

Box Theory™: What Is It?

It is commonly understood that to tackle and complete a big project, one should break the task down to smaller, more manageable subtasks. How do you eat an elephant? "One bite at a time." It's the same idea. This true principle makes a lot of sense and is one of the underlying premises of Box Theory™ methodology and software (The Box Theory Way™).

So, what exactly is Box Theory™, you may ask.

Box Theory™, Four Supporting Concepts

Box Theory™ is a statement of theory that applies to all business-building activities. Before presenting it, however, you must first understand the four supporting concepts:

- A business is made up of many systems and processes.
- Each process consists of larger activities, smaller tasks, and even smaller steps within each task.
- Every activity, task, and step can be represented by a BOX on a flowchart.
- Every "BOX" is of *greater or lesser importance* to organizational strategies and goals, and currently produces results that are either *acceptable or unacceptable*.

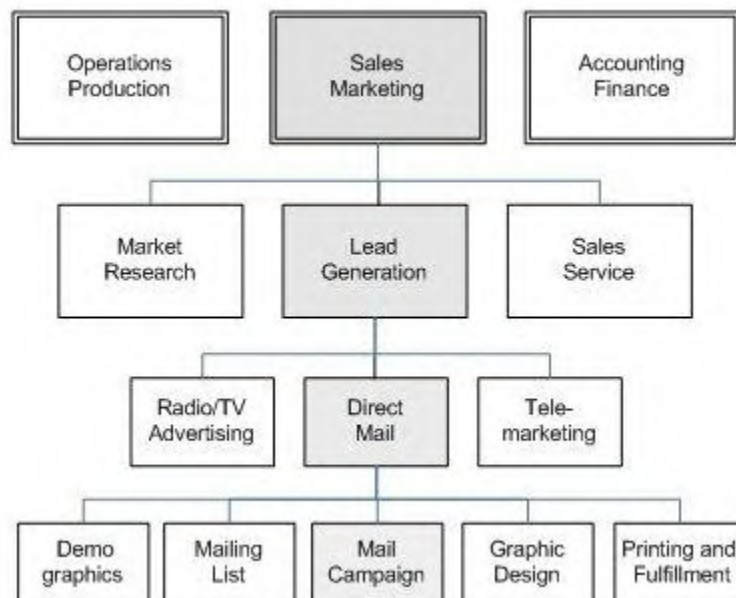
Let me briefly explain each of these four supporting statements:

One – A business is made up of many systems and processes. Your organization has numerous systems and subsystems that enable you to deliver products and services. They may be rudimentary, undocumented, or ineffective, but they are currently the way you do things. The following table lists a few typical business systems.

EXAMPLES OF BUSINESS SYSTEMS/BOXES		
Lead Generation	Hiring	Order Fulfillment
Lead Conversion	Training	Purchasing
Website	Customer Care	Inventory Management
Accounting	Quality Control	Shipping/Receiving
Payroll	Information Systems	Custodial
Collections	Estimating/Pricing	Others unique to your company

Two – Each process consists of larger activities, smaller tasks and even smaller steps within each task. Marketing, for example, is a high-level business activity or system. Within marketing, you will likely have a system for generating sales leads. Within the lead-generation system, you may have tasks or subsystems such as telemarketing, direct mail, and radio advertising. Within direct mail, there are steps (a procedure or checklist) to carry out this task.

If you could create a framework of systems for your entire business—marketing, operations, finance, human resource, and so forth—and show it on a drive-in movie screen (remember those?), you would see every activity, task, and step cascade down to levels of minute detail. (Don't worry, you won't be doing this.)



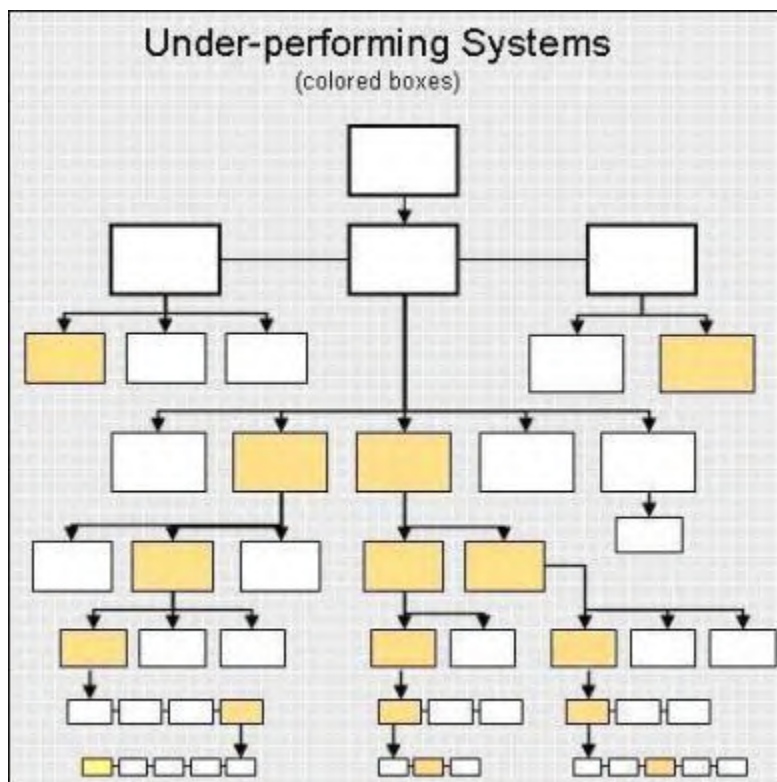
Three – Every activity, task and step can be represented by a BOX on a flowchart. A flowchart visually represents the individual steps within a system. With labeled flowchart BOXES and arrows, you can quickly see how the process moves from the beginning to the end. For example, consider a simple version of an order processing system where you 1) Receive the order, 2) Pack the order, 3) Label the box, 4) Place the box for pick-up. It might look like the flowchart below. (With enough time and money, you could flowchart your entire business, but you're not going to do that either.)

Shipping and Receiving Pack Order



Four – Every flowchart "BOX" is of *greater or lesser importance* to organizational strategies and goals, and currently produces results that are either *acceptable or unacceptable*. Here's where we thank our good friend Pareto (80-20 Rule). Only about 20% of the flowchart BOXES have much influence on your overall business success. As a result, you will focus your attention on the *important or under-performing* boxes that make a difference to your customers and profitability.

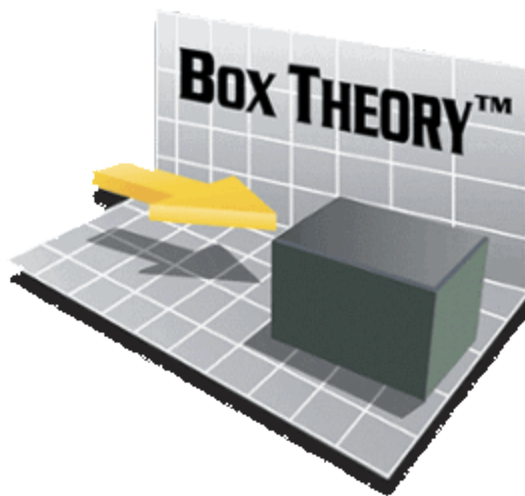
If your BOX called Direct Mail—under the Lead Generation box—is not helping you achieve your sales goals, improvement is necessary. On the other hand, if your Custodial BOX is a little weak, you might not worry about it right now; it won't put you out of business. The following organization chart is an aerial view of business systems and processes. The colored BOXES are the ones deserving your attention. (The limiting constraints are on the bottom row.)



Each BOX is a building block of your business. Each has a specific purpose and is interdependent with other BOXES. Each BOX is itself a process with components, and contributes to the greater whole. A few BOXES are critically important, while others are not. By altering or improving any BOX (the cause), you can change or improve the outcome of the entire system (the effect).

Box Theory™, the Theory

Having laid this foundation of supporting statements, Box Theory™ is simply this:



If you can determine the vital few “BOXES” that cause your key business outcomes, and elevate them to higher performance levels, the effect will be greater customer loyalty, profitability, growth, and overall business success.

Consider this practical example:

Let's say that your unique organization chart has three major functions—marketing, operations and administration. Under the BOX called Administration are BOXES labeled Finance, Human Resource, Office Management, and Facilities.

If you drill down on Facilities, there may be business functions or BOXES labeled Security, Furniture and Equipment, Computer Support, and Custodial. Within Custodial, for example, there are more detailed steps or BOXES such as Vacuum Floor, Dust Furniture, Empty Trash, Clean Bathroom, and so forth.

