

Index

A

ABC (Activity-Based Costing), 54, 165
absolute stability, 299
accounting. *See* finance and accounting
Activity-Based Costing (ABC), 54, 165
actual buffers. *See* buffer management
adjustment, 140
aggregation
 in industry versus services, 72
 in Replenishment, 44
Agile Project Management (APM), 98
Amara's Law, 275
analytical queuing models, 131
APM (Agile Project Management), 98
applied analytics, 146
asset-based services, 286-287
 labor-based services versus, 160
assets, 170

assumptions, in Replenishment for Services, 311-312
asymmetric buffer zones, 80
attrition, in resource management, 313

B

B&P (bids and proposals), 170
backlogs, 137
balanced capacity
 Drum-Buffer-Rope for services versus, 153-155
 unbalanced capacity versus, 332-335
 unbalanced flow and, 132-133
balanced flow, unbalanced capacity and, 132-133
balking, 336
base capacity, 81
batching, in industry versus services, 72
bench, 70, 261
 buffer levels and, 80
 buffer sizing and, 79
 decision support for, 84-85

- best practices**
 - change management, 224
 - identifying, 274
 - bidirectional buffer zones, 80**
 - bids and proposals (B&P), 170**
 - billing rates, cost rates and, 176**
 - bottlenecks, 146. *See also***
 - constraints
 - BPM (Business Process Management) tools, 131**
 - Brooks' Law, 99**
 - buffer levels, 80**
 - buffer management**
 - cycles in, 83
 - decision support for, 84-85
 - in Drum-Buffer-Rope (DBR), 39
 - in multi-project Critical Chain (MPCC), 111-113
 - in Replenishment, 81-83
 - virtual buffers, 85-86
 - buffer penetration, 99**
 - buffer sizing, 76-79, 141-144**
 - assumptions about, 312
 - for constrained resources, 318-321
 - cycles in, 84
 - for nonconstrained resources, 315-318
 - buffer zones, 182**
 - assumptions about, 311
 - in Drum-Buffer-Rope (DBR), 38
 - in Drum-Buffer-Rope for services, 144-146
 - in Replenishment, 80-81
 - buffers, 134. *See also***
 - Drum-Buffer-Rope (DBR)**
 - in Critical Chain, 50
 - in industry versus services, 70
 - in Replenishment, 43-44
 - business models, change in, 222**
 - business partners, 28**
 - Business Process Management (BPM) tools, 131**
 - business processes, projects and services operations versus, 121-123. *See also* process management; processes**
 - business value**
 - pricing based on, 208-209
 - providing, 203-208
 - buy-in, 236**
 - from opinion leaders, 257-259, 275
 - in PSTS sector, 242-244
 - resistance to change versus, 237-241
 - in sales process, 244-246
 - buyer's remorse, 215**
- C**
- C&N (contracts and negotiations), 170**
 - CA. *See* Cost Accounting**
 - capacity**
 - balanced capacity, Drum-Buffer-Rope for services versus, 153-155
 - rigid versus elastic capacity, 135-139
 - unbalanced capacity, 148-149
 - utilization versus, 159
 - capacity constrained resources (CCR), 146-148**
 - capacity management, methods for, 139, 141**
 - capital intensity, in NAICS sectors, 20**

- CC.** *See* Critical Chain
- CCR** (capacity constrained resources), 146-148
- chain analogy** (TOC), 35
- change**, 222-223, 249. *See also* Strategy and Change for Services (S&C)
- in business models, 222
- challenges in PSTS sector, 224-226
- current state of, 223-226
- first-order change, 242
- resistance to, 225
- buy-in versus*, 237-241
- second-order change, 242
- third-order change, 242
- change agents**, in innovation adoption curve, 257
- change authorizations**, 73
- change management**
- best practices, 224
- in PSTS sector, 242-244
- in Theory of Constraints (TOC), 237-241
- channel shifting**, 140
- client requirements**, for services projects, 95
- client responsibilities**, in services projects, 96
- clients**, 26
- viewpoint of, 28
- collaboration**, in innovation, 225
- commodity skills**, 86
- competitive bidding**, 197
- conflict resolution**, 30-31, 284-286
- in Critical Chain (CC), 93-94
- in Drum-Buffer-Rope (DBR), 130-132
- in Marketing and Sales for Services (M&S), 195-198
- in Replenishment, 69-70
- in Strategy and Change for Services (S&C), 223-226
- in Throughput Accounting (TA), 164-166
- conflicts**
- goal conflicts, 225
- types of, 159-162
- constrained resources**, buffer sizing, 318-321
- constrained skills**, 86
- constraint management.** *See* Theory of Constraints (TOC)
- constraint measures**, in Throughput Accounting (TA), 56
- constraints.** *See also* Theory of Constraints (TOC)
- capacity constrained resources (CCR), 146-148
- enterprise constraints, process constraints versus, 135
- external constraints, 9, 127, 299
- service mix decisions*, 186-188
- finding, 8, 149-150
- in Critical Chain*, 47
- in Drum-Buffer-Rope (DBR)*, 37
- in Replenishment*, 42
- in services businesses*, 61
- floating constraints, 299
- in services businesses*, 61
- strategic innovation in*, 229
- innovation and, 227-228
- interface constraints, 127-128, 299
- strategic innovation in*, 229

