sort of issue dynamically.