If you want even more control of the Clean-Bathroom BOX, lower-level tasks might include Clean the Mirror, Mop the Floor, Scrub the Sink and Sanitize the Toilet. At the lowest level of detail, you may even have a list of steps for cleaning each item—something a professional cleaning company might define for its employees. Each task can be represented by a BOX.

You may not go this deep on your custodial system, but you will go deep on a few of your core systems that touch customers. And don't worry at this point about tracking and connecting all the BOXES. My purpose for now is that you see the model—the big picture—how everything fits together like the pieces to a puzzle.

In a workshop I gave, a person came to me during the break and said that there was no toilet paper in the restroom. You can bet that toilet paper was an important detail to that person. As in all systems, the solution is the same—drill down until you find the BOX that is causing the problem, and then fix it. We changed our cleaning checklist to include putting an extra roll of paper on the back of the toilet. We never had that problem again. Thank goodness!

Important details are everywhere in your business. You can only manage them with good systems and processes, your workhorses for getting the job done right day-in and day-out.

High Performance Attributes

Box Theory™ is simple, yet profound in its application. However, breaking a business down to individual BOXES, like the pieces to a puzzle, is not the whole story. Knowing how to *elevate the BOXES to higher performance levels* is where the real power lies.

I have previously referred to high-performance systems. But what does that mean? Usually, it is just language to impress and make things sound super-duper. However, the Box Theory™ method defines high-performance in a very specific way. You can know exactly what qualifies a BOX or system to be high-performance. Let me explain.

Every BOX or system you choose to improve is made up of a procedure and components—nothing else. However, there are ways to elevate the process and turbo-charge its performance. From a study of the major improvement methods (six sigma, lean thinking, and the Theory of Constraints), my own experience, and some inspiration for which I am grateful, I have identified 7 "High-Performance Attributes" that can be associated with a BOX or system.

Each attribute is a quality that improves the output of the BOX. You can elevate the performance of any BOX by taking steps to increase the number of its High-Performance Attributes.

Below are listed the 7 High-Performance Attributes and their description. You may not completely understand each description now, but they will become clear later on. They are easy to understand and based upon the tried and proven principles.

A high-performance BOX is one that earns all applicable attributes; some attributes may not apply to a given BOX. The 7 possible attributes are as follows:

Table of High-Performance Attributes

	ATTRIBUTE	DESCRIPTION
1	Ownership	When an owner is assigned to a box, there is accountability for the performance of that process.
2	Balanced Scorecard Driver	The BOX (system or process) is a "driver" if it directly contributes to the achievement of a company goal (e.g., when the lead generation system/BOX is improved, sales goals are reached.)
3	Components	A system is fully operational if it contains the people, documents, tools, and resources required to perform the task at the optimum level (a major weakness of many businesses).
4	Value-Added	The BOX is "value-added" if the task ultimately benefits customers and is something they would be willing to pay for. Value-added tasks in a process create a "value stream." Tasks that do not add value to the customer are waste (e.g., handling inventory or fixing problems are not value-added).
5	High-Yield	A task that has a 99% yield, or one mistake/error/defect in 160 opportunities, is a 4 Sigma or high-yield process (quality processes lower costs and please customers).
6	Fast	A BOX or process is considered "fast" when it has maximized throughput, that is, minimum lead time, maximum completion rate, minimized "speed bumps" (e.g., clutter, poor layout, stop-start work flow, etc.) and optimized pacing (sales and on-hand inventory are synchronized).
7	Non-Constraint	A BOX (step) that is <u>not</u> a bottleneck in a system or process is a non-constraint. A bottleneck is any BOX whose capacity is equal to or less than the demand placed upon it (too many inputs). A non-bottleneck is any BOX whose capacity is greater than the demand placed upon it.

The Simple Steps of Box Theory™

We have now covered the basics of Box Theory™. However, I want to emphasize that it is quite a simple process; many students have learned to do it well.

To summarize, let me give you a quick overview:

A business consists of a collection of systems or "BOXES." About 20% of the BOXES have the most influence on your business results. You will start by developing or improving the systems that have the biggest payoff—those that are *essential to your success* or those that are *obstacles to your success*. The basic process for developing a business system (BOX) requires six steps:

1. Select a priority system/Box that you want to create or improve.
2. State the problem and/or the desired objective of the system Box.
3. Write down the procedure or steps in the system. (I like to create a flowchart on a whiteboard with the help of the people who operate the system.) Work the process until you think it is the best way of getting the result you are after.
4. Identify and acquire all the component parts to make the system operational (e.g., forms, checklists, materials, equipment).
5. Elevate system-performance over time by applying the 7 High-Performance Attributes.
6. Measure system results. Use performance data and worker feedback to make further improvements until desired results are achieved.

Box Theory™ Software: All About Boxes

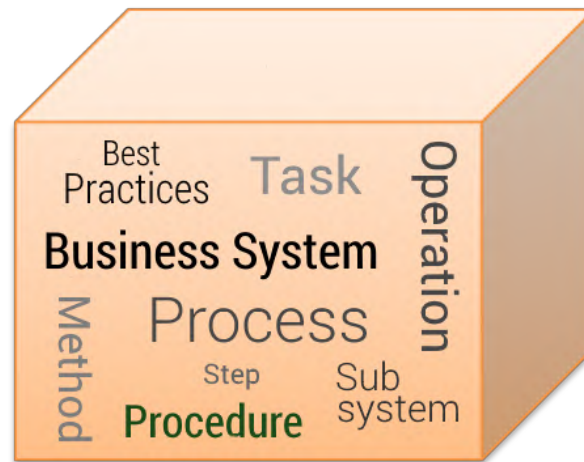
The concept of BOXES in Box Theory™ is really quite simple. You may already have some understanding from reading my eCourse, "Box Theory™: Double Your Profit with High-Performance Systems and Processes."

However, it is important to learn about their unique application in Box Theory™ software.

I invite you to read the following simple descriptions to get a complete understanding of the role BOXES play in helping you develop customer-pleasing, waste-removing, profit-boosting business systems and processes.

1. What is a "BOX" in the Box Theory™ methodology?

A "BOX" in Box Theory™ is any business activity—large or small—intended to produce a consistent and desirable result. BOXES are the building blocks that make up 100% of a business operation. A variety of common terms are used when speaking about the daily activities within an organization; they are all ways of describing BOXES!

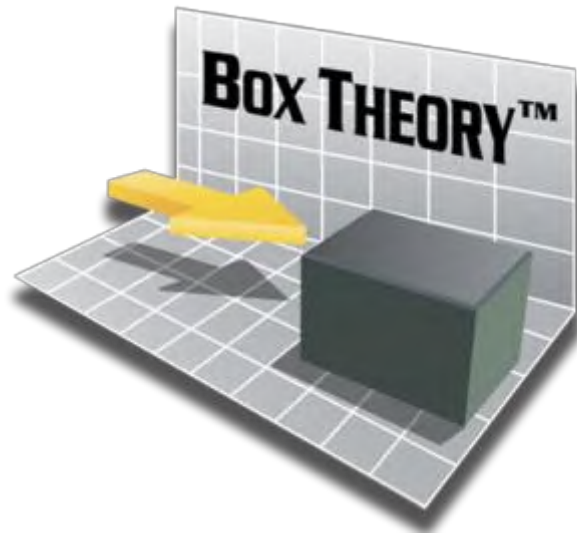


In Box Theory™, the BOXES are usually referred to as systems or processes such as lead generation, hiring, customer service, production, order fulfillment, accounting, and many others unique to the company. The Box Theory Way™ is an effective method to organize, manage and improve the performance of the most important BOXES—the business processes that touch customers, produce profit, and determine business success.