- internal constraints, 8, 127
 - service mix decisions, 186-188*
 - in services, 71*
- internal versus external constraints
 - in Drum-Buffer-Rope (DBR), 39*
 - in Replenishment, 46*
- pain points and, 203
- paradigm constraints, 282
- physical constraints, strategic innovation in, 230
- policy constraints, 129
 - breaking, 228*
 - in marketing and sales, 195*
 - as strategic constraints, 232*
 - strategic innovation in, 230*
- process constraints, enterprise constraints versus, 135
- in PSTS (Professional, Scientific, and Technical Services), 68
- sales constraints, 213, 217
- service level constraints, 129-130
- service provision constraints, 128
- for services, 127-130
- strategic constraints, 150-151, 247
 - in PSTS sector, 231-233*
- Constraints Accounting, 189**
- contingency, in Critical Chain, 48**
- continuous improvement, 273-274, 277**
- contract management, 259-260**
- contracts, terms and conditions of PSTS contracts, 198**
- contracts and negotiations (C&N), 170**
- control measures, in Throughput Accounting (TA) for Services, 178-183**
- core problems, 275**
 - finding solutions for, 298
 - as pain points, 203
 - strategic investment decisions and, 236
 - strategy, addressing, 227
- Cost Accounting (CA)**
 - pricing scenarios, 199-203
 - sales management, 213-215
 - service mix decisions, 183-188
 - for services, 164-166
 - Throughput Accounting (TA) for Services versus, 188-189
 - Throughput Accounting (TA) for Software Engineering versus, 342
 - Throughput Accounting (TA) versus, 53-60, 158
- cost centers, 164**
- cost factors, in resource management, 312-313**
- cost rates, billing rates and, 176**
- cost reduction, business value and, 203**
- costs**
 - accumulating, 165
 - revenue versus, 160
- crashing, in Critical Chain, 48**
- Critical Chain (CC), 11, 46-53.**
 - See also multi-project Critical Chain (MPCC)*
 - Critical Path (CP) versus, 98-100
 - Replenishment for Services with, 106
 - usage statistics, 93

Critical Chain for Goods, 106
Critical Chain for Services versus,
113-116

Critical Chain for Services, 107
Critical Chain for Goods versus,
113-116
project management system based
on, 265-266
in services sectors, 292

**Critical Chain with External
Constraints, 107**
strategic constraints, 232

**Critical Chain with Internal
Constraints, 106**
strategic constraints, 231

critical mass, 257

Critical Path (CP), 46-47.
See also multi-project
Critical Path (MPCP)
Critical Chain (CC) versus,
98-100

**customer contact, in NAICS
sectors, 20**

customer profitability, 196

customer satisfaction, 195

**customers, industry versus
services, 10**

customization
industry versus services, 10
in NAICS sectors, degree of, 20
of services on demand, 126

cycle time
buffer sizing and, 142
service level agreements (SLA)
for, 143

D

**DBR. *See* Drum-Buffer-Rope
(DBR) for services**

decision support
for resource management, 84-85
in Throughput Accounting (TA)
for Services, 177-178
in Throughput Accounting (TA)
for Software Business, 345

deflection, 140

delay tolerances, 145

deliverables, 25, 169

**delivering services, resources
for, 26**

delivery, 170
investment versus, 160

delivery executives, 27

demand, 261
independent versus dependent, 72
in PSTS, 72-74

demand shaping, 72

dependent demand for goods, 72

**developed economies, services
in, 5-7**

**developing economies, services
in, 5-7**

distribution chains
in industry versus services, 70-72
Replenishment, 40-46

**drum, 37-39. *See also*
Drum-Buffer-Rope (DBR)
for services**

**Drum-Buffer-Rope (DBR) for
services, 35-40, 120-121, 292**
buffer sizing, 141-144
buffer zones, 144-146

capacity constrained resources (CCR), 146-148
 capacity management methods, 139-141
 Drum-Buffer-Rope for goods versus, 132-136
 elements of, 326-327
 finding constraints, 149-150
 impact of, 153-155
 multiple-activity simulation model, 332-335
 process improvement, 151-152
 process management system based on, 267-268
 real processes simulation, 336-337
 shared service centers (SSC), 152-153
 simulation methods, 327-329
 single-activity simulation model, 329-332
 strategic constraints, 150-151, 232
 unbalanced capacity, 148-149
dynamic equilibrium, 142
dynamic stability, 299

