

Kook-jin Moon Speaks at the Cheon Il Guk Leaders Assembly 2007

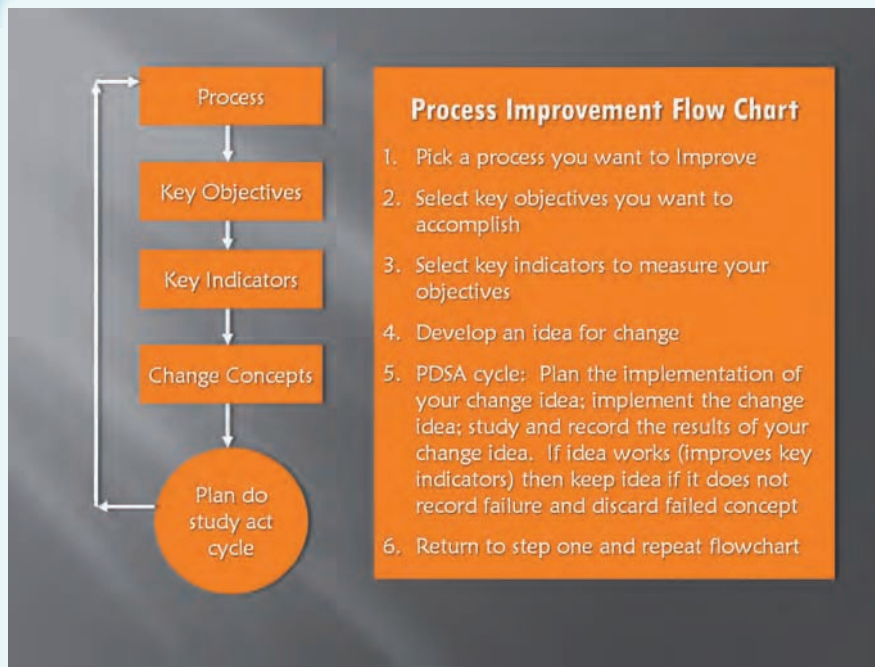
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These are the five rules of management we presented to our group: We asked our managers to choose results over status, to choose accountability over popularity, to choose clarity over certainty, to choose productive conflict over harmony and to choose trust over invulnerability.

One of the major problems we've had in the Unification Movement is that many of our organizations and leaders were more interested in preserving their position and their status than focusing on delivering actual, substantial, measurable results for the sake of our entire church. Since they were interested in protecting their status, they were not willing to face reality. As a result, reports were distorted, there were exaggerations, and dissent was basically not allowed. What we have tried to do here in the Korean Foundation and in the Tongil Group is bring in more openness. We are trying for transparency, being truthful and sharing data with all of our church. The remarkable thing is that when you show trust, respect and honesty, you get those things back.

Ours has been the work of helping people to become free and honest with themselves, helping them to become free and honest in serving our True Parents and in making substantial results. That is what I would like to share with you today—how we can become free, because today we are living in the time of liberation. Our responsibility is not to enslave people, but to free them spiritually so that they can all enter the kingdom of heaven and all become children of God.

This is the definition of Six Sigma: "It's a way of measuring processes with a goal of near perfection, represented by 3.4 Defects per Million Opportunities (DPMO); it's an approach to changing the culture of an



results. Let me show you how it works.

Continuous improvement

The Foundation business group is the process we are dealing with here. Our key objective is to make profit. The key indicator is operating profit. Our change concept is to sell or liquidate unprofitable companies that cannot be easily fixed.

We now need to implement the change concept we developed. We plan. We do the market valuation of all the companies in our business group. We decide which money-losing companies are too difficult to fix, decide which companies to dispose of. We do. We dispose of the companies we planned on disposing of. We review the results and their effect on the operating income of the group. If the effect is good, we record the change concept as a standard operating policy (SOP) of the business group.

This is the result of the first operation of the Continuous Improvement Cycle:

We sold the following: Wacom, INP, Hyundai Industries, and Sung Shin Investments. We liquidated or bankrupted: Hwa Shin, Plastic Software, Prime Salt, and Sung Won King Krill.

I don't know, my brothers and sisters, some people say that businesses sell themselves. But they weren't that easy to sell or dispose of. Our group is getting better because we are doing specific things and executing these change concepts.

