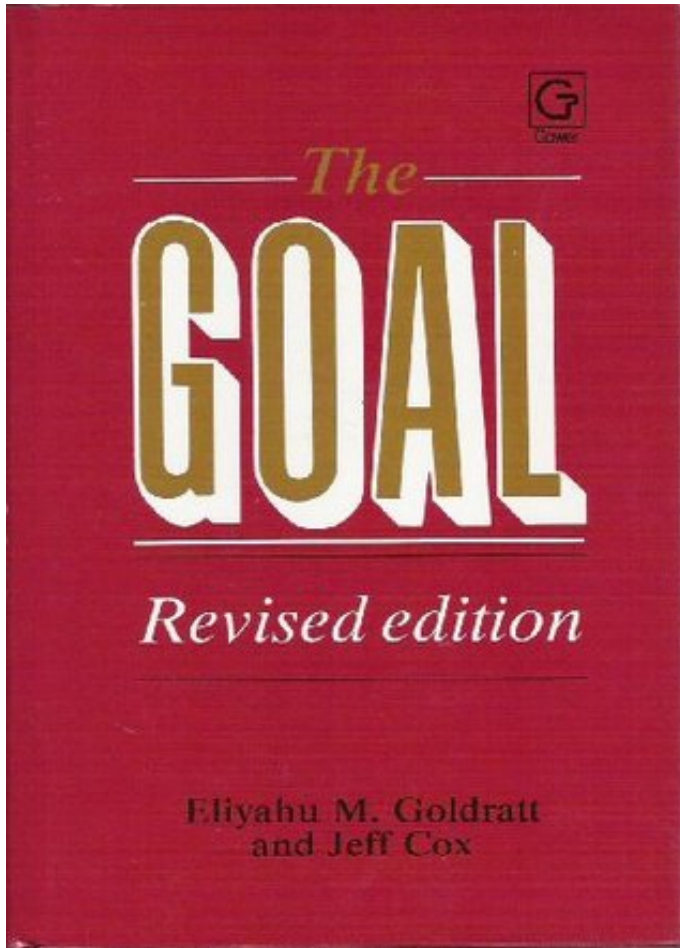

Eliyahu M. Goldratt

The Goal



Title: The Goal

Author: Eliyahu M. Goldratt

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Description

First published in 1984, this underground bestseller--a business text disguised as a novel--contains revolutionary ideas. An exhilarating adventure in human potential. Sound effects and music. Unabridged. 8 cassettes.

Insightful reviews

Christian: Lousy novel. Great business book. From someone that worked in manufacturing plants full of bottlenecks, this book really spoke to me. There were times that I could directly tie situations I had seen to the plot of the book.

Now in the 30+ years since the book was published a lot has changed. "Japan, Inc" isn't the manufacturing/business juggernaut anymore, lean manufacturing and JIT techniques are accepted phenomena. But just because that is true, the plant form environment has not changed as one would believe. Many of the conversations and situations in the book still occur today and require the same application of the Theory of Constraints and it's logical, scientific thought to identify bottlenecks and push business to better profitability.

Karina: This is a required reading for one of the courses I'm taking now (Operations Management), and despite the assurances of the teacher and one of the classmates who already read it, who said it was highly readable, novel-type book, I was skeptical. I'm not liking this Operations Management class.

But they were so right! It became fast-paced soon, and I didn't want to put it down to go to bed. I lay awake for a while thinking about the concepts too. Warning: possible spoilers and technical discussion ahead.

The romance bit was cheesy, but I guess made for a good interlude between the rest of the stuff that was going on. Funny the way the protagonist attempted to apply the concepts he was learning to his marriage. I liked his kids though. Sound like they'll grow up smart.

Once I was impatient with the protagonist. It took him seemingly forever to figure out the goal of any business. In contrast, my first thought "to make money" was right on the money.

I'm still a bit fuzzy on what they meant by "balanced" thing they discussed, although I got that it doesn't work :p The matchstick simulation/model brought the Beer Game to mind, although in the end they were meant to illustrate different concepts, and while Beer Game applied to managing the supply chain, matchsticks had to do with the production process.

The book illustrated the push vs. pull strategies for me, even though they are never called so by name. I found it interesting that the new system the protagonist switched to reminded him (through the discussion with his son) of an assembly line, which he considers a good system to imitate. Well, assembly line is perfect for "pull", and that's what their new system was.

Otis Chandler: Great explanation of the theory of constraints and operations management. It's a business classic- first published in 1984 - but still relevant as it gets at the fundamentals. I almost removed a star for trying to create a fictional story to tell the book in that was badly told/edited. Did we really need the side story about the protagonists marital issues?

One of the biggest takeaways from this book is that it's incredibly important to set the right goals to manage a complex operation. This sounds obvious and intuitive, however it's actually much harder than most people think, and easy to get wrong. It gets down to the question of: is everyone working on the "right things". The things that will lead to the business making the most money. It's too easy to find a things that are easily measurable and saying "this thing is correlated with our success, so let's focus on it". It sounds like "cost accounting" fit into that bucket.

["What you're saying is that making an employee work and profiting from that work are two different things."](#)

So how do you set the right goals? Focus on making money!

["So this is the goal: To make money by increasing net profit, while simultaneously increasing return on investment, and simultaneously increasing cash flow."](#)

One of the drivers of making money in any business that creates a product is throughput, or how fast a product can be made. The others are costs/operating expenses, and inventory. One of the key concepts of the book is that focusing on throughput rather than costs will yield much better results.

