# Multi-Project Critical Chain: Three Vital Points

**C**ritical Chain, already in such organizations as ABB, Hamilton Beach, Lucent, Medtronic, NASA, the US Air Force and the US Navy, is redefining performance standards for **multi-project** operations. Twenty to forty percent improvements in throughput and lead times are typical. Ability to deliver projects on time and on target is more icing on the cake. Here are three Vital Points about multi-project critical chain:

① MANAGE THE FLOW, NOT PROJECTS

Critical Chain is a breakthrough for streamlining flow of work through multi-project pipelines in a high uncertainty environment. Thus, it greatly facilitates the management of projects. Indeed, experienced project managers rely instinctively on aspects of **critical chain** principles in planning and controlling their projects successfully.

② ADOPT COUNTERINTUITIVE RULES

    A. **Reduce the amount of work in execution.** Instead of "as soon as possible", release work based on the availability of most loaded resources (these are what limit the amount of work that can be done).

    B. **Place blocks of protective time, called buffers, where they can do most good.** Remove safety from individual tasks, and concentrate it into explicit buffers that protect the whole project – at the end of critical chain and where other chains feed it.

    C. **Allow individual tasks within projects to be late.** Use a Buffer Index (work completed along any chain divided by the buffer consumed at the end of that chain) to drive and measure performance.

Only by following the above rules can (i) schedules be made aggressive (more projects faster) and, (ii) projects still be delivered on time, on budget and on scope.

③ ATTACK POLICIES, NOT BEHAVIORS

It is a myth that you need to change how people behave (procrastination, multitasking, unnecessary polishing of already finished work etc.) in order to improve project performance. The reality is that the following policy changes will give you much better results:

■ Replace measurements that require individual tasks to finish on time with the ones that drive low work-in-process.

■ Mandate a minimum amount of protective time in each project, typically 50% of the sum of tasks, to assure uninterrupted flow of work.

■ Make project due-dates sacrosanct, to be changed only by senior management.

Behaviors will change gradually in response to such new management policies, which then will produce even better results. You might get some success by focusing on behaviors, but it won't last.

If you want to put these three vital elements of success into practice, contact us at info@realization.com.

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[1] Critical Chain is the longest chain of dependent activities in a project. Activities can depend on one another because of project structure (A has to be done before B) or limited resources (A and B can be done in parallel, but will be done one after another because of limited resources).