2. So, what exactly is Box Theory™?

Box Theory™—the theory—is supported by four simple concepts:

1. A business is made up of many systems and processes.
2. Each process consists of larger activities, smaller tasks, and even smaller steps within each task.
3. Every activity, task, and step can be represented by a BOX on a flowchart.
4. Every BOX or business activity is of greater or lesser importance to organizational strategies and goals, and currently produces results that are either acceptable or unacceptable. ([Read a more complete explanation—with examples—of these four concepts.](#))



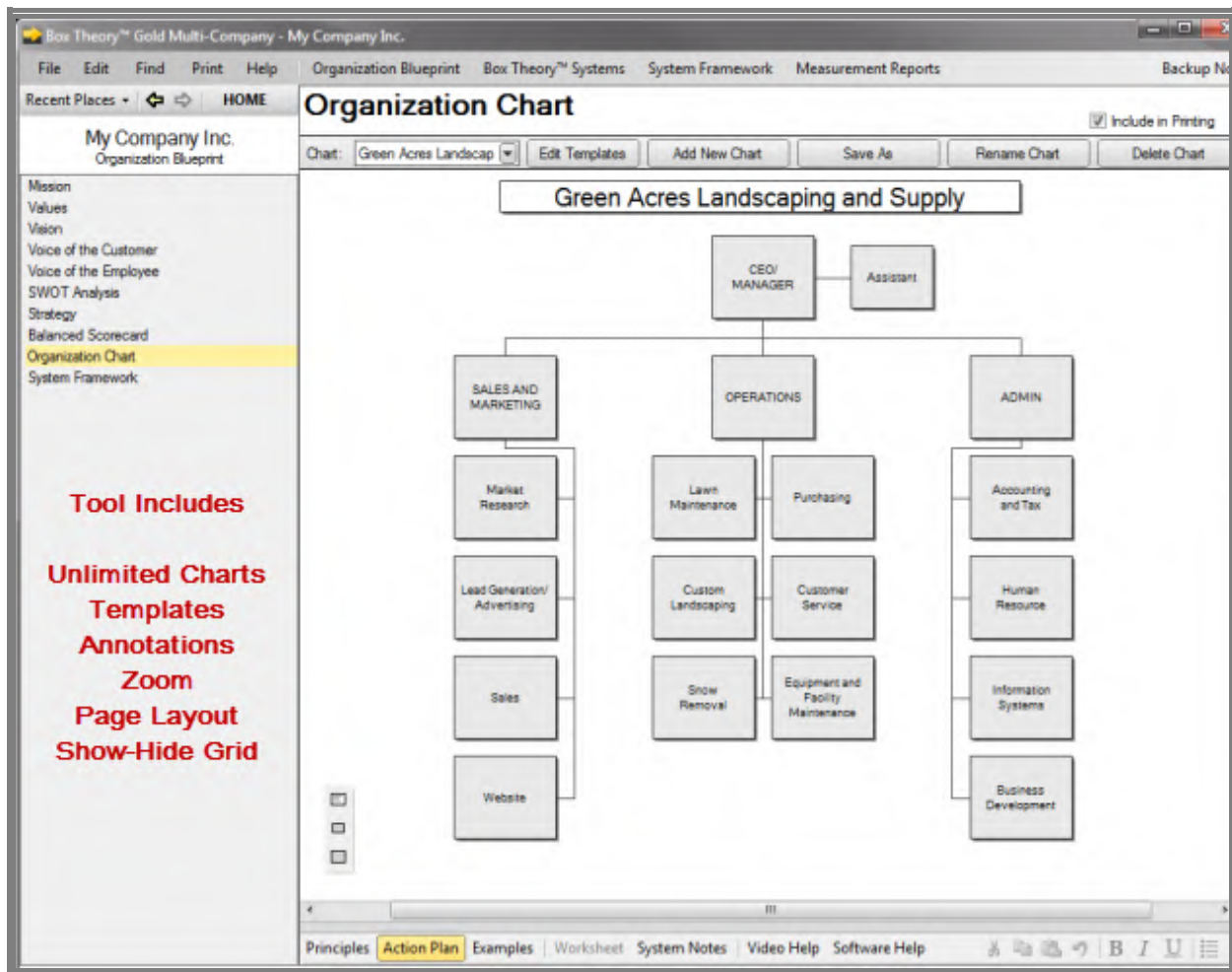
BOX THEORY™, THE THEORY, is this:

If you can determine the vital few BOXES that cause your key business outcomes, and elevate them to higher performance levels, the effect will be greater customer loyalty, profitability, growth, and overall business success.

3. BOXES begin with your Organization Chart

In Box Theory™ software, it all begins with the BOXES on an Organization Chart. They represent your high-level business functions or activities. The org chart provides a 30,000-foot view of a typical business organization.

(Continue on)



4. Add other essential systems/BOXES in the System Framework

The Systems Framework is patterned after the org chart but goes into more detail. All the named systems and subsystems (BOXES) down through your organization are visible on this page. From here you can add and describe business systems, prioritize their development, or rate performance. These BOXES represent the "framework" for your business activity.

Box Theory™ Gold - My Company LLC

File Edit Search Print Help Organization Blueprint Box Theory™ Systems System Framework Measurement Reports Learning/Leadership Org Notes

Recent Places Home

My Company, LLC
Organization Blueprint

Mission
Values
Vision
Voice of the Customer
Voice of the Employee
SWOT Analysis
Strategy
Balanced Scorecard
Organizational Chart
System Framework

Tool Includes

**Your
Company Systems
Add, Edit, Delete
Priority Scoring
Performance Rating
Multiple Views**

System Framework

Systems/Boxes
Total: 67

Display Level View Selected List

	System Development Priorities					Priority-Sc
	Balanced Scorecard Driver	Constraint Weak Link Bottleneck	Potential Big Payoff	Cause of Frustration	Easy to Implement	
My Company, LLC						
Business Development Department						
Business Development	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	8
Product Development	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8
System Development	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9
Marketing and Sales Department						
Market Research	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5
Lead Generation/Advertising	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9
Marketing/Sales Materials	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
CRM Database Software	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3
Lead Conversion/Sales	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8
Website	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8
Workshops	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
Administration Department						
Accounting/Tax	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2
Payroll	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
Collections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
Information Systems	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
Operations Department						
Purchasing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1
Receiving	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1
Pricing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6
Manufacturing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5
Painting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
Prepare Parts for Paint	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
Paint Parts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
Dry Parts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
Store Parts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0
Inventory Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6
Customer Care	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6
Safety/OSHA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1
Product Delivery	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6

Principles Action Plan Examples Worksheet System Notes Video Help Software Help

In the System Framework you can view and work with all the created systems/BOXES in your business. It is a dashboard for your business activities.

My Company Inc

Print Help Organization Blueprint Box Theory™ Systems System Framework Measurement Reports Learn

