

How to Plug the Leaks In Your Cash Flow

Special Report

Uncover hidden profits and overlooked opportunities to increase your bottom-line.



Who is Jay Arthur?

Jay Arthur, The KnowWare® Man, works with companies that want to fire up their profits by plugging the leaks in their cash flow.

Using Jay's approach, one wireless company, saved \$250,000/month by eliminating their top five order errors in just four months. Another Baby Bell saved \$20 million in postage expense and \$16 million in adjustments. One health care company reduced rejected claims by \$20 million. A mail house developed ways to prevent using the wrong lists, saving \$5,000 or more per list.

Jay learned the Deming Prize Winning improvement methodology in 1990, but teams struggled to solve problems and create results. Dissatisfied with anemic results and slow pace of change, Jay began to apply the improvement methods and tools to the improvement process itself. He found ways to shorten the five-day training process to only two hours. He calls this just-in-time training. He found ways to shorten the problem solving process that had been taking up to 12 months or more down to three or four days. And he found ways to ensure that no team would ever start a project unless they were assured of success.

Thousands of people in companies from healthcare and telephony to manufacturing and multi-level marketing are using Jay's Lean Six Sigma Simplified system and QI Macros software to make breakthrough improvements.

What others have said about Jay Arthur

We got more out of one day with Jay Arthur than we did from a major accounting firm.

– Jim Mohrhauser.

The billing quality teams benefited from your approach. The postage and bill format teams will save \$20 million this year. The adjustments team will save \$16 million.

- Peggy Tumey

The Lean Six Sigma Simplified system is a non-intimidating approach to systematic improvement that retains all of the goodness without watering it down.

– Don Poskin

The Lean Six Sigma Simplified System streamlined our training process, saving several days per class over the original courses. Finally, more importantly, you managed to transfer your skills and ways of thinking to the leaders of these improvement efforts.

– Dick O'Keefe

Jay Arthur
KnowWare International, Inc.
2696 S. Colorado Blvd., #555
Denver, CO 80222
(888) 468-1537
info@qimacros.com
www.qimacros.com

Are You Overlooking the Biggest Profit-Making Opportunity in Your Business?

Dear Colleague,

I'm willing to bet that your business can be a lot more profitable than it is now. I've worked with businesses ranging in size from an independent muffler shop to hospitals to Fortune 50 companies. I've helped them save anywhere from \$25,000 to \$25 million that could be added to the bottom line. The process is simple, but almost every business overlooks this opportunity to bank more cash and boost the bottom line.

Every Business Has Two Sources of Cash Flow

Businesses are only as healthy as their cash flow. Cash is the life-blood of your business. Every business has two sources of cash flow:

1. **External customers** give you money for your products and services.
2. **Internal processes** that leak cash like a rusty bucket. Why are internal processes a source of cash? Because when you can plug the leaks, you get to keep all that money!

I'd like you to consider that most businesses spend all of their time and money focused on trying to fill the cash bucket with new customers and virtually no money plugging the leaks caused by internal processes. Almost every company will spend a small fortune trying to gain a slight edge in marketing and sales that will allow them to get or keep a customer. The only problem is that this elusive edge is constantly in peril from competitors and the fickle perceptions of customers. You can never fully control this aspect of your cash flow.

You do, however, have complete control of the processes and technology inside the gates of your business. Every process leaks money. Even if you only make one mistake in every 100 orders, bills, purchase orders, products or services, that one percent error rate can add up to 6-12-18 percent across your business.

The Juran Institute has found that the cumulative cost of mistakes, rework, and scrap will add up to 25-40% of your total expenses. Don't believe it's that much? Spend a day tracking every mistake, glitch, and customer complaint in your business. Then

calculate the cost of finding and fixing each one. How much time does it take? What does it cost? If you and your employees weren't fixing the mistakes, what could you be doing instead? Multiply this by the number of days in the week, month, or year. Ouch!

These errors aren't your fault and they're not the fault of your people. It's your systems and processes that are at fault—they let people make mistakes that could be prevented.

Every Process Produces Two Unwanted Side Effects

Every process produces defects and delays. The defects have to be fixed or scrapped. Fixing mistakes that shouldn't have been made in the first place (big leak #1) consume time and money that could be better spent serving customers and boosting the bottom line. The delays (big leak #2) cost you time and money that dampen your productivity and profitability.

Even a small reduction in defects and delay in your mission-critical processes can give you a sustainable competitive advantage. Customers aren't stupid. They can tell a finely tuned supplier from a clumsy one. Once you have a head start, your competitors will always be playing catch up.

