Bob:

Nov. 29, 1976

This is a first shot at your 100% Club keynote speech, obviously at this stage it is very rough. And the story about Kolleen Casey is really one to show how you might use the "off-season" Olympic idea we discussed. There are any number of tales like that which can be used effectively.

I will be glad to sit in with you at any time to pursue new ideas and to reach an early second draft.

Thanks so much for your help,

Thorton

#4688
(Brief Opening remarks by Mr. Price)

It is very possible for one to be philosophical about the subject of change. Some of that is unavoidable, certainly. But too much of that will lead us astray, however, from the purpose we are gathering here to discuss.

So let us serve the philosophical discussion quickly and get on to the realities.

No one argues the premise that change is all around us...that we are confronted with change in every part of life, whether private or public, whether in personal pursuits or professional.

I am not the first to ponder the deep meanings contained in the phrase "Man is always in the midst of change."

What is significant from my view is that, in relation to Control Data and all of us, that the "change" we all seem to feel is taking place now actually happened four years ago.

And, interestingly enough, all the changes that I felt three or four years ago to be necessary, to be coming, to be advantageous to us -- many of us feel that they are just happening or beginning now. So, perhaps while many of us weren't looking, it all changed!
Right now, we as individuals in the is Company are embarked and running on a straight and rather unchanging path pointed out to us by the change made some time ago.

We are perceiving it as change now, perhaps, because it has worked long enough to have some substance, mass. And I use Systems only as an example. It was here that we were best able to understand our position in the marketplace. We were best able to perceive and understand our business for what it really was.

We had come to a point where we perceived ourselves as trying to be all things to all people. So we connected our systems business and our services business and looked toward a healthier systems business in the long run. Both ends of the business -- systems and services -- would reinforce one another. And it has happened now some years later.

Now, about the same time -- three years ago or so -- we also said we had to have a better way of managing our business, a better system of measuring our performance individually against our objectives -- better ways of measuring incentives, of communicating and calibrating our performances. How do we look at performance? When do we look at it? What do we look for? And we said, "We MUST do this!"

And once again, it is only now that some of the results of that "change" of mind are showing themselves and being perceived -- a change in the marketing organization, a fundamental change in the compensation plan and so on.
We decided to make our basic strategy more industry oriented. In that case a change was immediately perceived with the creation of the IMO organizational structure.

But that didn't suddenly change in the marketplace. The substance of that decision and that organizational shift didn't occur then. The structure was told to be now IMO -- Industry Marketing Organization. But it wasn't that by the simple telling.

Yet today that yeast, if you will, has worked itself through this brewing process throughout the organization and it has changed itself so that now we are much more industry-oriented than ever before.

Another thing comes to mind immediately -- education. People say that education is going to change in the future. We can't afford to continue the method of education as we have in the past. There is no magical thing that happened this past year or is going to happen in 1979 that will change all that. It has been happening for centuries.

In education we are sensing trends again, gaining insight into the present human condition in education so that we can serve the needs of people as these conditions develop. That insight, that sensing of trends is, among other things, the secret of soothsaying, which no one seems to be able to do very well these days.
The old days saw Oracles as very astute and mysteriously capable of telling what was going to happen. And in a very real sense, they could foretell the future, because anyone who was anyone went to the Oracle, told him everything, and the Oracle put it all together and said "Here's what's going to happen, unless you change this, and he does that" and so on.

It was as simple as that -- being privy to people and conditions and movements. The "data base" was there in his cave all the time. So in our approach to education -- computer-based education -- we are now enlarging the scope of education because we have been sensitive to trends and conditions and have oriented product development toward those needs. We have changed -- or are changing -- educational philosophy and method through these developments and therefore are changing our approach to that marketplace.

Now, what this all amounts to is the opportunity to exploit our long-term efforts inaugurated three or four years ago -- both as individuals and as a company. We are ahead of the "power curve". That is to say, the forces of change are continuous, dynamic. So, in education for example, the world's perception of change is still out there ahead of us. But we are on the track that allows us to take advantage of that now.

It's not only true in education but also in many other market areas. We are already in place, not waiting until something occurs, not waiting for the crest to break, the change to occur, the perception to be there and then try to adjust.
In international markets and in the areas of cooperative programs, change is occurring and building up toward much bigger changes and we are now in sync with those events, these dynamics. And when change occurs, we will not appear to change because we will already have changed. We are on the power curve in advance of the changing times, in advance of the requirements.

If there is a danger, it is complacency leading to the power curve catching up to us and passing us.

The answer is personal growth. We have the ability to help personal growth mechanically with more forms of education and training through computer-based education, but personal growth is largely a matter of personal will, attitude, desire. Without it we make no progress, we can't capitalize on change or stay ahead of the power curve. In the most positive way each of us can, we must ferret out our weaknesses in this regard and dispense with them, exorcize them.

We accept that so readily in a human condition like the athlete. The rash of changes in Olympic records are spawned largely from growth and change in techniques. They take every method used so far and then re-examine and analyze every tiny piece of it in order to do that thing better. They look at the chemistry of the whole thing, the diet that improves stamina, the interlock in muscles that work better together, and so on. It never gets any easier.
The same with us. You take everything you are doing right, and take that as a base. Then analyze it and see what can be changed, modified, added to or subtracted from that to improve. Sooner or later, obviously, we can all get tired of it and take a bit of vacation from that conditioning. But remember, coming right along is another crop of record-breakers that are competing just as hard and are just as anxious to take over the lead.

I see the results of your response to growth in the corporation's growth. I see it happening in marketing, in product development and in systems -- I really do. I perceive that everywhere. We have analyzed the "body" and say -- "Yep, all of it is healthy and we're going to make healthier, we're going to do it better."

Where I don't see it yet, but it's coming, is in quality. We're still throwing the javelin much like we were ten years ago. We have to analyze our technique and improve. Sometimes we throw the hell out of it, and then sometimes it rolls off the end of our fingers and stabs us in the toe. We will come to the point where we do it consistently all the time if we study our technique and improve it.

That is where change can begin now. We may not perceive it all over night. But like every other thing we have done that contributes to our success, we have to start it someplace, some time. And that is now.