Home

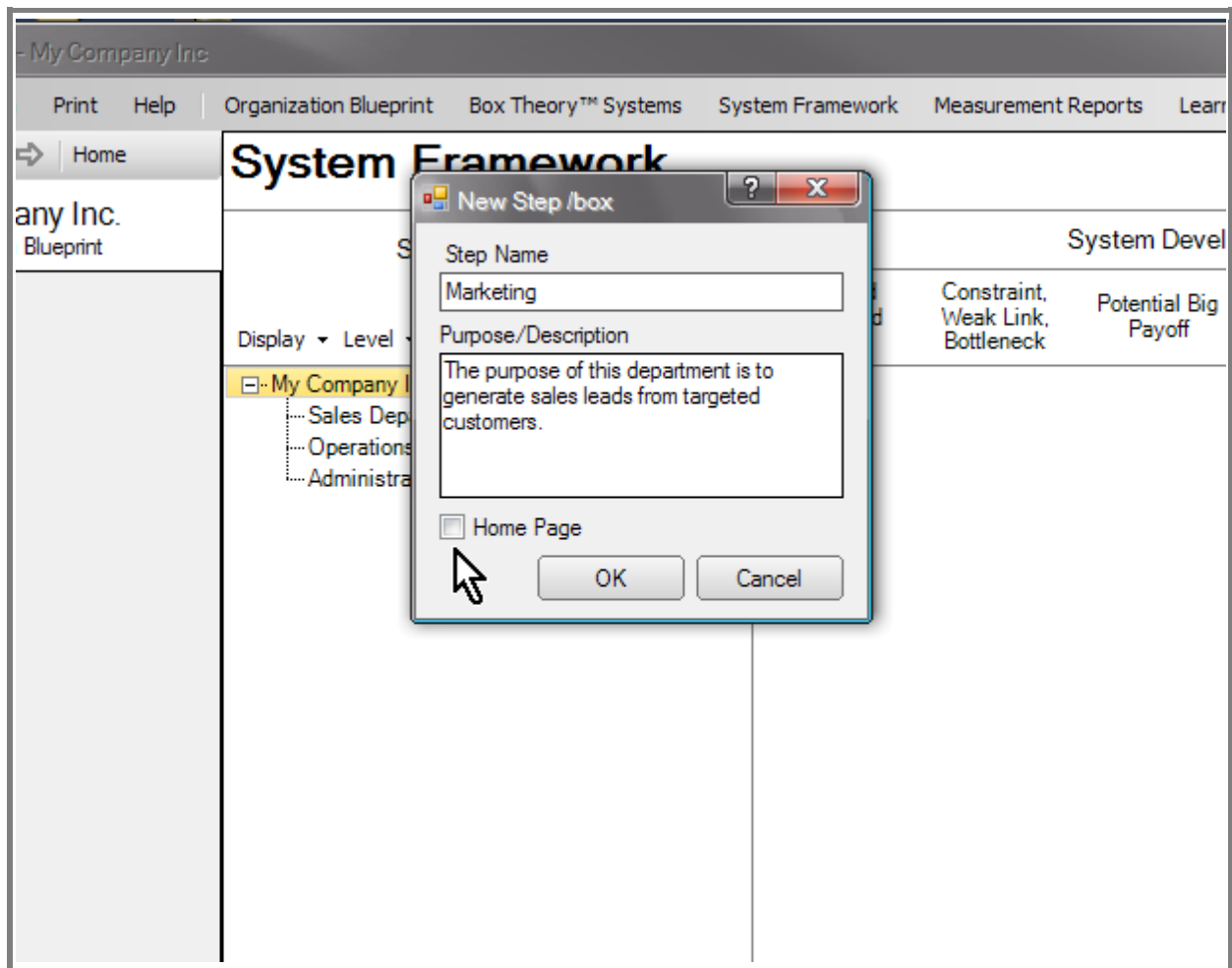
System Framework

any Inc. Blueprint

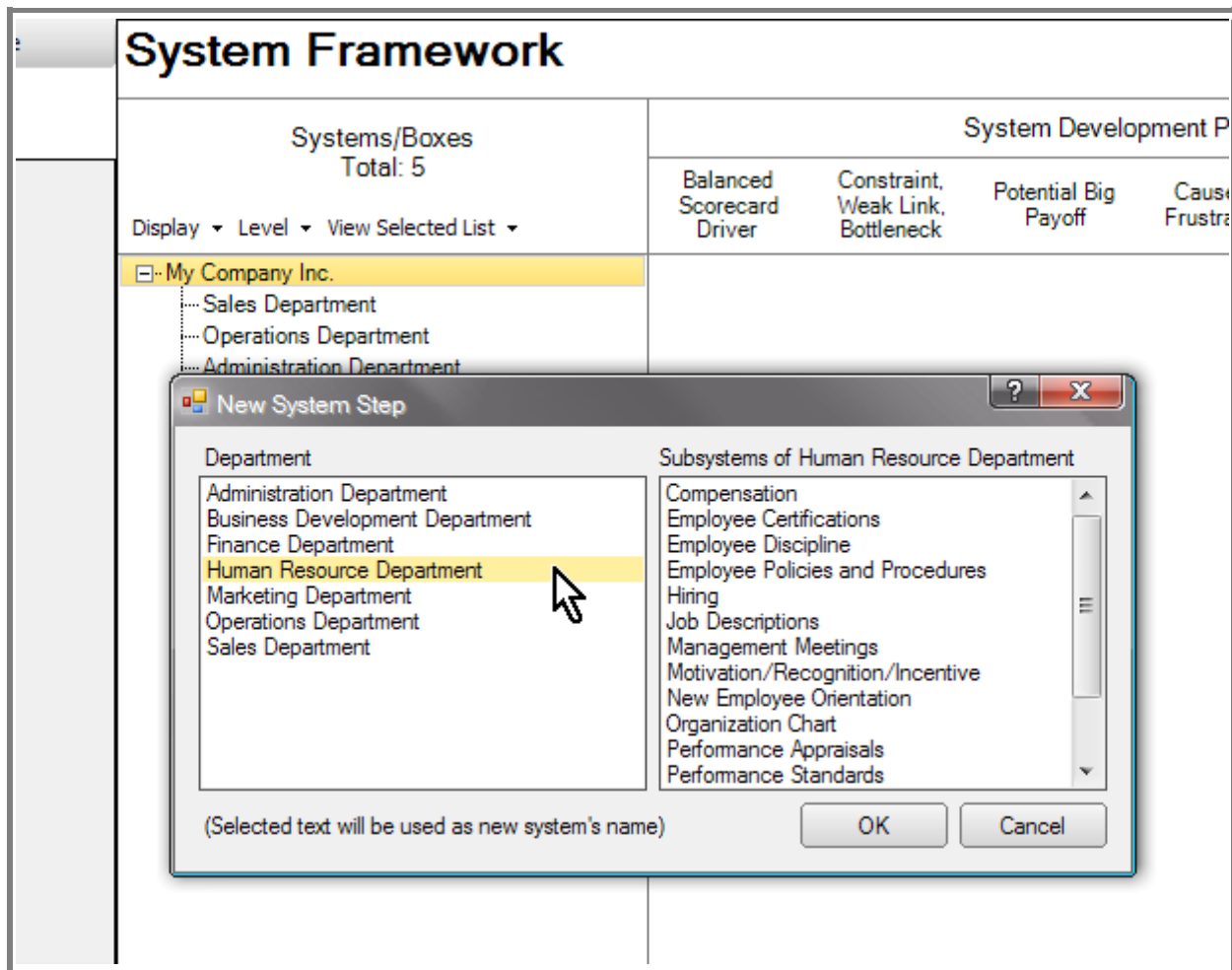
Systems/Boxes Total: 19	System Development		
	Balanced Scorecard Driver	Constraint, Weak Link, Bottleneck	Potential Big Payoff
Display ▾ Level ▾ View Selected List ▾ <ul style="list-style-type: none"> [-] My Company Inc. <ul style="list-style-type: none"> ... Sales Department ... Operations Department ... Administration Department ... Marketing Department [-] Human Resource Department <ul style="list-style-type: none"> [+] Hiring ... Job Descriptions ... Employee Certifications ... Employee Policies and Procedures ... New Employee Orientation ... Employee Discipline ... Performance Appraisals ... Staff Development/Training 			

Each business function from the most general to the most detailed, is a BOX.

After identifying all your major business systems and processes, you can prioritize their development for the biggest and fastest payoff.



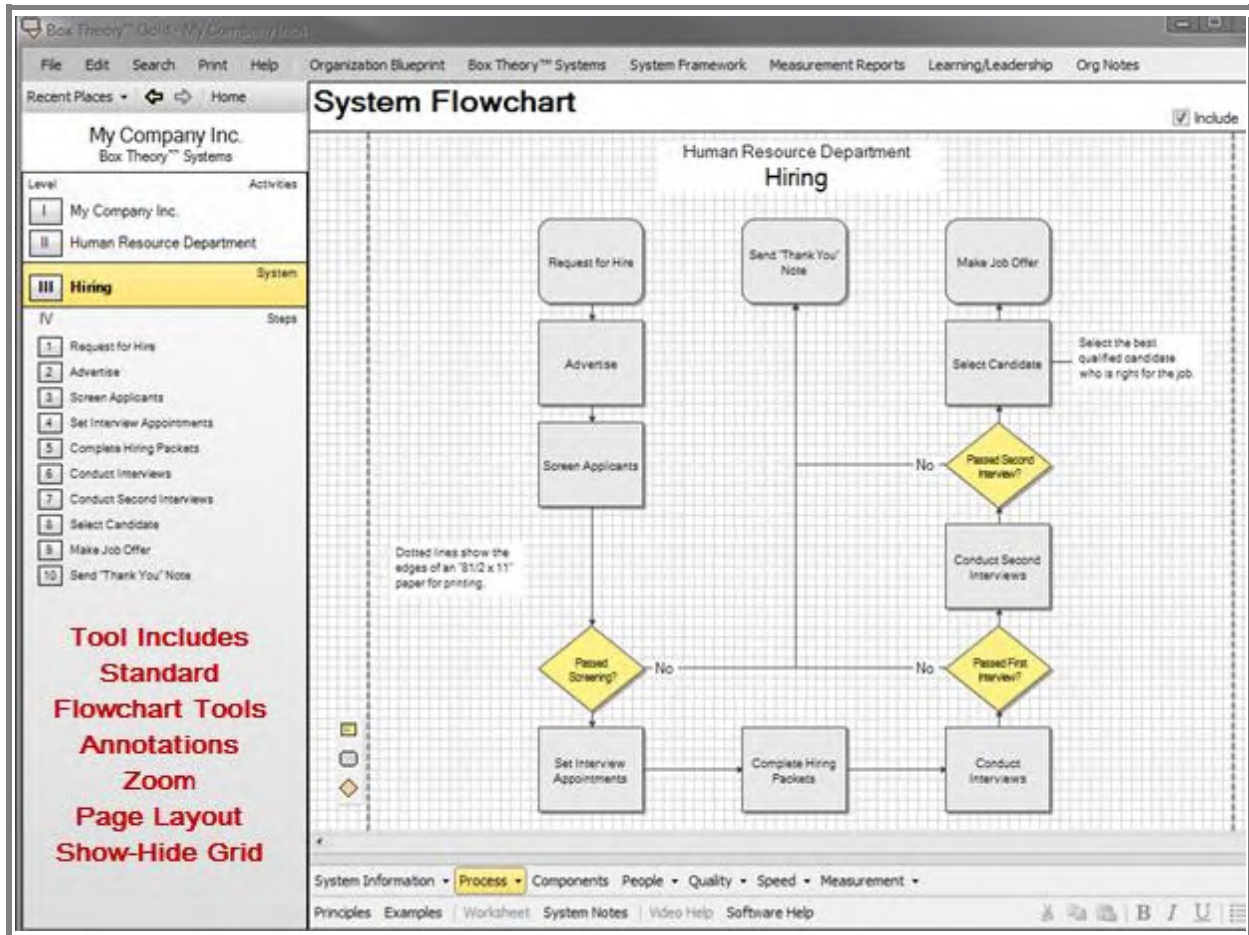
Add, edit, delete or move systems/BOXES to create and refine your organization structure.