E

early adopters, 256
 buy-in from, 257-259
early majority, 256
educational requirements, in NAICS sectors, 20
Educational Services sector, 18
 characteristics of, 20
 Theory of Constraints (TOC) in, 291

elastic capacity, rigid capacity versus, 135-139, 330-332
elastic tasks, in **Critical Path**, 47
engagements, 26
enterprise constraints, process constraints versus, 135
enterprise reach, effect on **Theory of Constraints (TOC)** for services, 297
Enterprise Resource Planning (ERP), 39
enterprise size, effect on **Theory of Constraints (TOC)** for services, 296-297
entities sold, in **NAICS sectors**, 20
ERP (Enterprise Resource Planning), 39
estimates, for services projects, 95
executive responsibilities, resources for, 27
executives, viewpoint of, 29
expense controls, 167
expert/assistant model, 148
external constraints, 9, 127, 299
Critical Chain with, 107
strategic constraints, 232
 in **Drum-Buffer-Rope (DBR)**, 39
 multi-project **Critical Chain (MPCC)** and, 106
 in **Replenishment**, 46
 service mix decisions, 186-188

F

facilities, 170
failure rate of projects, 93-94

finance and accounting.
 See also Cost Accounting (CA); Throughput Accounting (TA)
 conflict resolution, 31
 Throughput Accounting (TA), 53-60
finance managers, 27
 viewpoint of, 29
financial management system, 270-271
financial measures
 in Throughput Accounting (TA) for Services, 169-173
 in Throughput Accounting (TA) for Software Business, 344
 in Throughput Accounting (TA) for Software Engineering, 340
Financial Services sector, Theory of Constraints (TOC) in, 293
finding constraints, 8, 149-150
 in Critical Chain, 47
 in Drum-Buffer-Rope (DBR), 37
 in Replenishment, 42
 in services businesses, 61
first-order change, 242
fixed costs, 166
fixed fee contracts, 198
flexible budgets, 166
floating constraints, 299
 multi-project Critical Chain (MPCC) and, 105
 in services businesses, 61
 strategic innovation in, 229
for-profit enterprises, in NAICS sectors, 19
forecasting accuracy, 42

free products, 186
free services, 186
FTEs (full-time equivalents), in resource management, 314

G

GAAP (generally accepted accounting principles) reporting, 55
generalist/specialist model, 148
global measures, 173
global optimization
 continuous improvement in, 274
 in Critical Chain, 48
 local optimization and, 30, 151, 159
 in manufacturing, 37
 in resource management, 70
globalization, 230
goal conflicts, 225
goal units, 166
goods. *See also* Replenishment for Goods
 Critical Chain for, 106
 Critical Chain for Services versus, 113-116
 defined, 16
 Drum-Buffer-Rope (DBR) for, 132-136
 independent versus dependent demand for, 72
 Theory of Constraints (TOC) for, 62
 Throughput Accounting (TA) for, 159

H**Health Care and Social****Assistance sector, 18**

characteristics of, 20

Theory of Constraints (TOC)

in, 291

hierarchies, 175**hire-to-deal (resource management), 69**

Replenishment for Services

versus, 322

hire-to-plan (resource management), 69

Replenishment for Services

versus, 322

hiring cost, 313**holistic view of enterprise, in implementation, 275****hybrid processes, 125-126****I****Implementation and Technology for Services (I&T), 254-255**

buy-in from opinion leaders, 257-259

conflict resolution, 31

continuous improvement, 273-274

contract management example, 259-260

financial management system, 270-271

impact of, 274-277

innovation adoption, 255-257

for multiple service levels,

272-273

non-information technology,

271-272

process management system,

267-268

project management system,

265-266

resource management example,

260-263

resource management system,

264-265

sales management system,

268-270

technology assessment, 263-264

improvement, continuous,

273-274, 277

independent demand for goods, 72**industrial sectors, Theory of**

Constraints (TOC) in,

294-295. *See also*

Manufacturing sector

Information sector

characteristics of, 20-21

Theory of Constraints (TOC)

in, 291

Throughput Accounting (TA) in,

162-164

information technology (IT). *See* technology**innovation**

adoption curve, 255-257

collaboration in, 225

constraints and, 227-228

in floating constraints, 229

in interface constraints, 229
in physical constraints, 230
in policy constraints, 230
innovators, 256
insourcing, 289-290
intellectual capital (IC), 170
interface constraints,
 127-128, 299
 strategic innovation in, 229
internal constraints, 8, 127
 Critical Chain with, 106
 strategic constraints, 231
in Drum-Buffer-Rope (DBR), 39
multi-project Critical Chain
 (MPCC) and, 92, 105
in Replenishment, 46
service mix decisions, 186-188
in services, 71
internal service providers, 290
internal software projects,
 Throughput Accounting
 (TA) for Software
 Engineering for, 343
inventory
 industry versus services, 10
 in NAICS sectors, 21
 problems of, 36
 in services businesses, 60
 in Throughput Accounting
 (TA), 56
inventory profits, in **Cost**
 Accounting (CA), 54
Investment (I), 163, 167
 delivery versus, 160
 in PSTS, 169
 strategic investments, 247
 in PSTS sector, 233-236
in Throughput Accounting
 (TA), 171

in Throughput Accounting (TA)
 for Software Business, 344
in Throughput Accounting (TA)
 for Software Engineering, 341
IT (information technology). *See*
 technology

