

Identify your constraints to optimize your processes: a business process is only as good as its weakest links. Here's an approach to help you find and strengthen them.(Strategic Thinking)

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There is a large body of theoretical and practical knowledge that undergirds the operation of high volume foodservices. At the same time, I believe directors looking to fine-tune their operations have much to gain from looking outside our industry to operations theory developed in other business environments.

One such approach is known as the Theory of Constraints (TOC), and was first developed by Dr. Eliyahu Goldratt, an Israeli physicist, educator, and management specialist.

TOC has been in use in manufacturing for many years. It is a way of looking at an operation to identify weaknesses that may not be immediately apparent. I believe it is a useful construct that can provide solutions to many challenges facing us in foodservice.

The Theory of Constraints has been defined by Dr. David Youngman as "A business philosophy which seeks to strive towards the global objective, or goal, of a system through an understanding of the underlying cause and effect dependency and variation of the system in question."

I like a simpler definition, which is well expressed by the metaphor that "A process is only as good as its weakest link."

How can TOC be applied to our business? Let's look at a simple example. Consider three runners sprinting towards a finish line as a team. The first runner is the fastest, the second runs a little more slowly and the third is a small boy who runs very slowly compared to the adults.

If the objective is to reach the finish line as a team, what can the first runner do to help the team reach the objective more quickly?

Should he run as fast as he can, reach the finish line, and cheer his teammates on? Or would a better solution be for him to pick up the small boy and carry him to the finish line? Even if the second approach degrades the leader's own running time, it shortens the time it takes for the team to reach the goal. In this case, we identified the real constraint and improved the process by focusing on the constraint directly.

If a foodservice operation is experiencing financial difficulties, can these always be addressed by simply looking to improve all efficiencies? According to TOC, a closer analysis may show there are constraints that may not be well addressed even if greater efficiencies are achieved in other parts of the operation.

Another principle of TOC is that we need to understand our customers' values before we seek to identify our constraints. That's because a customer only pays for what he or she values. If addressing a constraint has a negative impact on something a customer values, we are likely not heading in the right direction.

Take another example. Say food costs are running higher than the standard you have set for your operation.

Is it because of storeroom theft? Over-production? Waste during prep? If the critical constraint is not identified, we might make many changes that would be wasted effort or reduce customer value if they don't address the true constraint.

Take the example a step further. Say that over-scooping on a steam table is an issue, but you are not aware of it. All you know is that food costs are running higher than they should.

You might jump the gun and look to reduce the specified portion size. But in fact, the portion size may be fine. And if you addressed the problem in that way, you would still have an employee who is over-scooping, while the customers of other servers would see a reduced portion size and a reduction in value.

A correct solution might be better training of servers, not portion size reduction. Or, analysis might show that the over-scooping server is responding to customers who really want a larger portion. If enough customers truly value a larger portion size, the right solution might be to offer it at an increased price, or to find a way to make up for its cost in some other way. The point is to identify the right constraint and address it in a way that also retains or enhances customer value.

In application, TOC typically begins at the end of a process where customers pay for a value and works backwards to identify all the steps taken to get to that point. Typically, it uses a process diagram to identify those aspects of the project that have customer value and to eliminate or minimize those that don't. Also remember that you are not looking to maximize every individual result, but to optimize a variety of factors to give an optimum overall result.

The same approach can be useful in managing a renovation or new construction. Embarking on it in early planning stages has a high return in terms of operational savings and efficiencies achieved over the long run.

It is well worth asking: Are we calculating those dollars and taking actions to improve efficiency? And if we are not, aren't we the biggest constraints to our own operations?

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Lisa Scheinkopf Appointed Director of Business Engineering at IMG Americas; Recognized Theory of Constraints Thought Leader Will Advance Business Engineering Processes in IMG's SAP Implementations, Upgrades, and Rollouts.

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Search for more information on HighBeam Research for [TOC and Goldratt](#).

KENNETT SQUARE, Penn. -- The Information Management Group (IMG), a global provider of innovative business engineering services for SAP solutions, today announced the appointment of Lisa Scheinkopf as director of IMG Americas' new Business Engineering Practice. Recognized worldwide as a thought leader on the Theory of Constraints (TOC) as a basis for business improvement, Scheinkopf will provide TOC vision and direction for Business Engineering processes for IMG customers throughout the US.

"We are honored to have Lisa on the IMG Americas management team," said Klaus Schottenhamel, CEO of IMG Americas. "She has pioneered Theory of Constraints thinking and is a true industry thought leader and practitioner of business engineering as a means to improve business results. This domain expertise combined with 20 years experience working with leading manufacturing, electronics, consumer goods, life sciences, and pharmaceutical companies, uniquely qualifies Lisa to lead our Business Engineering Practice. More importantly, she has a track record of guiding cross-functional teams from the top floor to the shop floor in business process improvements and will be instrumental in advancing IMG business engineering that drives the success of our customers' SAP implementations," continued Schottenhamel.

Commenting on her appointment at IMG Americas, Scheinkopf noted, "IMG understands that business engineering is not about business re-engineering or repaving the cow path. It's about examining the business and ensuring that systems, processes, and people are aligned to achieve the desired business results. I'm delighted to have the opportunity to advance this holistic approach to business improvement programs with IMG customers."

About Lisa Scheinkopf

Lisa Scheinkopf brings over 20 years of consulting, manufacturing, and academic experience to her role as director of Business Engineering at IMG Americas. She worked with Dr. Eliyahu Goldratt in developing and refining Theory of Constraints (TOC) strategic thinking processes, and since 1990 has been recognized as a worldwide TOC authority. Pioneering TOC processes as tools for everyday use, Scheinkopf authored the definitive TOC reference, *Thinking for a Change: Putting the TOC Thinking Processes to Use* (St. Lucie Press, 1999). She has also co-authored *Theory of Constraints and Lean Manufacturing: Friends or Foes* (Chesapeake Consulting, 2001), and has been published in many industry journals such as *Product Management Today*. Most recently, Scheinkopf was general manager of Isolation Technologies (Hopedale, MA), a provider of advanced products and services to the separation sciences community. Prior to Isolation Technologies, she was a principal with Chesapeake Consulting (Severna Park, MD) where for nearly ten years she led the firm's operational improvement, strategic and functional alignment, and change leadership engagements. In the early 1990s, Scheinkopf served as president of Insync Solutions (Tempe, AZ and San Francisco, CA), a TOC consulting and training firm. A sought-after public speaker on TOC, she has presented to a variety of industry groups and universities including the Management Roundtable and Institute of International Research. Scheinkopf, who has an MBA in International Management from Thunderbird, The Garvin School of International Management and a BS in Business Administration from the University of Phoenix, is a resident of Westborough, Massachusetts.

About IMG

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The Information Management Group (IMG) is a leading global provider of innovative business engineering services for small- to mid-sized companies that want business results from their SAP solutions. Specializing in consulting services that align people, processes, and systems with strategies, IMG is a certified SAP Partner with hundreds of successful SAP implementations worldwide. Founded in 1989, IMG is headquartered in St. Gallen, Switzerland and employs over 600 professionals throughout Europe, Asia, the United Kingdom and the United States. IMG Americas is headquartered outside Philadelphia and has offices in the Greater Boston and Chicago areas as well as in Atlanta (GA) and Mountain View (CA). For more information on IMG Americas, call +1 888-446-4872. URL: www.img.com.

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