Or, just select your systems/BOXES from a pre-defined list of typical business systems.

5. Organize your BOXES into a Flowchart or Checklist

Flowcharts add clarity and understanding to more complex business systems, where steps in the process must be done in a precise order. Checklists are simple, and the tasks usually do not have to be done in any particular order.



This Flowchart visually displays the BOXES or steps of a Hiring System.

Box Theory™ Gold - My Company Inc.

File Edit Search Print Help Organization Blueprint Box Theory™ Systems System Framework Measurement Reports Learning/Leadership Org Notes

Recent Places Home

My Company Inc.
Box Theory™ Systems

Level: Activities

I My Company Inc.

II Human Resource Department

III **Hiring** System

IV Steps

1 Request for Hire

2 Advertise

3 Screen Applicants

4 Set Interview Appointments

5 Complete Hiring Packets

6 Conduct Interviews

7 Conduct Second Interviews

8 Select Candidate

9 Make Job Offer

10 Send "Thank You" Note

**Create and Print
Standard
Checklists of Any
Length**

**Include Special
Instructions**

System Checklist

Display Content for: Current Level (edit) Include

Checklist Name: Hiring Checklist 11/24/20

Step 1: Request for Hire
Receive Request to Hire and Job Description forms from the department manager.

Step 2: Advertise
Advertise for job applicants using the predefined Job-Opening Ad Template. Run initial ads for two weeks in specified local newspapers and online job boards.

Step 3: Screen Applicants
Screen job applicants by completing the Preliminary Evaluation Worksheet. Send "Thank you" emails to those who did not qualify.

Step 4: Set Interview Appointments
Schedule job interviews as directed by the requesting department manager.

Step 5: Complete Hiring Packets
Provide interviewer with a Hiring Packet which includes a copy of the Request for Hire and Job Description, along with applicant's Resume, Preliminary Evaluation Worksheet, Skills Proficiency Questionnaire and an Interviewer's Questionnaire.

Step 6: Conduct Interviews
Interview the candidate, complete the Interviewer's Questionnaire and assigns a score.

Step 7: Conduct Second Interviews
Schedule high-scoring candidates for second interview with a different manager.

Step 8: Select Candidate
Select the best qualified candidate who is right for the job.

Step 9: Make Job Offer

Special Instructions

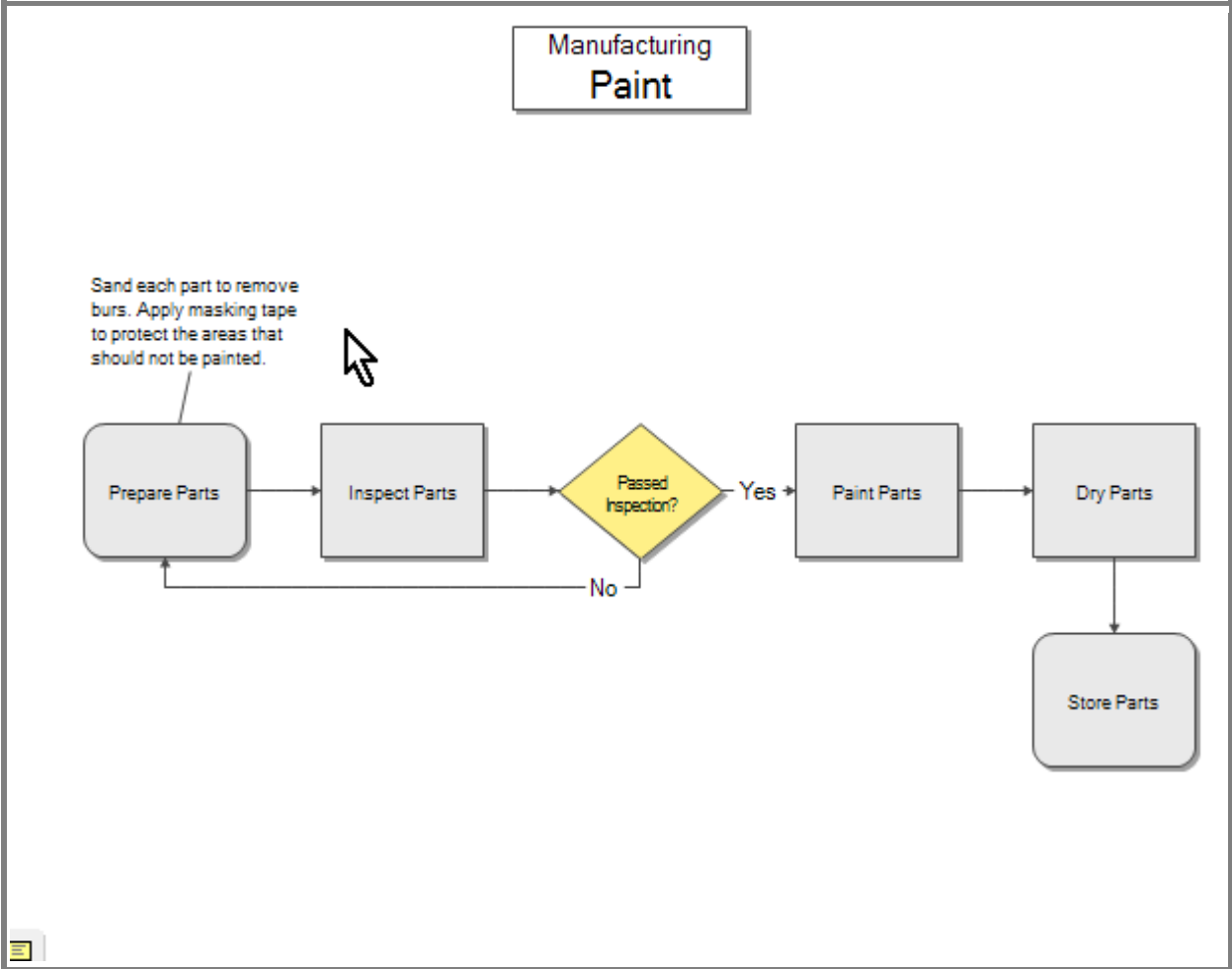
The Hiring Packets must be complete before a job applicant is scheduled for an interview.

*Note: Many of the steps in the hiring process require forms. Each unique form, emphasized in bold, is a system component that must be created in the Component Manager.

