

# The Value of BootCamp<sup>©</sup>

## For More Information

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## The Best Practices of Over 200 Teams

The best practices of over 2500 individuals working with others to achieve great results on time every time have been observed and documented in a laboratory environment. Now those best practices are taught as **The Core™**, a set of interpersonal communication protocols and behavioural patterns in a five day experiential business simulation called BootCamp, named after “booting” or loading an operating system.

BootCamp brings teams into a state of shared vision. The protocols and patterns are highly tuned, tested and repeatable. They are learned rather than taught in an experiential environment promoting:

- Achievement of personal goals
- Delivery of results
- Shared leadership
- Effective communication and decision-making
- Shared vision

Rather than teach only one or two methods or processes, in five days BootCamp presents a feast of learning: the best practices of over 200 successful teams delivering results over fourteen years. Other courses tend to focus on processes and fads. This course focuses on the strongest driver of productivity – people’s wants and overcoming obstacles to attain those wants. It is precisely this that makes this course unique.

BootCamp invites you to experience it, share it, and take it all back with you.

**BootCamp just works.**

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*“Everyday, the week we spent at BootCamp comes back with some subtle impact in different ways... You guys really did transform the dynamic of the company. When this attitude of teamwork and trust is genuine it permeates and becomes irrevocably ingrained into the culture, the very fiber and soul of the company. I thank you all again...”*

*LW, Manager*

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*“Don’t hesitate to go. If you are offered a chance to go, make every effort to attend. The lessons you will learn are invaluable.”*

*Kyle DeVoe*

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## What is BootCamp?

### **BootCamp is a five-day intensive business simulation of actual product development**

- BootCamp requires **no previous experience** or skills to develop; anyone who wants to learn can attend
- BootCamp participants meet on Sunday night to start the simulation and become the **Team**
- The **Team** is given the specification for a product on Sunday night, and must deliver that product on, or before, Friday at 3:00 p.m.
- Using **The Core™** while they develop the product, the team learns results-oriented, alternative behaviours that will allow them to intentionally develop and deliver an outstanding product
- **Instructors** play the roles of consultants and managers with whom the team would normally interact
- In the **Manager role**, instructors monitor delivery of results on time as promised by the team
- In the **Consultant role**, when asked for help, instructors assist team members, in using The Core Protocols effectively and having a successful BootCamp
- **After BootCamp is finished**, teams and individuals are ready to use the protocols for their own team efforts immediately – they are “booted”
- **Ongoing support** is available at no charge to all alumni of BootCamp
- The **experience is transferable** to any kind of team effort in any industry or work group:
  - Corporate strategy development
  - Governmental policy planning
  - Governance
  - Not for Profit groups
  - Small business development
  - Research & Think Tanks
  - Management at any level
  - Service Clubs
  - Families

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*“Eye opening experience that has changed the way I view the workplace and the world.”*

*Charles Neal*

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*“It started my thinking about what I place important in my life.”*

*Jimmy Griffin*

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*BootCamp flew by in a week...*

*David King  
Division Vice President, ESG,  
Halliburton Energy*

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*“How to put this into words? This is one of the most profound learning experiences I've ever had.”*

*President,  
Technology Company*

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## The Value of “Booted” Teams in the Enterprise:

### Corporate / Governmental Management

- A booted executive team using The Core Protocols will more easily develop shared vision, communication norms and behaviours on which to base strategy.

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*"Bootcamp guided my team to alignment faster than I thought possible, enabling achievements greater than I, or anyone else, thought possible."*

*Divisional VP,  
Fortune 100 Company*

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### Line Management

- A booted employee team using The Core Protocols will be **responsible** with **integrity** for their **results**.

### Product/Service development

- Booted product development and testing teams using The Core Protocols will **ship great products on time** and faster.

### Partnerships

- If an organization and its suppliers, members of a Board, families, etc. commit to using The Core Protocols in their communication and decision making, the benefits include alignment of wants, unanimity, **trust**, and **commitment to accountability**.

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*"I attended BootCamp before ever forming this company with my team. In some ways, the development of our company was the result of attending a BootCamp. This past year has been our best yet and we are celebrating our 6<sup>th</sup> year anniversary as a great company. Lancet has grown from 5 to 20 employees over the last few years."*

*Tom Niccum,  
President,  
Lancet Software*

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### Reduced risk of loss of knowledge

- A booted group using The Core Protocols will benefit from a shift of emphasis away from individual knowledge and specialization to the **aggregation of individual knowledge into team knowledge**.