This was the first cycle. We made substantial improvement by doing this. Our operating loss was reduced substantially; by this, there was a huge reduction in operating loss.

Now that we have executed and done the first cycle, we have to come up with a new change concept. The first cycle was to liquidate or sell businesses that are hard to fix. That stays as our standard operating policy; we don't throw that away. If we see the same situation again in the future, we use that standard operating policy.

Continuous improvement—the second cycle

In order to improve our group further we need to come up with a new change concept. The process stays the same. The key objective is the same. The key indicator is the same, but the change concept changes.

Here we have it again—continuous improvement: Foundation business group; key objective, make profit; key indicator, operating profit; change concept, restructure unprofitable business to make profit or reduce loss.

I don't know how many of you have done business restructuring, but in the field of management, restructuring is one of the most difficult jobs to do. To do successful business restructuring is even harder. I can tell you that for a fact because I spent countless hours working on these restructuring projects. I interviewed hundreds of people and had to make hundreds of decisions on who to fire. My friends, people do not fire themselves. This is the hard work we've been doing for two years.

The PDSA cycle: We develop a restructuring plan for the companies that are unprofitable or have low profitability. We execute the plan. We review the results and their effect on the

organization. Most accurately, though, Six Sigma is defined as a broad and comprehensive system for building and sustaining business performance, success and leadership."¹

There are six major themes in Six Sigma—a genuine focus on the customer; data- and fact-driven management; process-focused management and improvement; proactive management; "boundaryless" collaboration; and a drive for perfection, yet a tolerance for failure.

My brothers and sisters, we have all come together; we have all been brought together by our True Parents; and we all have been brought together by the Divine Principle and the teachings of this church. The Principle teaches us that with the advent of our True Parents this is the age of perfection. My friends, my brothers, my sisters, if this is the substantial age of perfection, don't you think that God has introduced concepts to achieve perfection on earth, perfection in organizations today—at the same time that He has revealed the spiritual truth of the Divine Principle to our True Parents, so that both the spiritual side and the external side can together harmoniously achieve perfection in this age?...

My brothers and sisters, perfection is achievable today. It is. But it is achievable through failure. In Six Sigma and in Continuous Improvement, in order for us to improve, we have to fail. So, when Jesus came to the earth as the Messiah, he preached to all the people of the world, "Judge not, lest you be judged." He taught us to love and forgive sinners, to embrace those who have fallen from God. All the people of the world are children of God, and it is our responsibility in this age to gather all of God's children and lead them all to the kingdom of heaven.

The process of continuous improvement is found in Six Sigma philosophy. This flow chart is called a "closed loop" system; it's a circular system—hence, continuous improvement. How does this work? First, you pick a process; then you pick a key objective. You pick key indicators. You develop change concepts. You plan. You do. You study and you act. You implement those concepts and study and observe the

¹ p. 77, *The Six Sigma Way: How GE, Motorola, and Other Top Companies are Honing Their Performance*, by Peter S. Pande et al

operating income of the group. If the effect is good, we record the change concept as a standard operating policy of the business group.

We restructured the following companies: Il hwa, Il Shin, the *Segye Times*, and TIC companies.

My vice-chairman gave you the report this morning. You can see the quality of management we've brought together. We have very good professionals working for us now.

As a result of the second round of the Continuous Improvement Cycle, our group experienced greater, additional reduction in operating loss and improvement in our profitability. Now that we have completed two of the Continuous Improvement Cycles, we have to come up with a new change concept.

A key point to understand is that business improvement, organizational development, is done deliberately. Nothing in business organization happens by chance. It all has to be planned to be successful.

Continuous improvement—the third cycle

Again the process is the Foundation business group; the key objective is to make profit, the key indicator is operating profit. The change concept is to grow businesses to improve low-profit businesses.

Then we go to our PDSA cycle.² We make a plan to grow revenues in a profitable manner to take greater effective advantage of fixed expenses. We implement the plan and review the results on the operating income of the group. If the effect is good, we record the concept as a standard operating policy of our business group.

As a result, we improved, through growth, the operating profit of Yong Pyong Resort and Sun Won Construction. All the businesses in that group have improved. Not one has gotten worse. Did this happen by chance?

Let's be reasonable now; we are all grown-ups. We can make the Tongil Group outstandingly successful. The world movement, our Unification Movement, can be outstandingly successful. But in order to realize our potential, we have to become honest with ourselves.