Secret #1: Work ON Your Business, Not IN It

In the 1970s, I owned a Mustang. I loved to drive *in* my car and I liked to work *on* my car, but I couldn't both work on my car and drive in it at the same time. As you know, if you don't periodically change the oil, tune the engine, fix the brakes, and change the tires your car will most likely breakdown. And it will most likely break down at the least opportune moment. While most business owners will take time out of their hectic schedule to have their cars serviced, most never think to do the same for their businesses.

Do you feel like your business is controlling you, not the other way around? Can you leave your business in the capable hands of your employees or does it demand too much of your attention? Is your business an asset that any sane business person would want to buy or franchise, or is it too chaotic?

In the 1990s, Michael Gerber captivated the attention of business owners with a book called the E-Myth. He argued that most people spend all of their time working *in* their business, but most never work *on* their business, creating and improving the processes and systems that minimize mistakes and maximize output. If you want a reliable, dependable business that consistently produces predictable results, you will need proven methods and tools to make it happen.

Secret #2: Become a Process-Oriented Business

It's easy to be seduced by the excitement of crisis management and firefighting. It becomes a way of life in most businesses. When daily heroics are required to avoid missing commitments and preventing defective products from escaping into the hands of customers, companies come to rely on heroes.

This is another mistake. People-oriented businesses believe that quality and productivity are a function of their people, not their processes. People-oriented businesses

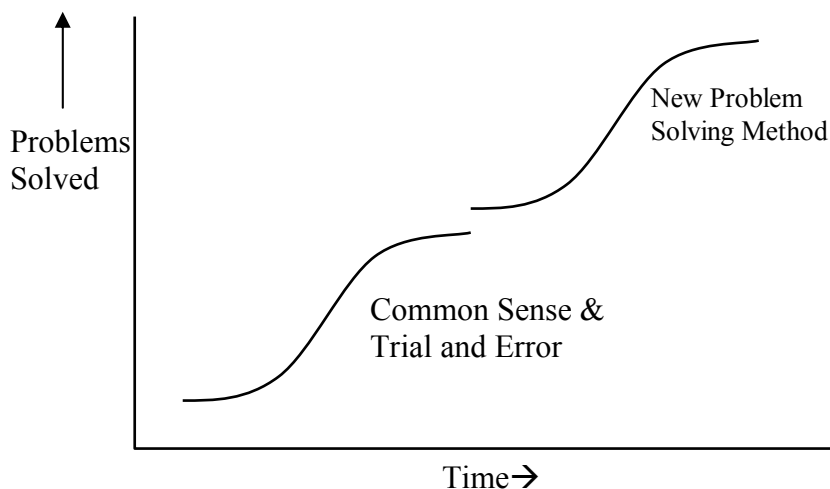
have to pay a premium for the best people. When these people leave, they take their highly refined mental processes with them.

Process-oriented businesses, on the other hand, rely on mistake-proof processes to ensure that products and services are delivered on time and error-free. Process-oriented businesses have procedures for everything from cleaning restrooms (e.g., McDonalds) to maintaining Navy fighter jets. When you have good processes, there's less need for overtime and you can hire the lowest skill-level necessary for the job. Labor costs are cheaper because you aren't bidding for a small group of the best people. Best of all, you can go on vacation, secure in the knowledge that your business will run itself.

Secret #3: Implement A Proven Improvement System

Most managers and business owners think they should be able to find and fix problems in their business, and they can up to a point where they hit a wall. This isn't your fault. Research into scientific revolutions has found that one set of problem solving methods (e.g., common sense and trial-and-error) will work for a certain class of problems, but not another. Then you need a new set of methods and tools to solve the next class of problem. Consider antibiotics: they fight bacterial infections, but not viruses like the common cold. The same is true in business.

When people first start a business, processes are created by accident in an ad hoc way. Problems with the processes are fixed using common sense and trial-and-error as the business grows. But at some point, the ability of these two methods to solve the more mysterious and complex problems begins to fall off. Eventually, they stop working all together. This early-success and later-failure syndrome affects all problem-solving methods. It's often shown as an S-curve:



Throughout time, people have routinely found ways to solve seemingly unsolvable problems. Edison invented the light bulb. The Wright brothers figured out

how to fly. But to do this, they invariably had to invent new ways to solve problems that exceeded the grasp of the old methods.

Fortunately, the methods and tools for creating and improving your processes and systems have already been developed and proven in every industry. I have found that a few key tools used in the right order are all you need to start making immediate breakthrough improvements in speed, quality, productivity and profitability.

Double Your Profits

If you're like most businesses, reducing costs by 20% would more than double your profits. To make this easy, I've created a complete tool belt for working *on* your business. It's all here: methods, tools, technology, and training to handle everything you need to plug the holes in your cash flow and start saving 20-35% of your expenses.

