

U03d1 theory of constraints



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There have been numerous management theories that have been developed over the years. Of these one of the main and accurate theories has been that introduced by Dr. Eliyahu M. Goldratt, The theory of Constraints (Ricketts, 2007). This paper aims at discussing a detailed explanation of the theory and how it is applied to the health care industry. The main aim of this paper is to discuss the correlation between two specific process issues and also how the theory can be applied directly to the health care organization.

Before moving to the correlation of processes it is important to get a brief overview of the theory of constraints. The basic theory is that the lesser the barriers to the performance, there is higher chances of realizing the full potential. This theory helps provide a complete focus on five main aspects which include “ identity constraints, exploit constraints, subordinate others, elevate constraints and repeat cycle” (Anderson, 2005). The theory of constraints is based on five steps. This is clear from the diagram below.

Theory of Constraints – Five Focusing Steps (QMI Solutions, 2010)

Theory of Constraints in some ways is similar to lean thinking however along with the focus on the reduction of wastes, and increase in the process flow, the theory also focuses on throughput. However there is little or no focus on the emphasis of making money by selling products and services or also simply cutting costs (Jacob, Bergland, & Cox, 2009).

In terms of the example of the correlation between the two selected processes, it is best to choose the internal process and the structural management process with the focus on quality service. Considering the

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health care organization, the main constraints and restrictions are mainly recognized by the stakeholders of the organization along with the supervision of the administration. Together they work towards the determination of the offered resolutions and also work towards the response and removal of or adding on to the necessities of the organization to have an overall effective and cost efficient process. The health care industry can overall be improved to a great extent using the Theory of Constraints and the overall management as well as the staff credentials can be improved based on the needs of the organization (Goldratt, 1999). The overall organization can be improved to a great extent by increasing the operational flow, improving the communication and also working on the staff awareness and cohesive delegation of the tasks. Together the overall processes can be improved and the Theory of Constraints' five step program can help any organization improve the overall working (Dettmer, 1997). Care needs to be taken that all the constraints are recognized correctly and in time to ensure that processes are improved and improvised to gain the most from the organization.

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