J-K-L

JIT (Just-in-Time), 40
labor cost, 312
labor intensity, in NAICS
 sectors, 20
labor-based services, asset-based
 services versus, 160
laggards, 256
late majority, 256
lead professionals, 27
lead scientists, 27
 viewpoint of, 29
lead-time, 144
leadership responsibilities,
 resources for, 27
Lean/Just-in-Time (JIT), 40
leverage
 in resource management, 261
 in strategic investments, 233
leverage cost, 313
leverage points, 24
lifetime revenue per
 subscriber, 345
local measures, 173
local optimization
 in Critical Chain, 48
 global optimization and, 30,
 151, 159
 in manufacturing, 37
 in resource management, 70

M

M&S. *See* Marketing and Sales for Services

management priorities, in Cost Accounting (CA), 55

management responsibilities, resources for, 27

managing partners, 27

Manufacturing sector, 18

characteristics of, 20-21

Drum-Buffer-Rope (DBR), 35-40

services versus, 10-11

steps in, 35-37

supply and distribution chains in, 70-72

Throughput Accounting (TA) in, 162-164

market segmentation, 209-211, 216

Marketing and Sales for Services (M&S), 194-195

business value, 203-208

conflict resolution, 31

current standing of, 195-198

impact of, 215-217

market segmentation, 209-211

pricing optimization, 199-203

sales management, 211-215, 268-270

service offers, 208-209

in services sectors, 292

strategic constraints, 232

in Theory of Constraints (TOC), 198-199

marketing managers, 27

master/apprentice model, 148

matrixes, 175

milestones, in Critical Path, 47

multi-project Critical Chain (MPCC)

internal constraints and, 92

multi-project Critical Path (MPCP) versus, 100-105

for services, 105-107

buffer management in, 111-113

impact of, 113-116

resource management in, 107-110

multi-project Critical Path (MPCP), multi-project

Critical Chain (MPCC)

versus, 100-105

multiple constraints,

multi-project Critical Chain (MPCC) and, 106

multiple-activity simulation model, 332-335

multitasking

in Critical Chain (CC) versus Critical Path (CP), 48,

98-100

in multi-project Critical Path (MPCP), 100-104

N

NAICS sectors, 17-22

near/remote model, 148

necessary conditions for success, 226-227

negative buffer levels, 318

negative net consumption, 79

buffer sizing and, 77

net consumption. *See also*

negative net consumption

buffer levels and, 80

buffer management and, 81-83

buffer sizing and, 77

resource management cycles
 and, 84
 systematic versus random
 variability, 77
 new subscribers, 345
 nonconstrained resources, buffer
 sizing, 315-318
 noncost factors, in resource
 management, 313-314
 non-information technology,
 increasing throughput,
 271-272
 normality assumption, 311
 North American Industry
 Classification System
 (NAICS) sectors, 17-22
 not-for-profit enterprises, in
 NAICS sectors, 19

O

officers, 27
 on-demand enterprise. *See*
 services on demand
 operating budgets, 165
 Operating Expense (OE),
 164, 167
 in PSTS, 170
 in Throughput Accounting (TA),
 56, 172
 in Throughput Accounting (TA)
 for Software Business, 344
 in Throughput Accounting (TA)
 for Software Engineering, 341
 operations management. *See*
 process management
 operations. *See* Manufacturing
 sector

opinion leaders
 buy-in from, 257-259, 275
 in innovation adoption curve,
 255-257
 opportunity cost, 312
 optimization
 of buffer sizing
for constrained resources, 318-321
for nonconstrained resources,
315-318
 global optimization
continuous improvement in, 274
in Critical Chain, 48
local optimization and, 30,
151, 159
in manufacturing, 37
in resource management, 70
 local optimization
in Critical Chain, 48
global optimization and, 30,
151, 159
in manufacturing, 37
in resource management, 70
 pricing optimization, standard
 pricing, 196, 199-203, 216
 for resource management,
 314-315
 outsourcing, 289-290
 overhead, 170

P

pain points, 275
 constraints and, 203
 core problems as, 203
 finding solutions for, 298
 strategic investment decisions
 and, 236

- paradigm constraints, 282
- parallel processes, 124-125
 - analytical queuing models, 131
- partners, 26
 - viewpoint of, 29
- patterns, strategic, 224
- PDD (Project/Process Dollars per Day), 178-181, 260
- penalty cost, 313
- performance measures
 - in Throughput Accounting (TA) for Services, 173-174
 - in Throughput Accounting (TA) for Software Business, 344
 - in Throughput Accounting (TA) for Software Engineering, 341
- personalization of services on demand, 126
- physical constraints, strategic innovation in, 230
- pipelines (sales), 197, 211-213
- planning, strategic, 223-224
- policy constraints, 16, 129
 - breaking, 228
 - in marketing and sales, 195
 - as strategic constraints, 232
 - strategic innovation in, 230
- portfolio management, 94
- practice leaders, 27
 - viewpoint of, 29
- practices, 26
- practitioners, 26
- prerequisites, understanding, as outcome of buy-in, 258
- price cutting, as strategy, 227
- pricing, based on business value, 208-209
- pricing optimization, standard pricing, 196, 216
 - Cost Accounting (CA) versus Throughput Accounting (TA) for Services, 199-203
- primary/secondary model, 149
- proactive strategy, 222
- process constraints, enterprise constraints versus, 135
- process improvement, 151-152
- process management system, 267-268
- conflict resolution, 31
- Drum-Buffer-Rope for services, 120-121
 - buffer sizing*, 141-144
 - buffer zones*, 144-146
 - capacity constrained resources (CCR)*, 146-148
 - capacity management methods*, 139-141
 - Drum-Buffer-Rope for goods versus*, 132-136
 - elements of*, 326-327
 - finding constraints*, 149-150
 - impact of*, 153-155
 - multiple-activity simulation model*, 332-335
 - process improvement*, 151-152
 - real processes simulation*, 336-337
 - shared service centers (SSC)*, 152-153
 - simulation methods*, 327-329
 - single-activity simulation model*, 329-332
 - strategic constraints*, 150-151
 - unbalanced capacity*, 148-149