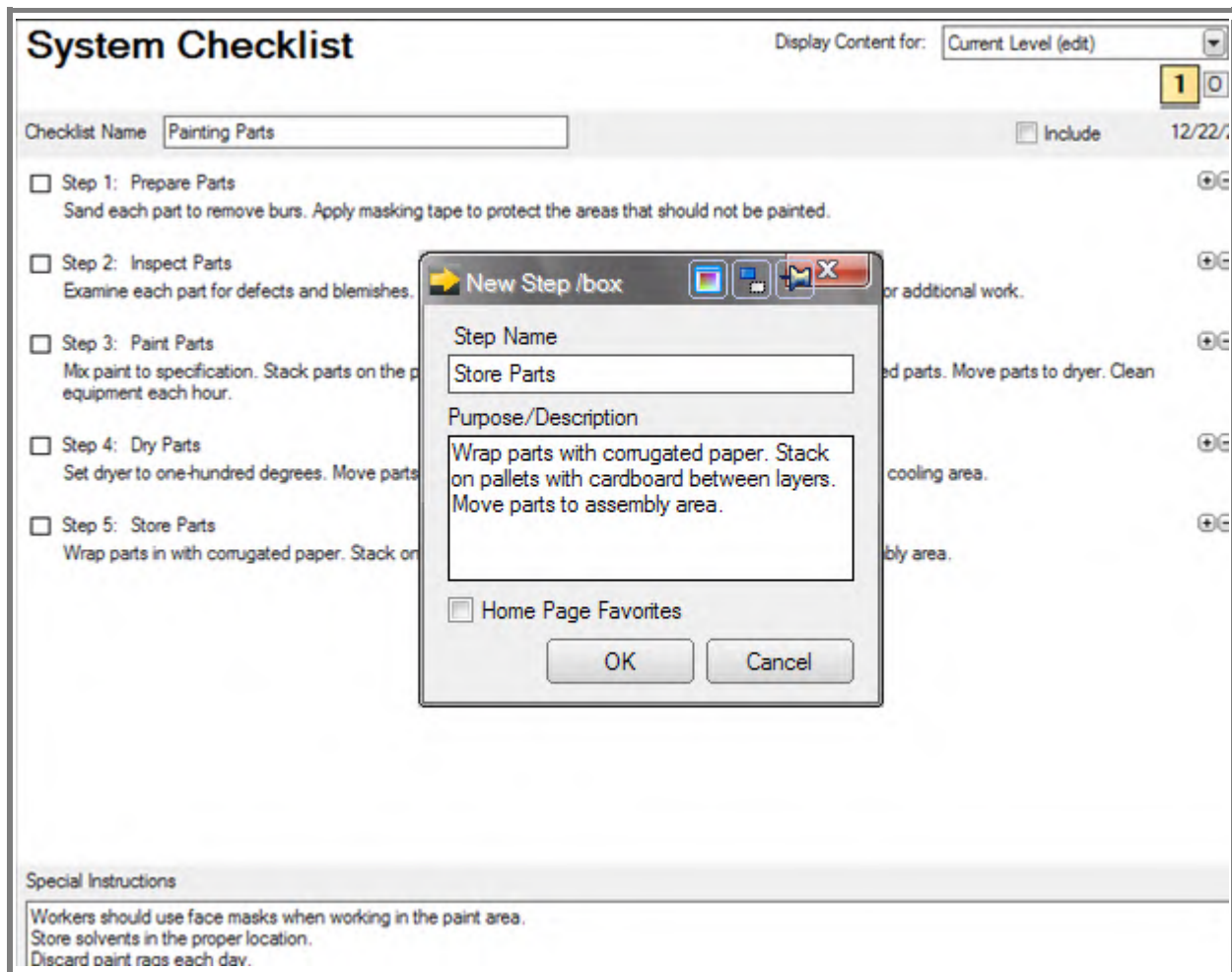
System Information - Process - Components People - Quality - Speed - Measurement -

Principles Examples Worksheet System Notes Video Help Software Help

This Hiring Checklist shows the same steps or BOXES, but presented as a simple checklist. (Write once in Box Theory™ software and all related lists and pages are updated.)



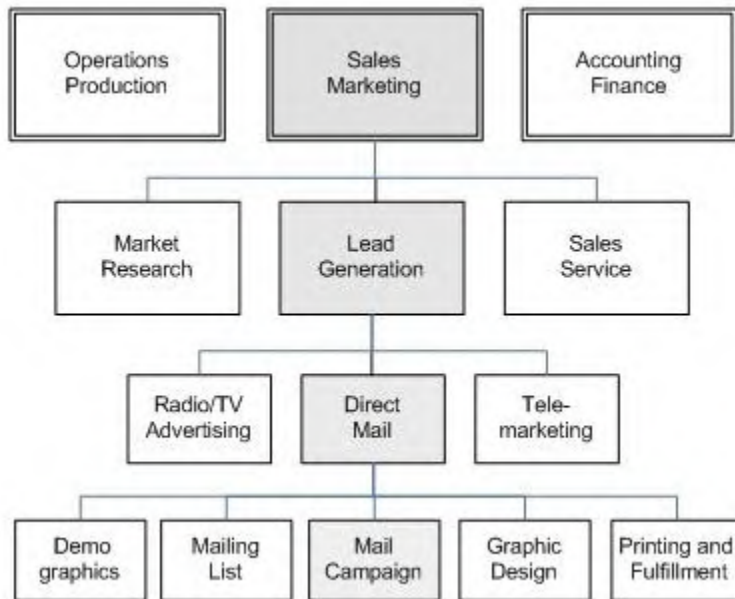
Flowcharts show the sequential steps/BOXES of a process (also known as a procedure). They may include multiple paths, loop-backs when rework is required, and annotations.



Right-click in a Flowchart or Checklist to add or edit a step/Box.

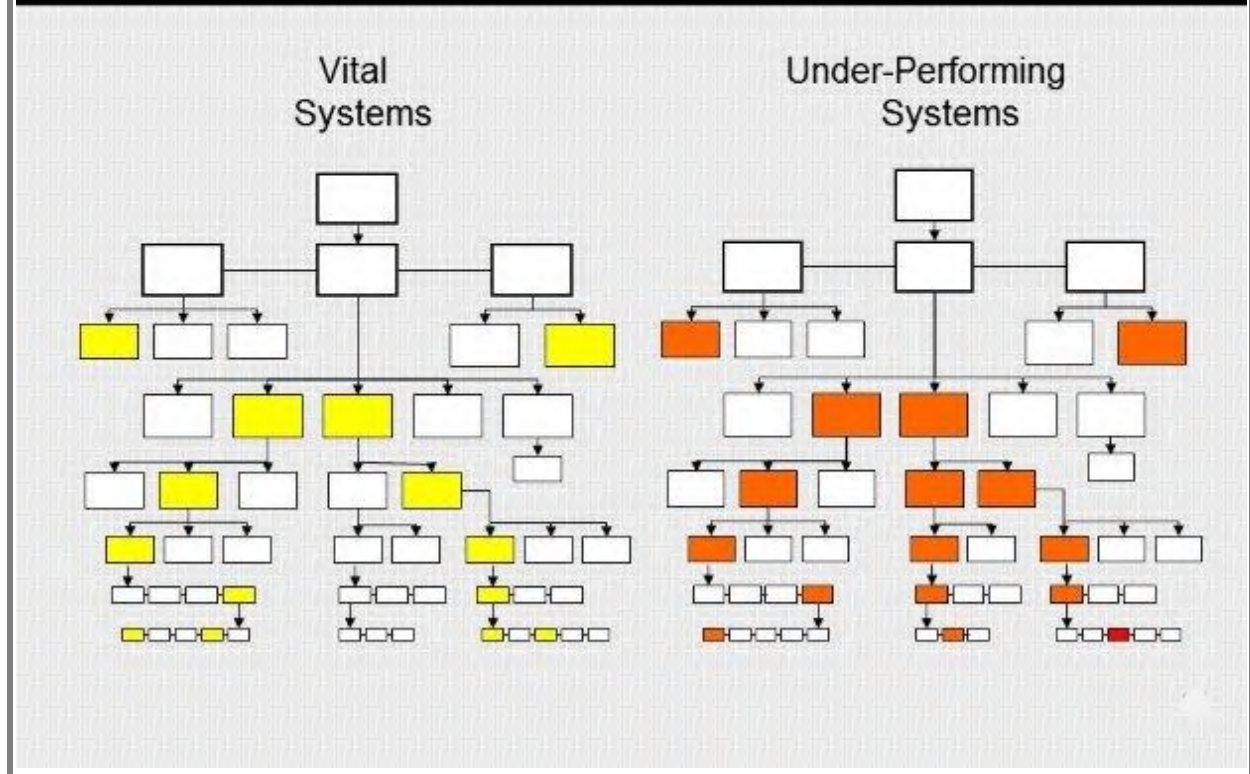
6. Systems, Subsystems, and the Amazing Level Viewer

Business systems are hierarchical by their nature. BOXES include the larger business activities such as marketing, operations, and administration, but also smaller tasks and even smaller steps within each task. For example, a typical marketing-system BOX will have a subsystem BOX called lead generation. The lead-generation system could have lower-level subsystem BOXES such as direct mail, telemarketing, or radio advertising. Within direct mail, there are steps to carry out the task (a procedure or checklist). Again, in Box Theory™, *system* and *subsystem* BOXES form the framework of all business activities (see System Framework above).



The BOXES above cascade down the organization chart with ever increasing specificity and detail. Problems and profits are uncovered in the lower-level boxes of an organization's core business systems and processes.

Elevate the Performance of BOXES that Cause Key Business Outcomes



The Box Theory Way™ is to identify the *most important* BOXES and the *under-performing* BOXES, and improve their performance, thus elevating the entire business with the least cost and effort.