### Increased employee retention

- Booted employees will want to remain with a booted organization - one that measures only results, where everyone supports each other's personal and professional growth - because work is **less frustrating** and **more rewarding**.

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*"I have been always very skeptical to this kind of setting. This experience has not only proved me wrong, but also has touched me inside in such a way that can only help me to be a great person."*

*Director of Technology and  
Software,  
Fortune 500 Company*

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## Measuring the Value of BootCamp

### Return on Investment

After effectively completing BootCamp, self-directed teams using The Core Protocols are "booted"; that is: in a state of shared vision, focused on results and committed to efficient collaborative behaviour.

**After only five days**, booted teams have displayed the following:

- Working in a state of shared vision
- High-bandwidth connection
- Rapid sharing of relevant information
- Automatically asking for help
- Unanimous decisions made quickly
- High value put on results
- Dramatically increased productivity through commitment to action, accountability, and delivery of tangible results
- Shared leadership within the team
- An environment of trust
- Alignment (focus on personal virtues aggregated in the team)
- Effective conflict resolution
- Little or no need for supervision

The **average productivity gain** reported by surveyed participants of the December 3, 2000 BootCamp is 6 times more effective or **600%**.

But let's be conservative and estimate that an employee contributing \$100,000 worth of value to an organization who takes the course is only **1.5 times as effective** as before taking the course, the payback would be \$50,000 in reduced product or service development costs, or increased productivity, or a combination of both for that employee alone for the first year following their BootCamp experience.

**This is at least a 10 to 1 return on the price of BootCamp.**

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*If our entire corporation applied this knowledge to their performance, we would save the company millions of dollars a year.*

Joe Sandy,  
VP Technology

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*"Don't be afraid of the hype. This is real, practical, useful, and wondrously worth while."*

Steve Henry,  
Halliburton Energy

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*"This week far exceeded all my expectations. My skepticism was put to rest during the first day of camp."*

Eric Jantz

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*"I, along with my coworkers who attended the first BootCamp, felt that it was the best way we could spend a week of our time with our direct reports around the world."*

*We chose this as opposed to the traditional business meetings that we would typically have. I have no doubt that the value we and our guys receive from this will be much greater than anything else we've done in our lives."*

Gary Moore,  
VP Cementing,  
Halliburton Energy

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## Justifying the Cost to the CFO

We've described the benefits of shared leadership, high-performance and results-orientation, team effectiveness, trust and rapid product realization. We think BootCamp is the best personal and team effectiveness course in the world right now. But you've never been there and seen it. Once you've decided to increase your results and efficiency by signing up for BootCamp you may have to negotiate for part of your company's training budget. There are many training options on the market to choose from. Why would the CFO approve BootCamp?

The BootCamp simulation releases the energy of teams to more effectively use an organization's prior and future investment in:

- Communication training
- Leadership training
- Team building
- Project management
- Skills and knowledge currency

### Equivalency comparison:

To provide the comparable breadth of scope from the marketplace, an employee would be required to **source, purchase and attend six or more training events; for example:**

Price and duration	Course title	Provider
\$995 - 2 days	Team Building for Problem Solving	Excel Partnership
\$4300 - 5 days	Principle Centred Leadership	Franklin Covey
\$279 - 1 day	Aligning Goals for Results	Franklin Covey
\$150 - .5 day	Team Adventure	Ascend Adventures
\$300 - 1 day	Peer Mentoring	Software Productivity Centre
\$680 - 2 days	Project Management - A Team Approach	Software Productivity Centre
<ul style="list-style-type: none"> <li>• Several days sourcing, comparing and booking training</li> <li>• 12 days pre-training preparation and post-training catch-up for time out of the office</li> <li>• 6 locations - 6 round trip airplane tickets plus air travel time</li> <li>• 6 rental cars plus car travel time</li> </ul>		

**Market equivalent: \$6705 and over 13 days**

**BootCamp: \$5000 and only 5.5 days**

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*Several months after taking BootCamp, a Fortune 500 VP reported that he had compared the cost of BootCamp to other training, like Franklin Covey.*

*He said the other training "gets you all excited and then you go back to work and have nothing."*

*Unlike most team training, he said, **BootCamp provides the best ROI because "you take something back with you".***

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*"This is the real thing. This week has provided a cornucopia of ideas. Implementing of just ONE would justify the time..."*

*DW,  
Business Owner*

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## **Incentives**

Significant discounts are available to a company that wishes to make BootCamp available to all of its employees.