- projects versus service operations
 - versus business processes, 121-123
- for services on demand, 126-127
- traditional approach versus Theory of Constraints approach, 130-132
- process managers, 27**
 - viewpoint of, 29
- processes, 26**
 - hybrid processes, 125-126
 - parallel processes, 124-125
 - analytical queuing models, 131*
 - serial processes, 123-124, 131
 - topologies, 123-126
- product cost distortions, in Cost Accounting (CA), 54**
- product mix decisions, in Throughput Accounting (TA), 58-59**
- production. See Manufacturing sector**
- productivity, multitasking and, 48**
- professional organizations, for Theory of Constraints (TOC) information, 302**
- Professional, Scientific, and Technical Services. See PSTS**
- professionals, 26**
 - viewpoint of, 29
- profit centers, 164**
- profitability, of customers, 196**
- program management, 94**
- program managers, 27**
- project management system, 265-266**
 - conflict resolution, 30
 - correlation with resource management, 107-110
 - Critical Chain (CC), 46-53
 - Critical Path (CP) versus, 98-100*
 - multi-project Critical Chain (MPCC)
 - internal constraints and, 92*
 - multi-project Critical Path (MPCP) versus, 100-105*
 - multi-project Critical Chain (MPCC) for services, 105-107
 - buffer management in, 111-113*
 - impact of, 113-116*
 - resource management in, 107-110*
 - for services, 95-97
 - success rate of projects, 93-94
- project managers, 27**
 - viewpoint of, 29
- Project/Process Dollars per Day (PDD), 178-181, 260**
- projects, 25**
 - repeatable projects, 95
 - service operations and business processes versus, 121-123
 - success rate, 93-94
- proportion of goods, in NAICS sectors, 20**
- proportion of services, in NAICS sectors, 20**
- PSTS (Professional, Scientific, and Technical Services), 18, 68. See also services**
 - change management in, 242-244
 - characteristics of, 20-22

comparable sectors to, 291-293
 conflict resolution, 284-286
 demand and supply, 72-74
 differences in services sectors,
 293-294
 Investment (I) in, 169
 marketing and sales in, 195-198
 Operating Expense (OE) in, 170
 project management, 95-97
 questions in, 5
 resource management
hire-to-deal, 69
hire-to-plan, 69
supply-demand matching, 70
 roles in, 25-28
 skill group categories, 86
 strategic constraints, 231-233
 strategic investments, 233-236
 strategy and change in, 223-226
 strategy in, 229-231
 Theory of Constraints (TOC) in,
 10-11
 Throughput (T) in, 169
 Throughput Accounting (TA) in,
 162-164
 viewpoints in services on demand,
 28-30
**PSTS contracts, terms and
 conditions of, 198**
**Public Services sector, Theory of
 Constraints (TOC) in, 293**
pull (TOC), 35
 converting push to, 194, 215
 in Critical Chain, 51
 in Drum-Buffer-Rope (DBR), 40
 push versus, 246

in Replenishment, 45
 in Throughput Accounting
 (TA), 60
push
 converting to pull, 194, 215
 pull versus, 246

Q

quality
 buffer sizing and, 142
 service level agreements (SLA)
 for, 143
quality assurance, 299
 in services projects, 96
**queue times, effect on service
 level agreements (SLA), 136**

R

**random variability, of net
 consumption, 77**
**RDD (Resource Dollars per
 Day), 181-182, 261**
re-badging, 74
**re-supply time. *See* time to
 re-supply**
reactive strategy, 222
**real buffers. *See* buffer
 management**
**real processes simulation,
 336-337**
real-time performance, 154
Redwood problem, 86
**relay race analogy, in Critical
 Chain, 51**
reneging, 336