Box Theory™ Gold - My Company Inc7

Edit Search Print Help Organization Blueprint Box Theory™ Systems System Framework Mea


Home Places ↶ ↷ Home Page

System Dashboard

My Company Inc.
Box Theory™ Systems

Level Activities

- I My Company Inc.
- II Operations Department
- III **Manufacturing** System
- IV Steps
 - 1 Stock
 - 2 Fabricate
 - + 3 Paint
 - 4 Assemble
 - 5 Package
 - 6 Palletize

	Activity	Operations Department
	System/box	Manufacturing
	Percent Effective	29%
	Developed By	
	Deployment Date	8/18/2009

System Purpose/Description

← Level 4

System/box Counts (Includes selected levels.)

Boxes	Flowcharts	Checklists	Physical Components
1	0	0	0

Balanced Scorecard Goals (Organization)

Organization Objective	Measurement

From the Navigation Panel, you can see your business systems from the top department level to the lowest detail level—the individual step of a process. Just double-click to select the business system or process (BOX) you want to work on.

The screenshot shows the Box Theory™ Systems software interface. At the top, there are navigation tabs for "Box Theory™ Systems", "System Framework", "Measurement Reports", and "Backup No". Below this is the "t Manager" section with a "Display Content for:" dropdown set to "4 Levels (view by steps)". A red arrow points to the "Level-View Selector" which consists of buttons for levels 1 through 7, with level 4 selected. Below the selector are buttons for "(13)", "Resources (0)", and "People (3)". A "Template Manager" button is also visible. The main content area is titled "er Training" and contains a table with the following data:

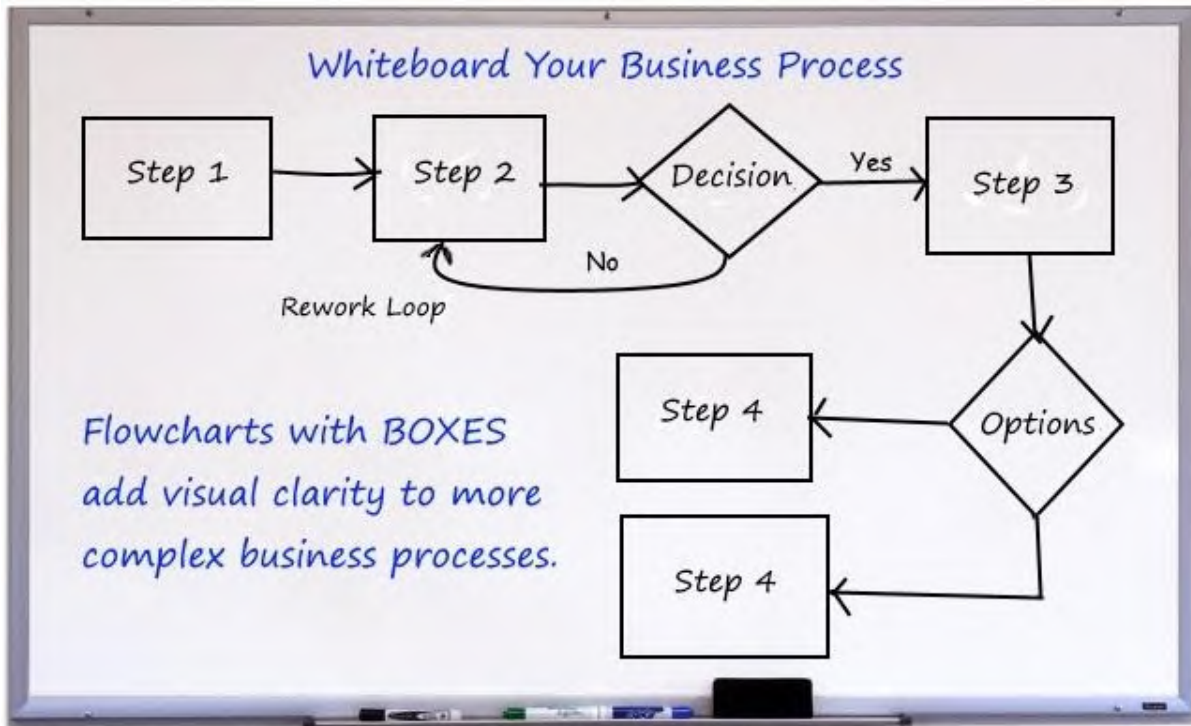
Purpose/Description	File Type	Owner/Author	Modified
This is a Church-approved title page with logo for the YCSM Program Binder used by Group Coordinators.	Microsoft Word Document	Phillips	12/29/2014
The "Table of Content" lists all of the items that appear in the YCSM Program Binder for Group Coordinators.	Microsoft Word Document	Phillips	12/29/2014
This document describes in bullet points the role and responsibilities of Group Coordinators for facilitating the YCSM Program in their area.	Microsoft Word Document	Wilson/Ostler	12/29/2014
This document describes in bullet points the role and responsibilities of other leaders and participants in the YCSM Program, including stake presidents, bishops, stake specialists, operation managers, mission leaders, mentoring couples, onsite supervisors, and so forth (CSM Area Seventy and Agent Stake President ???)	Microsoft Word Document	Wilson/Ostler	12/29/2014
This document contains one or more case studies for crafting a mission to fit the specific needs and abilities of a potential YCSM. It is an example of how challenges are met and obstacles overcome	Microsoft Word Document	Wilson/Ostler and Gardner	12/29/2014

One of the unique navigation tools in Box Theory™ Software is the "Level-Viewer." It will help you quickly drill-down to the system or subsystem details that need attention.

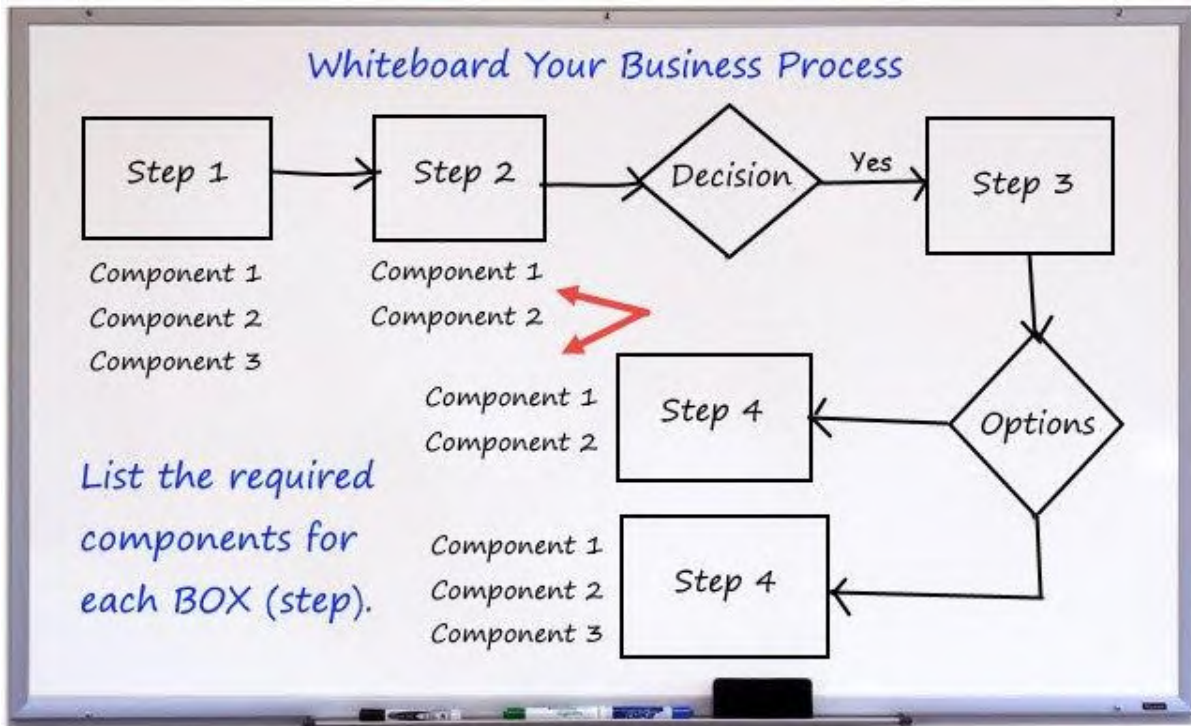
7. Design Your System/Process in Less Than an Hour

Quickly design a system in a team meeting using a whiteboard. Have someone copy the *flowchart* and *component* notes (see slides below) from the whiteboard into Box Theory™ software. By the time the meeting is over, the system is well on its way to completion. Follow these simple steps:

1. If possible, bring together the people that are involved with the system or process.
2. Determine the system purpose and objective.
3. Flowchart the process on the whiteboard.
4. List the names of the components needed for the system to achieve the desired result. (See [Four Easy Steps to Creating a New Business System.](#))



Add BOXES by actual name for each step. From team input, move, insert, or rearrange BOXES until you are satisfied you have the best way to get the desired result.