## **Convenience**

The course may take place in a location convenient to you. The location isn't as important as the team. A Rocky Mountain retreat or a discount hotel close by. It's your choice.

## **Personalized learning**

Individuals who take BootCamp will each have their own personalized learning experience. All the instructions, protocols and answer key are supplied in advance to maximize the time available for experiential learning. BootCamp is self-paced and instructors are available at all times for help.

## **Retained value**

BootCamp learning will come back to your company when the course is over. Teams are advised on how to "take it back" and post-BootCamp support is available on demand for booted team members. Team members are able to apply their learning to any team in which they take part in the future.

## **Cost effectiveness**

Eliminate disruption to your operations and the high cost of sending staff away to training. Instead, bring BootCamp to your company.

## **High quality**

Not only are the Campers provided all the materials needed for success - the Core Protocols and the most current BootCamp Manual - but there are documented and refined protocols for the instructors, and the organizer to follow. This ensures all the requirements and issues related to organizing and conducting a BootCamp are anticipated and planned for. In addition to the well trained and tested instructor team, the BootCamp Directors, Jim and Michele McCarthy, are on call for every BootCamp for any additional support that may be desired. This generates a high quality, professional event for the participants. After twelve years we know how to do this very well!

## **The Bottom Line**

**Sample ROI calculations are included at the end of this document.**

## Competitive Benefits for your Organization

### Sample Tangible Results

#### Reduced Product/Service To Market Time

The best ideas will be realized fastest in the company where teams are working with shared vision, using efficient communication, results-oriented decision making, and working on tasks according to passion. That company will be able to reach market faster with fewer resources than its competitors. Reduced time to make decisions, mutual accountability and measurement of only results mean the best ideas, the most effective behaviour and fastest time to market are desirable and pursued.

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*"Delivering a product on time is the greatest feeling and we should whole heartedly embrace any tool or philosophy such as this that helps us achieve that end."*

Valerie Yeager

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#### Increased Span of Control

Teams proficient in shared leadership are, by definition, able to direct themselves. Intervention by a "manager" in the daily activities of the team is rarely necessary and allows a manager to increase his or her span of control.

"A parent-manager tends to act to limit performance... it is generally accepted that a manager should only have around six to fifteen direct reports; that's all one person can manage...that is, IF they have to make all the decisions, tell people what to do, and write up individual performance appraisals for each person. But in partnering, team-based organizations, it's not unheard of in manufacturing settings to have 100 or more employees report to a manager, because the employees manage themselves. The parenting managers end up, through no fault of their own, acting as bottlenecks."<sup>1</sup>

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*"I just can't emphasize enough how that one week has re-energized the 6 of us. In two days we've made more progress on solving tough problems than we had made in the past 2 months...I'm really impressed that we have such a different attitude toward something that we hated so much before...Thanks again for giving me the tools to change ..."*

President,  
Startup

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#### Growth of the Best Ideas

The person who proposes an idea is assumed to be the one most likely to see it to completion. Only those ideas which will actually be supported to completion, therefore, will ever be proposed and discussed. Also, the person who is interested enough to support the idea publicly, and work toward unanimity with the team for its adoption, is assumed to be the best champion to support the team's development of the idea into production.

In action this means that all team members share and support the best ideas as a commitment to the team, and results are the currency of value.

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*"The Boot Camp was a key step in creating a team and product vision for our franchise title. We came back from the boot camp with a cohesiveness and energy level that we wouldn't have been able to attain by ourselves, and the results since that time reflect our increased productivity and teamwork."*

VP,  
West Coast Software Company

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<sup>1</sup> Darcy Hitchcock, Copyright 2000 AXIS Performance Advisors, Inc. Keynote address that Darcy Hitchcock gave to a General Motors conference 2000 in Guanajuato, Mexico.

## Employee Retention Implications

People will want to continue to work in an environment where they are supported and encouraged by others to live their passions. Retention rates will increase, and the number of new ideas which are put into action will increase dramatically. Staff members who never previously offered up their ideas will now be the ground from which new ideas will grow.

Because booted teams lead by example and achieve valuable results, others will want to be a part of this highly effective, passionate, and results-oriented organization.