- repeatable projects, 95
- Replenishment for Goods, 24,
 - 40-46, 69
 - buffer sizing, 76-79
 - Replenishment for Services versus, 87-88
- Replenishment for Services,
 - 69. *See also* resource management
 - assumptions in, 311-312
 - buffer levels, 80
 - buffer management, 81-83
 - buffer sizing, 76-79
 - buffer zones, 80-81
 - correlation with multi-project Critical Chain (MPCC) for services, 107-110
 - Critical Chain with, 106
 - decision support, 84-85
 - hire-to-deal versus, 322
 - hire-to-plan versus, 322
 - impact of, 87-88
 - principles of, 74
 - resource management cycles, 83-84
 - resource management system
 - based on, 264-265
 - in services sectors, 292
 - skill groups, 75-76
 - steps in, 310-311
 - strategic constraints, 231
 - supply-demand matching versus, 322
- requests for information (RFI), 170
- research questions, for Theory of Constraints (TOC) for services, 300-301
- resistance in sales, phases of sale
 - versus, 245-246
- resistance to change, 225
 - buy-in versus, 237-241
- resource contention, in Critical Chain, 50
- Resource Dollars per Day (RDD), 181-182, 261
- resource flows, in PSTS, 74
- resource leveling, in Critical Chain, 48
- resource management, 68-69, 260-265. *See also* Replenishment for Services
 - buffer levels, 80
 - buffer management, 81-83
 - buffer sizing, 76-79
 - for constrained resources, 318-321*
 - for nonconstrained resources, 315-318*
 - buffer zones, 80-81
 - conflict resolution, 30
 - correlation with project management, 107-110
 - cost factors in, 312-313
 - cycles in, 83-84
 - decision support for, 84-85
 - decision-making tips, 322
 - demand and supply in PSTS, 72-74
 - hire-to-deal, 69
 - hire-to-plan, 69
 - in multiple projects, 100-104
 - noncost factors in, 313-314
 - optimization model, 314-315
 - for services projects, 96
 - skill groups, 75-76, 86

supply and distribution chains,
 in industry versus services,
 70-72
 supply-demand matching, 70
 virtual buffers, 85-86
resource managers, 27
 viewpoint of, 29
resource measures, in
 Throughput Accounting
 (TA) for Services, 175-177
resource pools, skill groups
 versus, 76
resources. *See also* roles
 buffer management, 111-113
 role conflicts, 161
Retail Services sector, Theory of
 Constraints (TOC) in, 293
revenue
 accumulating, 165
 cost versus, 160
**RFI (requests for
 information)**, 170
rigid capacity, elastic capacity
 versus, 135-139, 330-332
risk management, 299
 for services projects, 97
**risk-reward sharing
 contracts**, 198
 in services projects, 97
risk-taking, troubled projects
 versus, 161
role conflicts, 161
roles, in services on demand,
 25-28
ropes, in Drum-Buffer-Rope
 (DBR), 38. *See also*
 Drum-Buffer-Rope (DBR)
 for services

S

S&C. *See* Strategy and Change
 for Services
sales, in Theory of Constraints
 (TOC), 244-246. *See also*
 Marketing and Sales for
 Services
sales constraints, 213, 217
sales executives, 27
sales forecasts, inaccuracy of, 42
sales management, 211-215,
 268-270
sales managers, 27
sales professionals, 26
saved subscribers, 345
scalability, of Critical Chain for
 Services, 115
scheduling, 140
 services projects, 96
scientists, 26
 viewpoint of, 29
scope changes, for services
 projects, 95
second-order change, 242
secondary skill codes, 85
segmentation. *See* market
 segmentation
selling services, resources for, 26
serial processes, 123-124, 131
service chains, 68
 optimizing with Theory of
 Constraints (TOC), 288-289
 supply chains versus, 287
service level agreements (SLA)
 constraints, 128-130
 for cycle time, 143
 for quality, 143

- queue times, effect on, 136
- real-time performance, 154
- service times, effect on, 136
- for utilization, 143
- service level constraints, 129-130**
- service levels, 26, 169**
 - technology for, 272-273
- service management, topics in, 22-23**
- service mix decisions, with**
 - Throughput Accounting (TA) for Services, 183-188**
- service offerings**
 - development, 298
- service offers, in Marketing and Sales for Services (M&S), 208-209**
- service operations, projects and business processes versus, 121-123. See also process management; processes**
- service pricing. See standard pricing**
- service production systems, 169**
- service provision**
 - constraints, 128
- service times, effect on service level agreements (SLA), 136**
- services. See also PSTS**
 - as available
 - characteristics of, 25*
 - Drum-Buffer-Rope, 121*
 - multi-project Critical Chain (MPCC) for, 105*
 - services on demand versus, 22-25, 162*
 - complexity of, 4-5
 - conflict resolution, 30-31, 284-286
 - conflicts, types of, 159-162
 - constraints, 127-130
 - Cost Accounting (CA) for, 164-166
 - Critical Chain (CC) for, 107
 - Critical Chain for Goods versus, 113-116*
 - project management system based on, 265-266*
 - in services sectors, 291*
 - defined, 16
 - Drum-Buffer-Rope (DBR) for, 120-121
 - buffer sizing, 141-144*
 - buffer zones, 144-146*
 - capacity constrained resources (CCR), 146-148*
 - capacity management methods, 139-141*
 - Drum-Buffer-Rope for goods versus, 132-136*
 - elements of, 326-327*
 - finding constraints, 149-150*
 - impact of, 153-155*
 - multiple-activity simulation model, 332-335*
 - process improvement, 151-152*
 - process management system based on, 267-268*
 - real processes simulation, 336-337*
 - shared service centers (SSC), 152-153*
 - simulation methods, 327-329*
 - single-activity simulation model, 329-332*
 - strategic constraints, 150-151, 232*
 - unbalanced capacity, 148-149*