The Lean Six Sigma Simplified System AV includes:

- *Six Sigma Simplified, Lean Simplified, SPC Simplified and QI Macros Example books*
- *Five audio CDs* to augment the lessons learned in the books.
- *The QI Macros SPC Software* for Microsoft Excel that will simplify the creation of everything you need to focus, improve, and sustain superior productivity and profitability in your business.
- *A training CD-Rom* to cover every aspect of using the software.
- *Two hours of video training* about how to focus and improve your business for maximum profits with minimum effort.
- *An additional hour of video training* about how to sustain the improvements so that you don't fall back into old profit-wasting habits.

Need to Train Others About Lean Six Sigma?

The Lean Six Sigma Training System includes everything above plus:

- PowerPoint Slides for Trainers

Calculate Your Benefits

Your Business	Reduce Costs	Increase Sales
1. Annual Gross Revenue \$ _____	\$10,000,000	\$20,000,000
2. Annual Expenses \$ _____	<u>\$ 9,000,000</u>	<u>\$18,000,000</u>
3. Current Net Profit (#1-#2) \$ _____	\$ 1,000,000	\$ 2,000,000
4. Reduce Expenses by 10% \$ _____	<u>\$ 900,000</u>	
5. New Net Profit (#3+#4) \$ _____	\$ 1,900,000	

Which is easier? To increase sales by 100% or cut your costs by 10%?

Don't Have The Time?

The urgencies of any business can consume all of your time. Fortunately, given the right gauges on your business dashboard, it's easy to diagnose where to focus your improvement efforts even while you are still working *in* your business.

Don't Have The Money?

Even if you don't believe that this system can save you 5-10-20 percent of your expenses and boost your bottom line, I'll make it easy for you to decide. You can evaluate the entire system for 30 days without spending a dime. Just order the Lean Six Sigma Simplified System and we'll send it out for your review. If, after careful review, you don't think that the simple methods and tools can help you slash your expenses and boost your profits, simply return the complete system, no questions asked.

Listen to the audios and read the workbook. It's all yours risk-free for 30 days!

Our Unconditional No-Risk Money-Back Guarantee

If you choose to pay by credit card or check, you will have 60 days to fully evaluate the complete system. Better still, if you use this system for a year and you don't save at least \$5,000 that you can directly attribute to using the system, simply return it for a complete refund.

Too Busy Bailing to Plug the Leaks?

Every business has to improve the key aspects of performance every year just to keep even with the competition. The only question is whether you're going to rely on the declining effectiveness of common sense and trial-and-error or are you going to upgrade your ability to solve the stubborn, seemingly insolvable problems in your business? If you aren't going to employ the proven strategies of Lean Six Sigma Simplified, what are you going to do instead?

In addition to the books, videos, audio CDs and software, you'll also get...

Special Bonus #1

How to Motivate Everyone with Irresistible Influencing Language. Often, using the methods and tools of Lean Six Sigma Simplified isn't that hard, but getting people to employ them is. That's why I've included a copy of my book and quick reference card, *Motivate Everyone*, in every Lean Six Sigma Simplified system. There are simple words and phrases that will help you trigger the motivation in any co-worker or employee.

Special Bonus #2

You'll get copies of our quick reference cards for Lean, Six Sigma and SPC.

Turn your business into an asset that produces predictable results. Don't let your business run you. Aren't you tired of dealing with the seemingly unrelated problems that occur every day in your business? Haven't you waited long enough to find a new and improved way to plug the leaks in your cash flow? Give the Lean Six Sigma Simplified System a try risk free for 30 days!

Sincerely,

A handwritten signature in black ink that reads "Jay Arthur". The signature is fluid and cursive, with the first name "Jay" being more prominent and the last name "Arthur" following in a similar style.

Jay Arthur

P.S. Order the Lean Six Sigma Simplified System (item #290) for only \$725 or the Lean Six Sigma Training System (item # 490) for only \$997 plus S&H. You have 30-days to evaluate every strategy and tool in the system RISK FREE, or 60-days when you pay by credit card or check. If you're not completely satisfied for any reason, simply return the system. **Order now at <http://www.qimacros.com/products.php>**

P.P.S. If you don't save at least \$5,000 using either system in the first 12 months you use it, you can still return it for a complete refund.

P.P.P.S. Don't have time to do it yourself? Consider hiring Jay to guide your initial improvement projects. **Call now: 888-468-1537.**

KnowWare International Inc.
2696 S. Colorado Blvd., Suite 555
Denver, CO 80222
888-468-1537
www.qimacros.com
info@qimacros.com