

CRITICAL CHAIN BEST PRACTICES: TWO VITAL POINTS

Critical Chain, already used by Hamilton Beach, Lucent, Medtronic, NASA, the US Air Force and many others, is redefining performance standards for multi-project operations. Twenty- to fifty-percent reductions in cycle times are typical, and organizations are delivering many more projects on time and on target.

Adopt Counterintuitive Rules

- **Reduce work in execution.** Instead of “as soon as possible,” release work only when the most loaded resources are available. When you do that, you automatically reduce multitasking and improve synchronization.
- **Place blocks of protective time, called buffers, where they can do the most good.** Remove safety from individual tasks, and concentrate it into explicit buffers that protect the whole project—at the end of the critical chain and where other chains feed it. That way, easy tasks aren’t stretched out just because they have extra time, and unexpectedly difficult tasks receive the time they need.
- **Let tasks be late.** Focus on the entire project, and use the buffer to give people extra time when they need it. To drive and measure performance, create a Buffer Index (work completed along any chain, divided by the buffer consumed on that chain). The lower the Buffer Index, the better the progress. The Buffer Index will also synchronize priorities across the board.

Attack Policies, Not Behaviors

People’s behaviors (multitasking, unnecessary polishing of already finished work, etc.) generally aren’t the root causes of delays. Most often, people are simply responding to flawed policies. By creating better policies, you’ll greatly improve your performance.

- Instead of insisting that individual tasks finish on time, use measures that drive low work-in-progress. You’ll reduce multitasking and increase on-time delivery.
- Create enough buffer (typically 50% of total task time) to ensure work flows without interruption. Placing buffer time where chains intersect keeps people from waiting for handoffs, and allows work to progress unimpeded.
- Whereas individual tasks may be late, make the project due-date sacrosanct. Analyzing the reasons behind buffer consumption will help managers respond to the root causes of delays and keep the overall project on schedule.

For more advice on putting these vital elements of success into practice, contact us at info@realization.com.