

Index

A

ABC (activity-based costing), 4
ACT! (software), 21–22
Adjusting monetary values
 by management, 79–80
 for short-term vs. long-term
 programs, 80
 for time value of money, 81
Alden, J., 91
AllTheWeb, 48
AltaVista, 48
American Association for the
 Advancement of Science,
 103
Appraisal costs, 19

B

Bates, S., 108
Bendle, N. T., 99
Berkman, R., 50, 52
BlueCross BlueShield, 44
Brown, S., 103
BusinessWeek innovation list, 105

C

Campanella, J., 19
Case studies
 commercial bank, 14–15
 European postal service, 38
 federal agency employee turnover,
 53–55

 manufacturing plant and
 estimating value, 59–60
 manufacturing plant and using
 expert help, 45–46
 measuring customer service
 intangibles, 98–102
 measuring employee attitudes,
 107–109
 measuring employee
 innovation/creativity, 102–106
 measuring leadership, 109–111
 Metropolitan Transit Authority,
 33–35
 regional bank, 50, 53
 Sears, Roebuck and Company,
 38–40
 sexual harassment complaint,
 46–47
 snapper lawn mowers, 15–16
 team-building program, 11, 12
 time savings to technology
 company, 23–24
Classic relationships, 36–40
Cleveland Orchestra measures, 93,
 94
Cokins, G., 4
Commercial bank case study, 14–15
Costs
 ABC (activity-based costing), 4
 appraisal, 19
 categories for quality, 19–20

116 Index

- Costs (*Continued*)
 - examples of quality evaluations of, 21–22
 - historical, 31–35
 - penalty, 19
 - prevention, 20
 - ROI and importance of saving, 4
- Creativity, 105–106
- Credibility issue
 - four-part test for data conversion, 67–68
 - how credibility is influenced, 69–72
 - how to address the, 75–79
 - as key to data conversion, 67–69
 - rules for determining credibility, 72–75
- Customer dissatisfaction, 20
- Customer satisfaction
 - case study on measuring intangibles of, 98–102
 - relationship between revenue and, 36–37
 - University of Michigan index for, 93
- Customer service case study, 98–102
- D**
- Data
 - credibility of, 67–79
 - hard, 5–7, 92
 - historical cost, 31–35
 - See also* Soft data
- Data conversion
 - case example of, 1, 11
 - using experts for soft data, 43–57
 - four-part test of, 67–68
 - steps for, 7, 9–11
 - why to figure monetary values from, 2–5
- Data conversion of output
 - commercial bank case of, 14–15
 - described, 13–14
 - methods for, 18
 - more examples of standard values for, 16–17
 - snapper lawn mowers case study on, 15–16
- Data conversion steps
 - 1: focus on unit of improvement, 7, 9
 - 2: determine value of each unit, 9
 - 3: calculate change in performance, 10
 - 4: determine annual amount of change, 10
 - 5: calculate the total value of improvement, 10–11
- Data conversion techniques
 - ensuring accuracy/credibility of data, 67–79
 - for making adjustments, 79–81
 - matching exercise for, 81–86
 - selecting the appropriate, 65–67
- Databases
 - using external, 47–53
 - sources of external, 48–50, 51–52, 56
- DHL Worldwide Express (Spain), 21
- Doz, Y., 104
- E**
- EBSCOhost, 53
- Employees
 - case study on customer service provided by, 98–102
 - case study on innovation and creativity of, 102–107
 - case study on measuring attitudes of, 107–109
 - case study on turnover of, 53–55
 - converting their time to monetary value, 22–25
 - job satisfaction of, 36–40, 107–108
- ERIC, 53
- Estimating value
 - from participant estimates, 59–61
 - from senior management estimates, 62–63
 - from staff estimates, 63–64
 - from supervisor/manager estimates, 61–63