Based on three rounds of the Continuous Improvement Cycle, we now have three standard operating policies. We will sell or liquidate unprofitable companies that cannot be easily fixed. We will restructure unprofitable business to make profit or reduce loss, and we will grow business to improve low-profit businesses.

We've done, for example, one restructuring already in the *Segye Times*. The president of the company worked hard and had to make many difficult decisions to do that restructuring. All of us in the Tongil Foundation and in the entire Tongil Movement appreciate his effort in making those changes. We should all give the president of the *Segye Times*, President Lee, a big round of applause.

But, my friends, what is our second operating policy? It is

² The Plan Do Study Act (PDSA) Continuous Improvement Cycle, first formulated by Edward Deming, is part of Total Quality Management (TQM). TQM has been said to be the core of Six Sigma.

PDSA

- Plan: Develop a restructuring plan for the companies that are unprofitable or have low profitability
- Do: Execute the restructuring plan
- Study: Review the results and their effect on the operating income of the group
- If the effect is good then record the change concept as a SOP of the business group

restructuring unprofitable business to make profit or reduce loss. Although we have reduced the loss at the *Segye Times*, it is still substantial. That's not good enough. According to our standard operating policy, we will do restructuring until we get the proper mix of human and fixed resources, so that we can make this organization sustainable. We have made much progress, but our work is just beginning. It is not finished—this is just a start.

Now that we have done three rounds of the Continuous Improvement Cycle, what is the next challenge? We must come up with a new change concept to do another cycle, a fourth cycle. Once we complete the fourth cycle, we do a fifth, sixth, seventh. Continuous improvement goes on forever. It never stops. Organizations today are able to achieve near perfection in the quality of their manufactured products because they are continuously, incrementally making themselves, their organization and their products better. My brothers and sisters, this is truly the age of perfection. We are seeing perfection being achieved in this day, in this hour, at this time, in substance.

You've already seen the results from the accountants' statements. Those are the facts. Nobody's making those numbers up. They have all been reviewed by qualified accountants, both internal and external.

Continuous improvement—God's providence

But my brothers and sisters, we are not here to talk about business. We are here to talk about our True Parents, about God's providence and God's will for the earth. Don't you believe that God is continuously working throughout history and through all of us to bring all of us closer to Him? Don't you think God wants to save all His children, bring the entire family of man together as one family under God, without excluding one single person? My friends, my brothers and sisters, I too, share that conviction, with you. [Applause]

It is interesting that when we look at our Divine Principle and when we look at the Continuous Improvement Cycle, we can see Six Sigma and the Continuous Improvement Cycle in the Divine Principle that we read every day.

Our True Parents have already taught us everything. All the truth is right before our very eyes, but we are blind; we



do not see what is there. Now is the time to throw away our prejudices, our intolerance, our greed and our selfishness and truly embrace the truth of God, of True Parents as the True Parents of all humanity, of all the people.

Look again at the Continuous Improvement Cycle. The process we pick this time is the providence of restoration. The key objective—restoring God’s dominion; establishing Abraham as the Father of Israel; the key indicator—accomplishing the foundation of faith by a successful offering, and the change concept—make Abraham the father of God’s chosen people. This is the Principle.

PDSA Cycle: Pick Abraham as the father of the Israelite people; make him and his descendants prove their faith in God. Do— establish the foundation of faith through offerings of a heifer, ram and dove. Study—review the results and their effects on the providence of restoration. If the effect is good, record the change concept as a standard operating policy of the providence. Result—Abraham cut the bull and ram as God directed but failed to cut the dove. The dove was taken by Satan. Because of the failure of the first offering, his descendants were condemned to four hundred years of slavery.

So we failed, okay. What do we do? Do it again. This is continuous improvement. The process is the providence of restoration. The key objective—restore God’s dominion; establish Abraham as the Father of Israel; the key indicator—accomplish the foundation of faith by a successful offering; make Abraham the father of God’s chosen people.

Pick Abraham as the father of the Israelite people; make him and his descendants prove their faith in God. Do— establish a foundation of faith through offering Isaac. Study—review the results and their effects on the process of restoration. If the effect is good, record the change concept as a standard operating policy of the providence.