- Implementation and Technology
 for Services (I&T), 254-255
buy-in from opinion leaders,
 257-259
continuous improvement, 273-274
contract management example,
 259-260
financial management system,
 270-271
impact of, 274-277
innovation adoption, 255-257
for multiple service levels, 272-273
non-information technology,
 271-272
process management system,
 267-268
project management system,
 265-266
resource management example,
 260-263
resource management system,
 264-265
sales management system, 268-270
technology assessment, 263-264
 industry versus, 10-11
- Marketing and Sales for Services
 (M&S), 194-195
business value, 203-208
impact of, 215-217
market segmentation, 209-211
pricing optimization, 199-203
sales management, 211-215,
 268-270
service offers, 208-209
in services sectors, 292
strategic constraints, 232
in Theory of Constraints (TOC),
 198-199
- multi-project Critical Chain
 (MPCC) for, 105-107
buffer management in, 111-113
impact of, 113-116
resource management in, 107-110
- NAICS sectors, 17-22
- project management, 95-97
- Replenishment for Services, 69
assumptions in, 311-312
buffer levels, 80
buffer management, 81-83
buffer sizing, 76-79
buffer zones, 80-81
*correlation with multi-project
 Critical Chain (MPCC) for
 services,* 107-110
Critical Chain with, 106
decision support, 84-85
hire-to-deal versus, 322
hire-to-plan versus, 322
impact of, 87-88
principles of, 74
resource management cycles, 83-84
*resource management system based
 on,* 264-265
in services sectors, 292
skill groups, 75-76
steps in, 310-311
strategic constraints, 231
*supply-demand matching
 versus,* 322
- rise of, 5-7
- supply and distribution chains in,
 70-72
- technology-based services, 68
- Theory of Constraints (TOC) for,
 60-62
asset-based services, 286-287
enterprise reach, effect on, 297

- enterprise size, effect on, 296-297*
as interlocking applications,
 283-284
in industrial sectors, 294-295
for internal service providers, 290
limitations of, 298-300
in outsourcing and insourcing,
 289-290
research questions, 300-301
sector usage compared, 295-296
in service chains and value networks,
 287-289
- Throughput Accounting (TA) for,
 159, 166-169
control measures, 178-183
decision-support measures, 177-178
financial management system based
on, 270-271
financial measures, 169-173
impact of, 188-190
performance measures, 173-174
pricing scenarios, 199-203
resource measures, 175-177
sales management, 213-215
service mix decisions, 183-188
in services sectors, 291
strategic constraints, 232
- services on demand, 16-17**
 attributes of, 23-24
 characteristics of, 25
 difficulties in implementing, 299
 Drum-Buffer-Rope, 121
 multi-project Critical Chain
 (MPCC) for, 106
 process management, 126-127
 roles in, 25-28
 services as available versus,
 22-25, 162
 viewpoints within, 28-30
- Services Science, Management,
 and Engineering (SSME),
 302-303**
- services sectors**
 comparable to PSTS sector,
 291-293
 differences from PSTS sector,
 293-294
 Theory of Constraints (TOC)
 usage compared, 295-296
- severance cost, 313**
- shared service centers (SSC),
 152-153**
- shortages, 321**
- silos, 24**
- simulation, process simulation**
 methods for, 327-329
 multiple-activity simulation
 model, 332-335
 real processes simulation, 336-337
 single-activity simulation model,
 329-332
- single projects, project
 management methods,
 98-100**
- single sourcing. See sole sourcing**
- single-activity simulation model,
 329-332**
- sizing buffers. See buffer sizing**
- skill groups, 75-76**
 categories of, 86
 cycles in, 84
 secondary skill codes, 85
- skills, 170**
- SLA (service level agreements)**
 constraints, 128-130
 for cycle time, 143
 for quality, 143

- queue times, effect on, 136
- real-time performance, 154
- service times, effect on, 136
- for utilization, 143
- slack time, in Critical Path, 47
- software business, **Throughput Accounting (TA) for**, 159, 343-345
- software engineering, **Throughput Accounting (TA) for**, 159, 340-343
- software production measures, in **Throughput Accounting (TA) for Software Engineering**, 341
- sole sourcing, 196
- solution architects, 26
- solutions, 26
- space shifting, 140
- sprint capacity, 147
- sprinting, in **Drum-Buffer-Rope (DBR)**, 38
- SSC (shared service centers), 152-153
- SSME (Services Science, Management, and Engineering), 302-303
- stability, dynamic versus absolute, 299
- staff, 26
- staggering multiple projects, 100-104
- standard costs, 166
- standard pricing, 196, 216
 - Cost Accounting (CA) versus **Throughput Accounting (TA) for Services**, 199-203
 - standard products/services, customer satisfaction, 195
 - standard rates, 176
 - standardization of services on demand, 126
 - strategic constraints, 150-151, 247
 - in PSTS sector, 231-233
 - strategic investments, 247
 - in PSTS sector, 233-236
 - strategic patterns, 224
 - strategic planning, 223-224
 - strategic resources, 103
 - strategy, 222-223, 249
 - challenges in PSTS sector, 224-226
 - conflict resolution, 31
 - current state of, 223-226
 - proactive, 222
 - in PSTS sector, 229-231
 - reactive, 222
 - Theory of Constraints (TOC) approach to, 226-229
- Strategy and Change for Services (S&C)**, impact of, 246-249
- subcontractors, 28
- success rate of projects, 93-94
- supply, in PSTS, 72-74
- supply chains
 - in industry versus services, 70-72
 - Replenishment, 40-46
 - service chains versus, 287
- supply-demand matching (resource management), 70
 - Replenishment for Services versus, 322
- symmetric buffer zones, 80