- European postal service case study, 38
- Experts
 - combining historical costs and, 47
 - using internal and external, 43–47
- External databases
 - benefits of using, 47–48
 - case studies on using, 50, 53
 - Internet searches for, 48–50, 51–52, 56
 - sources of, 56
- External experts
 - case study on using, 46–47
 - used to convert soft data, 45
- External failure, 19
- F**
- Farris, P. W., 99
- Federal agency employee turnover case study, 53–55
- G**
- Global Financial Services, 21–22
- Google, 48
- H**
- Hard data
 - converting to monetary values, 27
 - described, 5, 7
 - examples of, 6
 - as tangible measure, 92
- Historical costs
 - combining expert input and, 47
 - types and sources of, 31–35
- Hock, R., 48
- I**
- Innovation, 102–105, 106
- Intangible measures
 - converting to monetary values, 93, 95–98
 - customer service, 98–102
 - of employee attitudes, 107–109
 - of employee innovation and creativity, 102–106
 - importance of, 88–90
 - of leadership, 109–111
 - process of measuring the, 90–93
 - during program life cycle, 96
 - range and types of common, 87–88
 - See also* Soft data
- Internal experts
 - case study on using, 45–46
 - used to convert soft data, 44–45
- Internal failure, 19
- Internet searches
 - asking right questions during, 51–52
 - database sources found during, 56
 - overview of, 48–50
- J**
- Job satisfaction
 - relationship between revenue and, 38–40
 - relationship between turnover and, 37–38
- K**
- Kandybihn, A., 103
- Keiningham, R., 19
- Kihn, M., 103
- Kim, S., 39
- L**
- Leadership measures case study, 109–111
- Loan profitability analysis, 14
- M**
- Management
 - using estimates provided by, 61–63
 - monetary value adjustments by, 79–80
- Manufacturing plant case studies
 - on estimating value, 59–60
 - on using external experts, 45–46
- Marketing standard values, 28–29
- McGregor, J., 105, 106
- Measure relationships
 - classic, 36–40
 - concerns regarding, 40
 - identifying, 35–36

118 Index

- Measures
 - Cleveland Orchestra, 93, 94
 - intangible, 87–112
 - link between hard-to-measure/easy-to-measure items, 92
 - relationships between, 35–40
- Metropolitan Transit Authority case study, 33–35
- Monetary values
 - concerns when using relationships to assign, 40
 - conversion of time savings to, 23–24
 - converting employee time to, 22–25
 - converting hard data to, 27
 - converting intangibles to, 93, 95–98
 - converting output data to, 13–17, 18
 - converting quality to, 17, 19–22
 - estimating the value, 59–64
 - making adjustments to, 79–81
 - reasons for converting data to, 2–5
 - ROI calculation and role of, 1
 - of time, 81
 - See also* Standard values
- O**
- Organizations
 - monetary values role in operations of, 4
 - OC (organizational commitment) to, 108
- P**
- Participant estimates, 59–61
- Penalty costs, 19
- Performance
 - calculating change in, 10
 - calculating total value of improved, 10–11
 - unit of improvement in, 7, 9
- Pfeifer, P. E., 99
- Phillips, J. J., 53, 112
- Phillips, P. P., 53
- Prevention costs, 20
- Programs
 - adjusting for short-term vs. long-term, 80
 - case study on team-building, 11, 12
 - identifying intangible measures during life cycle of, 96
 - intangibles as driving, 90
 - role of monetary values in, 3
 - time value of money factor of, 81
- Q**
- Quality
 - benefits of monetary value conversion of, 17, 19
 - cost categories for, 19–20
 - examples of cost evaluations of, 21–22
 - measures of, 20
- Quinn, R., 39
- R**
- Regional bank case study, 50, 53
- Revenue
 - relationship between customer satisfaction and, 36–37
 - relationship between job satisfaction and, 38–40
- Ribstein, D. J., 99
- ROI (return on investment)
 - cost saving importance to, 4
 - using profit margin instead of actual sales in, 16–17
 - role of monetary values in calculating, 1
- Royal Bank of Scotland Group (RBS), 108–109
- Rucci, A., 39
- Rust, R., 19
- S**
- Sales standard values, 28–29
- Santos, J., 104
- Schmidt, L., 112

- Schwartz, E., 104
 - Sears, Roebuck and Company case study, 38–40
 - Senior management
 - using estimates provided by, 62–63
 - monetary value adjustments by, 79–80
 - Service-profit chain, 40
 - Sexual harassment complaint case study, 46–47
 - Snapper lawn mowers case study, 15–16
 - Soft data
 - described, 5
 - examples of, 8
 - using experts to convert, 43–57
 - link between measuring hard and, 92
 - See also* Data; Intangible measures
 - Staff estimates, 63–64
 - Standard values
 - calculating, 31–41
 - for converting output data, 16–17
 - definition of, 13, 26
 - development of, 25–26
 - examples from sales and marketing, 28–29
 - functions that generate, 26–27
 - See also* Monetary values
 - Standard values calculation
 - concerns when using relationships in, 40
 - using historical costs, 31–35
 - linking with other measures, 35–40
 - Supervisor estimates, 61–62
- T**
- Team-building program case study, 11, 12
 - 360° feedback, 110, 111
 - Time savings
 - caution regarding converting, 24–25
 - monetary value conversion of, 23–24
 - Time value, 81
- U**
- University of Michigan, 93
- W**
- Web search engines, 48–52, 56
 - Williamson, P., 104
- Z**
- Zahorik, A., 19

