

## TOC FOR BUSINESS TRANSFORMATION

### Simplifying Complexity to Unlock Hidden Potential

August 4, 2017

Hotel ITC Windsor, Bangalore



**Dr. Eliyahu M. Goldratt**  
(1947 - 2011)

Business leaders commonly refer to the military acronym VUCA (Volatility, Uncertainty, Complexity, Ambiguity) to describe the world today. The external environment is changing at a rapid pace and companies cannot afford to be caught off guard. **Yesterday, it was demonetization. Today, it is GST. And tomorrow, there will be something else.**

The question is how do companies continue to thrive, in this ever-changing external environment? If we look around us, there are several challenges, and there are also plenty of opportunities. Deep-rooted assumptions hold us back from unlocking hidden potential. **The widely held belief, that the external conditions are so unfavorable that better results cannot be achieved needs to be challenged.**

Time and again, we have seen that the power of TOC lies in creating simple, effective solutions and creating a reliable process that ensures follow through. Teams focus rigorously on the selected metrics that will have maximum impact on the system output.

Theory of Constraints (TOC) is a body of applied knowledge that treats a corporation as an interlinked, inter dependent system rather than just a collection of independent processes or functions.

Dr. Goldratt, the author of best-selling THE GOAL, observed that just as the strength of a chain is dictated by its weakest link, the overall performance of any company is dictated by its constraint.

If you can find a way to manage the constraint, you can dramatically increase sales, profit and cash without any significant investment.

*"Focusing on everything is synonymous with not focusing on anything at all."*

*Dr. Eli Goldratt*

## So, where should we focus?

In an exclusive 3-hour session, Ravi Gilani will share how companies can decide upon areas to focus on and align their people and processes to the system's goal. He will cover the four key factors that are essential for a successful business transformation and results in sustainable bottom line results:

- **Financial Literacy of the Top Management**
- **Weekly Planning and Review: Better than Before (B2B) principle**
- **Impact of High Delivery Reliability on Sales, Profit and Cash Flows**
- **Hunger and Commitment of the Owners or Key Decision Makers**



## About the Speaker



Ravi Gilani  
Founder & Managing Consultant  
Goldratt India

Ravi Gilani introduced Dr. Eli Goldratt's Theory of Constraints (TOC) to Indian organizations in 1998. He is the first 'Jonah' (TOC Expert) in India. He is a **Theory of Constraints International Certification Organization (TOCICO)** certified expert in TOC Holistic Strategy, Operations Management, Finance and Measures, Distribution Management and Thinking Processes.

He has presented several papers on TOC implementation in Indian companies at international conferences. Ravi has also been a board member of TOCICO from 2005-08 and 2013-16.

Prior to founding Goldratt India, Ravi was the Chief Consultant at ECS Limited (Formerly Eicher Consultancy Services Limited). During his consulting career of over 23 years, Ravi has consulted for Indian and transnational organizations, such as **ABB, L&T, Godrej & Boyce, Sleepwell, RPG Cables, Alstom, Indian Aluminum, Dalmia Cement, OCL, ICI, Exide, Eicher, Sona Okegawa, Jindal Steel and Power Limited, Gokaldas Images, Paharpur Cooling Towers.**

Ravi is an alumnus of IIT Delhi.

## Workshop Details

**Date:** August 4, 2017 (Friday)

**Time:** 10:00 AM – 1:00 PM

**Venue:** Hotel ITC Windsor, Bangalore

The workshop will conclude by 1:00 PM, and will be followed by lunch.

The program will focus on increasing top line and bottom line, without addition of resources. It is imperative that the participating companies nominate the **Founder/ CEO/ MD/ Owner/ Key decision maker**, to benefit from the program content.

**REGISTER NOW:** Participation is by invitation only and restricted to a few companies. Please send the nominations to Ira Gilani Lal ([ira@timencash.com](mailto:ira@timencash.com)) or call on the number +91 96320 18261 to receive the workshop pass.

## Client Speak

### Jindal Steel & Power Limited

"..We started our journey in 2015 of implementing the concepts and principles of TOC at JSPL to improve our operations.. I am happy to share that through relentless focus on various parameters of working capital, we have been able to reduce our working capital by 40% i.e. Rs. 2,500 crores. This improvement in cash has helped us to stay afloat.."



**Naveen Jindal**  
Chairman

### Gokaldas Images

"..The accountability of weekly performance has contributed to measured results having improved consistently. Especially sales (improved over 25%) have reached a weekly level that sustains growth: A milestone in the turnaround of our operations.."



**Jagadish Hinduja**  
Chairman

# Theory of Constraints (TOC)

TOC is a body of applied knowledge that treats a corporation as an interlinked, interdependent system rather than just a collection of independent processes or functions. Dr. Eli Goldratt, the creator of TOC, observed that just as the strength of a chain is dictated by its weakest link, so the overall performance of any company is dictated by its constraint.

Over 5,000 organizations around the world have achieved breakthrough results with TOC, including well-known names such as Intel, Cadillac, Texas Instruments, Boeing, Lucent Technologies, Ford Motors, Samsonite, Bethlehem Steel, Pratt & Whitney, General Electric, and Procter & Gamble.



## TOC Implementation Results

<b>On Time In Full Delivery</b>	<b>Clients have been able to improve on time in full from less than 10% to over 95%</b>
<b>Lead -Time</b>	<b>TOC production scheduling solution enables shrinking lead-time by a factor of 2 to 6</b>
<b>WIP and FG Inventory</b>	<b>FG reduction ranges from 20%-50% along with WIP reduction in the range of 30%-80%</b>
<b>Receivables</b>	<b>Typical reduction in receivables is 20%-30%</b>
<b>New Product Development</b>	<b>TOC has proven track record in reducing new product development time by 30%-40%</b>

*FG: Finished Goods; WIP: Work in Progress*