Synchronous Manufacturing. *See*
 Drum-Buffer-Rope (DBR)
 for services
 System Dynamics, 329
 systematic variability of net
 consumption, 77

T

TA. *See* Throughput Accounting
 technical leaders, 27
 viewpoint of, 29
 technicians, 26
 viewpoint of, 29
 technology, 254-255. *See also*
 Implementation and
 Technology for Services
 (I&T)
 financial management system,
 270-271
 for multiple service levels,
 272-273
 as necessary but insufficient, 255
 non-information technology,
 increasing throughput,
 271-272
 process management system,
 267-268
 project management system,
 265-266
 resource management system,
 264-265
 sales management system,
 268-270
 technology assessment,
 263-264, 275
 technology-based services, 68

temporary capacity, 81
 Theory of Constraints (TOC),
 8-9, 34-35
 change management in, 237-241
 community, 302
 conflict resolution, 30-31,
 284-286
 Critical Chain, 46-53
 Drum-Buffer-Rope (DBR), 35-40
 for goods, 62
 as interlocking applications, 275
 leverage points, 24
 Marketing and Sales for Services
 (M&S) in, 198-199
 policy constraints, 16
 process management and,
 130-132
 in PSTS, 10-11
 Replenishment, 24, 40-46
 sales in, 244-246
 for services, 60-62
 asset-based services, 286-287
 enterprise reach, effect of, 297
 enterprise size, effect of, 296-297
 implementation. See Implementation
 and Technology for
 Services (I&T)
 in industrial sectors, 294-295
 as interlocking applications,
 283-284
 for internal service providers, 290
 limitations of, 298-300
 in outsourcing and insourcing,
 289-290
 research questions, 300-301
 sector usage compared, 295-296
 in service chains and value networks,
 287-289

- in services sectors comparable to PSTS sector, 291-293*
 - in services sectors different from PSTS sector, 293-294*
 - strategy, approach to, 226-229
 - Throughput Accounting (TA), 53-60
 - Thinking Process (in TOC), 34**
 - third parties, 28**
 - third-order change, 242**
 - Throughput (T), 163, 167**
 - for non-information technology, 271-272
 - in PSTS, 169
 - in Throughput Accounting (TA), 56
 - in Throughput Accounting (TA) for Software Business, 344
 - in Throughput Accounting (TA) for Software Engineering, 340
 - Throughput Accounting (TA), 53-60**
 - Cost Accounting (CA) versus, 158
 - for goods, 159
 - in Manufacturing, Information, and PSTS sectors, 162-164
 - for services, 159, 166-169
 - control measures, 178-183*
 - decision-support measures, 177-178*
 - financial management system based on, 270-271*
 - financial measures, 169-173*
 - impact of, 188-190*
 - performance measures, 173-174*
 - pricing scenarios, 199-203*
 - resource measures, 175-177*
 - sales management, 213-215*
 - service mix decisions, 183-188*
 - in services sectors, 291*
 - strategic constraints, 232*
 - for Software Business, 159, 343-345
 - for Software Engineering, 159, 340-343
 - time shifting, 140**
 - time to re-supply, 261**
 - buffer sizing and, 76-79
 - time-and-materials contracts, 198**
 - time-boxes, 100**
 - TOC. See Theory of Constraints (TOC)**
 - topologies, for processes, 123-126**
 - total consumption, buffer sizing and, 77**
 - transfers, in resource management, 313**
 - transformation, 143**
 - troubled projects, 96**
 - risk-taking versus, 161
- ## U
- unbalanced capacity, 148-149**
 - balanced capacity versus, 332-335
 - balanced flow and, 132-133
 - unbalanced flow, balanced capacity and, 132-133**
 - undesirable effects. See pain points**
 - unidirectional buffer zones, 80**
 - unreliability of re-supply, 77**
 - unsolvable problems, 300**

utility pricing contracts, 198

utilization

- buffer sizing and, 142
- capacity versus, 159
- in Cost Accounting (CA), 54
- in manufacturing, 36
- service level agreements (SLA)
 - for, 143
- in Throughput Accounting (TA),
 - 57, 176

V

value networks, 288

- optimizing with Theory of
Constraints (TOC), 288-289

value pricing contracts, 198

variable costs, 166

viewpoints

- for project success, 94
 - within services on demand, 28-30
- virtual buffers, 85-86

W-Z

weakest link (TOC), 35

winner's curse, 215

Workforce Management (WFM)

- tools, 131