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*"BootCamp was completely voluntary. It helped me look within myself to become a valuable member of a great team."*

*Greg Forrest*

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## Efficient Communication

### Increased Speed of Decision-Making

The Core Protocols for making decisions and resolving conflict are based on efficiency. Many teams reach unanimity within minutes. Teams are encouraged to work in small, mutually trusting groups. Decisions may be made at any time and only unanimity is allowed. Any decision not supported by the entire team present at the time of the vote is dropped. The accountability for stopping the decision, therefore, lies with the person voting no, who is expected to offer a viable and better idea in place of the one being proposed. This encourages only serious and productive opposition to the best ideas, where a better idea is proposed, or the current idea is supported until a better idea is proposed.

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*Seven issues were discussed in 24 minutes, opposed to the hour and a half that it would usually take to review something.*

*Joe Sandy,  
VP Technology*

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### Less Wasted Time

Decisions and communication are focused on results. Team members commit to achieving results, and monitor their own and others' use of team time to ensure all activities will support the result. Because teams are self-managed and only the team's results are measured, teams' managers may reduce their intervention and supervision time.

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*"BootCamp is about bringing a team into balance at a higher level of greatness."*

*Sam Holthe*

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### Better Meeting Efficiencies

Often in companies today, people flounder in unproductive meetings due to lack of shared vision, agendas, protocols around discussion, and so on. Each unproductive one-hour meeting, attended by 15 people wastes \$675 on (using an average hourly rate of \$45/hour per person in attendance). \$105,300 per year disappears if we estimate that we have three unproductive meetings a week. If there are more than 15 people in a meeting or if it lasts more than an hour, the expense increases accordingly. These numbers do not include the potential loss of revenue due to confusion about goals, unresolved conflict between team members, disruption to work patterns and post-meeting clarification and discussion.

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*"You will know more about your individual team members in 5 days than you would normally know after years."*

*Ray Koen*

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## Effectiveness

### Conflict Resolution

Unresolved conflict is a block to progress and an energy drain for the team. Booted teams are committed to resolution of conflict using supportive communication protocols. Whether the Investigate protocol is used by two team members resolving interpersonal conflict, or the Decider Protocol is used by the whole team to reach unanimity, discussion is aimed at achieving understanding, connection, and shared vision.

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*"I give BootCamp a 9.9..."*

*VP-Architect, Fortune 100 company*

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### Using Only About the Best Ideas

Each team member is committed to putting forward ideas that improve the results of the team. Mutually supportive behaviours encourage the sharing and perfecting of ideas. A good idea, one that may save the company millions, or make it possible to deliver the product a month early, aren't at risk of being lost because of the hierarchical position or the personality type of its champion.

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*"This shatters all my previous assumptions about limits...I would not have believed what we have learned before we learned it."*

*Staff Member, Fortune 500 Company*

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### Reduced Duplication of Effort

Team members learn to actively ask for help. Duplication of effort is effectively eliminated because individuals commit to aggregate their collective knowledge before and during any activity.

### Self-managed Teams

Teams monitor and supervise their own behaviour in real time. Because the team will be working toward frequent delivery of results, any serious misunderstandings between the team and their customers will be obvious early and often and may be resolved before they are too costly to recover. Those misunderstandings will be resolved using the protocols, and action taken towards results.

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*"Not as good as the birth of my two geniuses, but close--damn sure much more painful for me personally. The Full Monty."*

*Monty E. McElroy*

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### Accountability

Team members publicly agree to meet their commitments to the team and agree to be accountable for those commitments. Team members hold themselves and each other accountable and accountability is a core requirement for team membership.

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*"Great fun! From confusion to enlightenment to unity to greatness. A great team building experience."*

*Donald Asonye*

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## Supporting Evidence

### Shared Leadership

For the first few days of BootCamp, team members may, for the first time in their lives, be part of a leaderless team. BootCamp creates an "ecology of ideas", in which only results are measured and only the best ideas brought to conclusion will get results. If only results are measured, political hierarchy, social status and "turf" are not valid criteria for leadership. Leaders instead emerge as their contribution is needed. Team members on a bootcamp team share leadership for the team.

Shared leadership has been studied by only a few professors of management studies; this is surprising, since shared leadership has been proven to be a best practice of high performance teams.