["The entire bottleneck concept is not geared to decrease operating expense, it's focused on increasing throughput."](#)

The bottleneck theory, or the theory of constraints, was very useful to think about. My company produces software and not physical products, but each feature we develop definitely has steps it has to go through: creating the concept, research, spec, design, implementation (backend and client), testing, QA, measure results, analyze them, iterate, etc. Focusing on where the bottlenecks are with that process can help us move faster. And every startup needs to be moving fast - and not just at building - we need to be doing [build, measure, learn](#) as fast as we can.

A consequence of the bottleneck theory that is useful to keep in mind is that in any system only the bottlenecks should be 100% utilized. Every manager will have a natural tendency to want to utilize all their resources to 100% because that just seems... wasteful if you don't. People should be working full time right? But a system can only run at the speed of the slowest bottleneck, so non-bottlenecks will by definition have spare cycles, and it's important to keep them open for the important work and not fill it up with unimportant stuff that will bog them down when you actually need them on the important stuff.

I've seen this happen many times in software. An engineer finishes a project, and the big

important project coming from the design team isn't done yet, so he picks up something small in the meantime. The next day that big important project is ready to go, but the engineer only needs "one more day" to finish this thing he started. And then that day becomes two and then three (because we didn't count QA). And then we've lost 3 days on our most important project for another project that doesn't matter at all. Add that up across a large number of developers, and you've lost a lot of time.

The theory of constraints is not limited to manufacturing, as the author shows. In the end, he is advocating it as a method or process of learning.

[STEP 1. Identify the system's bottlenecks.](#)

[STEP 2. Decide how to exploit the bottlenecks.](#)

[STEP 3. Subordinate everything else to the above decision.](#)

[STEP 4. Elevate the system's bottlenecks.](#)

[STEP 5. If, in a previous step, a bottleneck has been broken go back to step 1.](#)

Eric Shamow: i wished to like this book. I virtually enjoyed this book. Unfortunately, I learn "The Phoenix Project" first. I maintain flipping among three and four stars for this. The booklet merits five for its position in enterprise history, and that i turn to four for it since it will converse on a general-purpose point much better than a publication like "Phoenix." But having been round those that understood approximately bottlenecks and the speculation of Constraints (if you do not know what these are, placed down this evaluate and move learn the book) for a few time, the ebook turns out much less revelatory to me. it is most unlikely to nation what the influence of this could were on mid-80's American manufacturers, not to mention what its influence can be on our industry. The booklet primarily introduces the reader to TOC and lots of of the practices that have been later encoded within the textile of the tilt and agile events via a Socratic discussion - posing a chain of demanding situations to its characters after which asking them (and you, the reader) to extrapolate from earlier classes and ascertain the following applicable plan of action simply sooner than the characters. If you are in IT, "Phoenix" will converse extra in actual fact on your scenario and may translate extra on to your paintings and world. learn "The Goal" afterwards to achieve a deeper/fuller realizing of the idea of Constraints - the various causes and the interpretation of WIP to stock can help you visualize practices you fight to explain daily. If you are not in IT, simply learn it - it is a breezy, gentle book, and is written to slightly under the extent of an aircraft novel. There are a few quite gendered and racially-insensitive notes which are most probably injected to mirror the book's imagined audience, a manufacturing facility foreman. This dates the unconventional somewhat, however the struggles the characters are dealing with - either interpersonal and work-related - proceed to hit home, and total the e-book executes its center undertaking competently.

Suhrob: The booklet provides a few introductory perception to easy methods to successfully run a production plant utilizing conception of constraints. If that's not exciting enough then i don't be aware of what... OK, to sweeten a deal upload marital problems and an overlong depiction of a boy scout hike. But quite i discovered this to be fairly very good advent to operational *research* and administration *science*. The pedagogical parts might be a section sluggish yet considering every one of these issues have been new to me it wasn't too bad. additionally what helped used

to be that I listened to it as an audiobook whereas doing different stuff and commuting. The construction value of the audiobook is superb with excellent voice actors. I can completely stand in the back of an administration ebook the place a physicist saves the day and the final paragraph of the ultimate essay starts "More study might be needed..." The most crucial classes for me:- a procedure with in the neighborhood optimum subsystems may be hugely suboptimal (obvious - yet oh so relevant, additionally signifies that you certainly need to move and take the subsystems out in their optima - anything that's very demanding to do and going opposed to one's traditional mindset)- Socratic conversation could be an efficient instrument for convincing humans One query remains: what the -bleep- have been they really making in that rattling plant??

Taras Prokopyuk: ????? ? ?????? ?????? ??????????? ?????????? ??????? ?????????????????????? ??????? ? ?????????? ? ? ?????? ??????????. ?? ?????????? ?????????? ?? ?????????, ??? ????????? ?????????? ?? ?????????? ??????, ??? ? ?????????? ?????????????? ?????????? ?????????? ?????????? ?????????????? ?????????????????? ?????? ?????? ????? ??????, ??? ? ?????? ?? ??????????????????? ? ?? ??????????? ?????????? ??????? ?????????? ????? ????? ? ? ?????? ?????????? ?????????? ??????????????????. ??????????????, ??? ?????? ?????????? ?????????? ?????????? ?????????? ?????????????????, ? ?????????????????? ?????? ?????????????? ?? ?????????? ?????????? ?????????? ?????????? ??????????????. ??????????????.

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