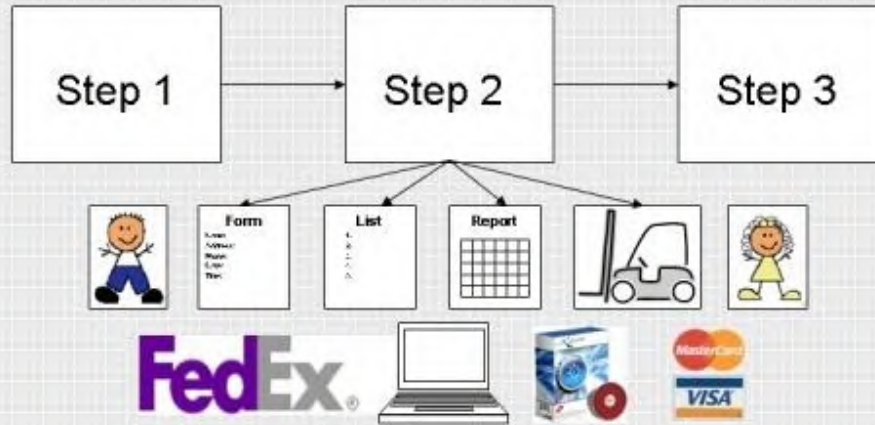
Any one step/BOX in a process has a few major components. List them by name (e.g., hiring checklist, sales report, new-client intake form, QuickBooks accounting software, barcode scanner, Acme Boxes, and so forth).

Common Components

Form	Employee	Packaging
Checklist	Vendor	Policies
Report	Equipment	Instructions
Spreadsheet	Vehicle	Templates
Database	Software	Worksheets
Contract	Tools	Job descriptions
Brochure	Materials	And More

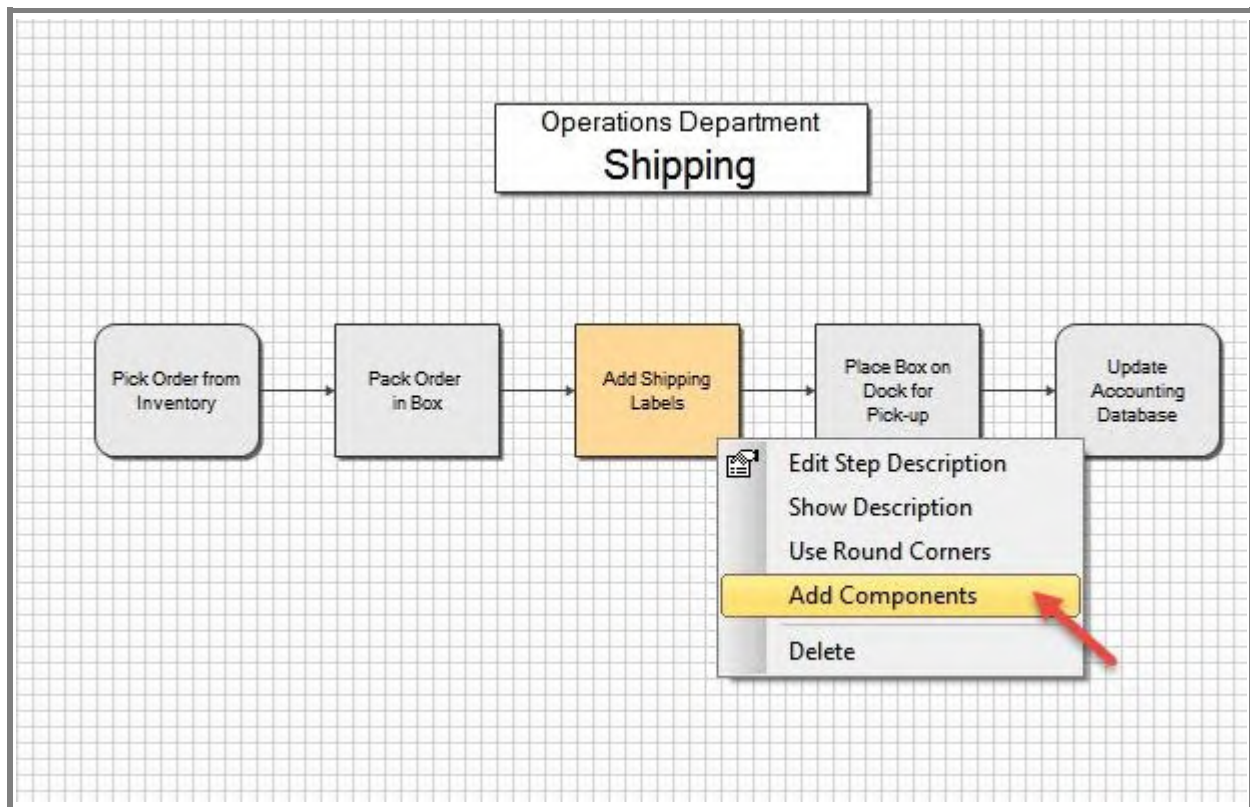
The Components you list under each step on the whiteboard—and in the software—may include some of those shown above. Don't list minor or obvious components (e.g., desk, office supplies, printer - unless it is specialized, etc.).

Components of a Shipping Process



(Component examples for one step in a process)

For example, this slide shows a number of components that may be required in a shipping process.



In the software, just right-click on a Flowchart BOX or a Checklist step to add the identified components by name and type. You will create or acquire the actual components later.

8. How do you increase the performance of a System/BOX?

With Box Theory™, you can know exactly what qualities a system or process must have to perform at its best. There are seven trackable attributes in Box Theory™ software. Each attribute is a quality that improves the output of the BOX. You can elevate the performance of any BOX by taking steps to increase the number of its High-Performance Attributes.

Table of High-Performance Attributes

	ATTRIBUTE	DESCRIPTION
1	Ownership	When an owner is assigned to a BOX, there is accountability for the performance of that process.
2	Balanced Scorecard Driver	The BOX (system or process) is a "driver" if it directly contributes to the achievement of a company goal (e.g., when the lead generation system/BOX is improved, sales goals are reached.)
3	Components	A system is fully operational if it contains the people, documents, tools, and resources required to perform the task at the optimum level (a major weakness of many businesses).
4	Value-Added	The BOX is "value-added" if the task ultimately benefits customers and is something they would be willing to pay for. Tasks that do not add value to the customer are waste (e.g., handling inventory or fixing problems are not value-added).
5	High-Yield	A task that has a 99% yield, or one mistake/error/defect in 160 opportunities, is a 4 Sigma or high-yield process (quality processes lower costs and please customers).
6	Fast	A BOX or process is considered "fast" when it has maximized throughput, that is, minimum lead time, maximum completion rate, and minimized "speed bumps" (e.g., clutter, poor layout, stop-start work flow, etc.) (If quality does not suffer, speed also lowers cost and increases customer satisfaction.)
7	Non-Constraint	If a BOX (step) is <u>not</u> a bottleneck or weak link in a process, it is considered a non-constraint.

9. Summary

Let me summarize what we've learned about BOXES.

A business consists of a collection of systems or BOXES. About 20% of the BOXES have the most influence on your business results.

Using the Box Theory Way™ and software tool, break your business down into bite-size systems or processes—the BOXES. *Determine the vital few BOXES that drive the success of your business and elevate those BOXES to higher performance levels.*

In Box Theory™ software, you can do many things with a BOX—create, define, move, copy, export, import, print a system/BOX document, assign an owner, determine working policies, add components, diagnose problems, improve quality, increase speed, measure performance, remove waste, and continually make improvements.

You will start by developing or improving the business systems that have the biggest payoff—those that are *essential to your success*, or those that are *obstacles to your success*. The basic process for developing a business system (BOX) requires six steps:

1. Select a priority system/BOX that you want to create or upgrade using the tool found in the System Framework.
2. State the problem and/or the desired purpose and goal of the system/BOX.
3. Write down the procedure or steps within the system. (I like to create a flowchart on a whiteboard with the help of the people who operate the system.) Work the process until you think it is the best way of getting the result you are after.
4. Identify and acquire all the major components to make the system operational (e.g., forms, checklists, materials, equipment, etc.).
5. Elevate system-performance over time by applying the 7 High-Performance Attributes (e.g., increase quality and speed; eliminate bottlenecks, and so forth).
6. Measure system results. Use performance data and worker feedback to make further improvements until desired results are achieved.

We've said a lot about BOXES. I hope it doesn't seem overwhelming. Once you get going, it is rather simple and intuitive. You'll be an expert in no time. Your customers and employees will love the result. The payoff can be quick and dramatic.