Craig Pearce, from the Peter Drucker Graduate School of Management, Claremont University, has studied the success of teams using shared leadership models. His study, with Henry Sims,<sup>2</sup> "explored how the appointed team leaders (vertical leadership) versus distributed leadership from within the team (shared leadership) accounted for the effectiveness of [teams]." (p. 172)

Shared leadership can be described as "serial emergence" of multiple leaders over the life of the team, a model Pearce has proven is a characteristic of high performing teams completing complex tasks. In fact, he states that "the most important finding of this research is that **shared leadership was found to be an important predictor of team effectiveness.**" (p. 183)

### Fast Track for Teams

Connie Gersick, in a study done in 1988, examined how teams use the time they have to achieve results.

Using 8 teams in a workplace environment, she found that "Each group studied exhibited a distinctive approach to its task from the beginning, then went on with that until half of its allotted time. At that point most groups dropped the old approach, adopted new way of dealing with the problem and made dramatic progress."<sup>3</sup>

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*"There is no longer a self-imposed stress for me to have to control and be in every discussion. The team knows where it is going and they discuss with me and include me where they need to or where I have expressed an interest. The time I spend with most team members now is because I want them to show me something or they want to show me. Things still happen, but they are getting more confident in coming up with their own solution and their ideas are starting to "reach" farther."*

*Valerie Yeager  
Program Manager  
Technical Software  
Halliburton Energy*

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<sup>2</sup> Pearce, Craig L. and Sims, Henry P., Jr. "Vertical versus Shared Leadership as Predictors of the Effectiveness of Change Management Teams". Group Dynamics, Theory, Research and Practice, 2002, Vol. 6, No. 2, 172-197.

<sup>3</sup> Gersick, Connie J. (1988) - "Time and Transition in Work Teams: Toward a New Model of Group Development"

In other words, Gersick found that no matter what time is available to them, most teams will not begin to produce until the midpoint of their project's duration.

Instead of wasting three or six months, BootCamp provides a short, finite, consistent, controlled, repeatable, "first phase" with the additional benefit of creating a common language for future communication, a commitment to accountability and great results, and tools for personal development.

### **Strategic Learning Planning**

Now is a perfect time to choose BootCamp.

From META Group's 2003 IT Staffing and Compensation Guide:

"Global 2000 organizations should utilize the temporary lull [in high turnover] to develop and deploy human capital management processes to enhance long-term retention, such as non-monetary employee recognition and strategic learning."

## Sample Returns on Investment

### Sample calculations

These calculations are **for example only**.

These samples are not intended to replace value model projections specific to your company. ROI calculations are available to help project the return on investment for your company in choosing BootCamp.

### Increased Productivity

BootCamp attendees have declared an improvement in productivity of from 200 to 1000%.

The Bureau of Economic Analysis (US) says the median salary for 2001 was \$30,472. *For these estimates we are being conservative and are using \$30,000 as an average salary, not including benefit costs.*

Let's see what the value would be at only a 10%, 20%, & 30% improvement in productivity.

*Calculations: Annual Salary Budget (Average salary x company size) x improvement rate*

Org Size	10%	20 %	30%
25	\$75,000	\$150,000	\$225,000
50	\$150,000	\$300,000	\$450,000
100	\$300,000	\$600,000	\$900,000
500	\$1.5 Million	\$3 Million	\$4.5 Million
1,000	\$3 Million	\$6 Million	\$9 Million
2,500	\$7.5 Million	\$15 Million	\$22 Million
5,000	\$15 Million	\$30 Million	\$45 Million
15,000	\$45 Million	\$90 Million	\$135 Million

### Reduced cost of late results

BootCamp attendees learn to **complete assignments and projects early or on time**. This means:

- reduction in lost opportunity because staff can move on to new projects;
- reduction in lost revenue because the product is in use as planned
- reduction in cost of additional staff retained to complete the project or begin new projects

Let's see how much **salary costs alone** can be reduced by improving delivery results.

The Bureau of Economic Analysis (US) says the median salary for 2001 was \$30,472. For these estimates we are being conservative and are using \$30,000 as an average salary, not including benefit costs. *The weekly salary is therefore calculated at \$577.*

Delivered late	Team of 3 Salary cost	Team of 5 Salary Cost	Team of 10 Salary cost
<b>32 weeks</b>	\$55,392	\$92,320	\$184,640
8 weeks	\$13,848	\$23,080	\$46,160
4 weeks	\$6,924	\$11,540	\$23,080
1 week	\$1,731	\$2,885	\$5,770

## Less wasted time

Teams using The Core Protocols discuss issues and make decisions more efficiently. They attend only those meetings to which they can contribute. They offer only their best ideas, and otherwise listen. Meetings become fast, efficient and results-oriented.

