



Ten Minutes of Your Time. Lasting Business Impact.

Issue 12: 9 April 2004

“Humanity is acquiring all the right technology for all the wrong reasons.”
- **R. Buckminster Fuller**, inventor of the geodesic dome (1895-1983)

What's On My Mind This Week

It's a Quicken World

By Kevin Weiss

CEO

Philip Crosby Associates and The Capability Group

Chris, our Director of Marketing, is a whiz at personal finances. She has her spending categorized, tracked, and managed to an admirable degree, with college savings accounts for her two girls well underway and house hunting in Boston on her agenda this spring.

So I was surprised to learn she just began using Quicken software to track her finances. Quicken is a computer program that tracks spending, enables on-line bill payment, and includes a variety of features to organize and optimize your financial life - all for a list price of US\$29.95. With over 15 million registered users, an ever-increasing share of the world's wealth is tracked, graphed, reported, analyzed, and reallocated using Quicken.

Chris took a different approach. She used Excel spreadsheets to track spending, and developed her own way to organize her financial information. Only after she understood all aspects of personal finance and built the discipline to make the most of her money, did she purchase money-management software.

Why not start with Quicken when it does so much more than a simple spreadsheet? Because as good as Quicken is, it is only a tool. Too often we confuse buying a new tool with meaningful change.

Give the program its due: It makes you tremendously more efficient

when entering spending information and reconciling accounts. For people who faithfully track their purchases and balance their checkbook, the program is worth several times its purchase price. But if you think it will keep you from buying that new set of golf clubs or designer shoes, you're fooling yourself. It can't make you a more disciplined spender, a more patient investor, or excited about paying down your mortgage, because those activities require changes in mindset and behavior that no software program can deliver.

Tools, Tools, Tools

For better *and* worse, it's a Quicken world. Our days are filled with a stream of decisions to make and an unprecedented amount of information. We're looking for help, and because tools promise to enhance our abilities - a little upgrade of our own fantastic selves - buying new tools is the rage in our business and personal lives. Tools are a seductive purchase because they can be customized to suit our preferences, are generally backed by some mesmerizing technology, and promise to solve any number of emerging or longstanding issues. The message is clear: The problem isn't you; it's your lack of proper support.

Marketing promises collide with reality when tools are placed in the context of our larger environment. What happens once the information is accessed and the question of 'what if' has been answered? The larger factors of knowledge, values, biases, and incentives now control the process. New technology - sales force automation, Six Sigma Black Belts, Blackberry PDA's - is rendered useless in many environments, because changes in outcome require changes in behavior. The latest decision-support tools can support our indecisiveness if we don't alter our approach.

In fact, our ability to adapt is usually the greater issue. Using good judgment to take decisive action with imperfect information always beats poor judgment or sloppy execution based on the best data. People with the right mindset see the results of their actions and correct their bad calls. Those without it are just as fallible in their second and third look at a situation, and they are less likely to correct

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a poor decision once made.

Culture First; Tools Later

Kicking the tool habit takes a change in thinking as well. Because we're not conditioned to think of ourselves as the issue, people cite lack of information as the root cause of most problems.

But exactly what information do we lack? Is it historical or real-time operating information - the kind new systems and software might provide? Or is it something else - information about the priorities of the organization or resources available; information about lines of authority or responsibility for decision-making; knowledge of accounting principles, current technologies or basic operations; information about market trends or competitor actions; or an understanding of potential actions and likely outcomes? This is information new software won't deliver.

More often than not, it's simply a lack of information about the data currently available.

Before you spend money on better tools, create a vision of how the organization will operate once the transformation is complete. Starting first with the culture, identify the knowledge and behavior issues that must be addressed before the real benefits of any tools can be realized.

Organizations that take this route find many ways to improve their current situation and spend more resources upgrading the talent of their people. This pays multiple dividends across the entire organization. And the tools that are introduced in the future will be more easily accepted, adopted, and integrated into the organization's culture and processes, creating more long-run value.

Just ask Chris. I hear she's now an expert user of Quicken.

Take Ten Minutes

Before you return to reading your latest instruction manual, ask

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yourself the following questions:

- How many tools has your organization purchased in the last 12 months?
- Were these tools implemented successfully? Why or why not?
- If successful, did changes in behavior precede or coincide with the tool's implementation?
- What is the largest cultural barrier to your organization's success?
- How can you most effectively address this barrier?

Take The Next Step...

Your organization can cultivate a foundation of reliability. Come to PCA's "Creating the Reliable Organization" Management College to find out how.

The next open-enrollment colleges take place **June 15-17** and **September 14-16 in Orlando, Florida**. Alternatively, PCA can conduct a dedicated college for your organization, either at your facility or at a designated location near you.

For additional information, please call 800-722-1464 or [email us](#).

About Take Ten Minutes

Take Ten Minutes is a weekly publication of [Philip Crosby Associates](#) and [The Capability Group](#).

The premise behind *Take Ten Minutes* is simple: take ten minutes out of every week to refocus and recommit to business improvement. *Take Ten Minutes* features quotes and interviews to inspire you. We also pull articles from today's headlines as examples of the power of the preventive culture (or the deep problems caused by not having one).

As the name suggests, *Take Ten Minutes* is relentless with the editing razor and keeps each issue tight - each issue should take you no more than ten minutes to read, start to finish. You'll reap even bigger rewards if you kick in an extra ten minutes to discuss the ideas with a colleague or to take an idea found here and plan to roll it out in your organization. We hope *Take Ten Minutes* becomes the business improvement equivalent of your running partner, providing the inspiration you need to lace up and "just do it" on those weeks when the couch seems oh-so preferable.

We hope you enjoy *Take Ten Minutes*. As Philip Crosby said, improving your business "is a journey that never ends." So let the journey...*continue!*

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Please send story ideas or comments to our [editor](#).

About Our Companies

In today's marketplace, only capable companies will survive and thrive. The overarching goal of [Philip Crosby Associates](#) (PCA) and [The Capability Group](#) (TCG) is to give companies the culture, tools, methodology and results-focused support to become 'Capable Organizations' - useful, reliable, adaptable, and ever-focused on achieving customer success.

PCA and TCG deliver on this goal by first working with clients to assess where they are on the maturity spectrum and where they want to go. For companies early in the process, we work hand-in-hand with management to install a culture of prevention - the culture that has been championed by the PCA side of our business since quality management guru and PCA founder Philip Crosby published *Quality is Free* in 1979. Over the past two decades, Crosby's techniques have been implemented by many of the Fortune 500, as well as small and mid-sized companies seeking excellence.

Once the foundation of the Capable Organization is present, TCG steps in to help clients take their efforts to the next level by further reducing costs, enhancing quality and promoting growth. TCG was founded by Kevin Weiss, who was a Quality Leader and Master Black Belt for General Electric when that company first implemented Six Sigma - a program CEO Jack Welch has attributed with "changing the DNA of GE". With a proprietary Cost-Quality-Growth™ Model created based on the knowledge that GE's success was due to much more than a typical Six Sigma deployment, TCG has helped shape Cost-Quality-Growth™ Programs for companies such as Shimano, American Express and Sony.

Along the journey to the Capable Organization, PCA and TCG provide a comprehensive set of training programs and materials as well as consulting and assessment services to accelerate progress. Products and services range from courses and CDs geared towards the education of hourly workers to intensive seminars for managers and executive teams.

For more information, email Chris Johansen of Philip Crosby Associates and The Capability Group chris.johansen@capabilitygroup.com, or call 617-716-0214.

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