Let's see what the costs and savings would be for **25 teams reducing 1 weekly meeting from 2 hours to ½ hour.**

*Calculations: Average hourly rate of \$14/hour x number of team members x number of hours x recurrence*

Number of team members	Meeting for two hours weekly for six months	Meeting for a half hour weekly for six months	Savings over six months for a company with at least 25 teams of suggested size
<b>3</b>	<b>\$50,400</b>	<b>\$12,600</b>	<b>\$37,800</b>
<b>5</b>	<b>\$84,000</b>	<b>\$21,000</b>	<b>\$63,000</b>
<b>7</b>	<b>\$117,600</b>	<b>\$29,400</b>	<b>\$88,200</b>
<b>10</b>	<b>\$168,000</b>	<b>\$42,000</b>	<b>\$126,000</b>

## Reduced staff frustration with wasted time

Staff know they're not as efficient as they could be. **They're're frustrated and share that with their co-workers.** If 3 employees bump into each other in the hallway or the coffee shop and talk for 30 minutes about their frustration about inefficient meetings being held every week, that is **\$11,000 per year on frustration.** If there are more than 3 people in the hallway or it lasts more than 30 minutes, the expense increases accordingly. Multiply this by 6 groups for a potential savings of \$66,000.

### Fewer meetings to clarify vision/direction

If 5 directors and 1 vice president meet once every two weeks for 1 hour to discuss projects that have unclear visions, that costs \$9880 a year (i.e., 5 directors @ \$60/hr for 26 hours per year, 1 VP @ \$80 for 26 hours per year). If the CxO joins the discussions, the expense goes up to \$12,480 (i.e., 1 CxO @ \$100/hr for 26 hours per year). Multiply this times 6 groups for \$59,280.

### Lower management costs

According to the Bureau of Labour Statistics US (April 2003), Computer and Information Systems Managers, for example, make a mean annual salary of USD\$83, 890.

For these calculations we'll use \$84,000 for a manager's salary.

Generally accepted management practice assigns 6 to 10 direct reports to one manager. According to Darcy Hitchcock, AXIS Performance Advisors, Inc, a manager may have up to 100 direct reports in an organization in which teams lead themselves. **If Managers were asked to take on only twice the number of direct reports** the following salary savings may be predicted:

*Calculations: Annual Management mean salary\*number of management positions removed*

Current Number of Managers	Number of Managers required for same number of direct reports	Salary savings
5	3	\$168,000
10	5	\$420,000
15	8	\$588,000
20	10	\$840,000
30	15	\$ 1.26 Million
50	25	\$ 2.1 Million

### Increased employee retention

Booted teams want to work for a booted organization and with other booted teams. A group which encourages the use of the Core Protocols by their booted teams will benefit from retention of the most productive employees, the employees who are hardest to recruit.

Separation costs include:

- the costs incurred for exit interviews;

## The Value of BootCamp

- administrative functions related to termination;
- separation/severance pay; and
- any increase in unemployment compensation.

Vacancy costs include

- the net cost incurred due to increased overtime or temporary employees needed to complete the tasks of the vacant position.

Replacement costs include the cost of:

- attracting applicants;
- entrance interviews;
- testing;
- travel/moving expenses;
- pre-employment administrative expenses;
- acquisition and dissemination of information

SHRM reports that the national average for employee turnover is 17% for companies with less than 5000 employees.

This calculation uses the average of 30% of annual salary as the cost of employee turnover. *Calculations:*  
 $\$30,000 \text{ average salary} \times \text{Company size} \times \text{Turnover rate} \times 30\%$

Company Size	Cost of 17% Annual Turnover Rate
25	\$38,100
50	\$76,500
100	\$153,000
500	\$ .75 Million
2500	\$ 3.75 Million

If annual retention improved by just 3%, cost savings would be considerable.

The cost of turnover varies between industry sectors. This calculation uses the average of 30% of annual salary as the cost of employee turnover.

*Calculations: Average salary x Company size x Turnover rate x 30%*

Company Size	17% Turnover Rate	3% improvement in retention (14% turnover)	Annual Savings
25	\$38,100	\$31,500	\$6,600
50	\$76,500	\$63,000	\$13,500
100	\$153,000	\$126,000	\$27,000
500	\$ .75 Million	\$630,000	\$120,000
2500	\$ 3.75 Million	\$3.15 Million	\$600,000