Result—Abraham succeeded in offering Isaac. God continued working through Isaac and his descendants to win substantial victory over Satan. The foundation of faith was fulfilled.

Continuous improvement in the process of restoration—the next cycle: Key objective—restore God’s dominion, resolve the Cain–Abel conflict at the family level. Key indica-

tor—accomplish foundation of substance by bringing Esau to voluntary surrender to Jacob. Change-concept—By restoring the Cain–Abel relationship, create the formula for successfully subjugating Satan and lay the foundation for the coming of the Messiah.

PDSA: Pick Jacob as the new Abel and Esau as the new Cain. Establish the foundation of substance through Esau voluntarily submitting to Jacob. Review the results and their effect on the providence of restoration. If the effect is good, record the change concept as a standard operating policy of the providence.

What was the result? Jacob succeeded in subjugating Esau through love. Jacob established the foundation of substance; through Abraham, Isaac and Jacob, God gained victory over Satan and established the root for Israel. The foundation for the coming of the Messiah was established.

From the Continuous Improvement Cycle we get the standard operating policy; follow Jacob’s course to subjugate Satan. Fulfill a faith offering to separate from Satan and accomplish the foundation of faith. Bring Cain to voluntary surrender to fulfill the foundation of substance.

This is the standard operating policy of the providence. Moses followed Jacob’s course at the national level. He fulfilled a forty-based faith condition and subjugated the nation of Israel through three courses.

Jesus followed Jacob’s course to become the Messiah. He fulfilled a forty-based faith condition and established the foundation of substance.

Brothers and sisters, this is the Principle. God is working through history and all of us to continuously improve us. Continuous improvement is not about exclusion but about inclusion. It’s not about intolerance but about tolerance. It’s not about punishment; it’s about forgiveness. These are things which Jesus brought to us and which Father is now teaching. I ask you: Why are you so reluctant to open your eyes to this?

Becoming the stewards of a nation

I have a question for you. What is Cheon Il Guk? It is the nation where the subjugation of Cain by Abel occurs naturally and continuously. What does this mean? When we look at the transition of power in democracies, we see this transition. Cain, represented by the party in power, bloodlessly and automatically relinquishes power to Abel, represented by the new party, which has the love and support of the people.

In this age of completion, where is God? God is with all the people. If we take this process of natural subjugation and infinitely speed it up, Cheon Il Guk is a place where all are Abel. Because in the kingdom of heaven, people who serve themselves and are only selfish cannot rise and hold positions of authority.

I have not come here on my own authority. I am here only because True Parents asked me to come here. Today, I stand here before you only in service to our church and all of our members. I did not come to judge all of you; instead, my responsibility is to be judged by you. That is the responsibility of all our leadership....

To make Korea our nation is very simple. We just need to make 50 percent of the people of this nation our members. It’s a democracy. No individual or organization is going to give us power. If we want to become the stewards of the nation, we need to make all of the people of the nation our people.

How can we do this? The problem is not the outside world. The problem is not the satanic world. The problem is

Compounded Growth



us. We are the problem. The reason we have not been able to expand our church is because we have reached a limit in ourselves. We do not grasp our True Parents' comprehension of the Principle and the truth. That is the gap. The gap is between our perception and True Parents' perception; it's between our perception and God's perception.

In the world today, VIPs and thousands of other people respect our True Parents, but they will not join our movement. The reason is simple. They know our organization is still immature. It is not capable of digesting organizations at a higher level of development. Our leaders are still immature. They have not yet risen to a level where they have truly abandoned their ambitions and their greed. Our leaders have memorized and studied the Principle hundreds of times and probably know it by heart; yet they miss the essence. Just like the Jews at the time of Jesus Christ, who knew the teachings and the Mosaic Law by heart but missed the essence. The course of indemnity is the course of a foundation-level religion. That is our current status. Ours is the course of a foundation-level, tribal-level, religion—like Judaism.

We have to get rid of the past in order for us to enter a new age where we truly universalize our church and become a growth-level then a perfection-level religion and organization. This is our struggle and our challenge today, here and now.

Investment for a time of transition

My brothers and sisters, if we can create an institution that is fair, based on policies and procedures that protect the rights of individuals' accomplishments, which seek to do justice rather than exert authority, there are many churches, thousands—tens of thousands—of churches, that will join our movement. This is the direction that I believe our True Parents are leading us in. We just need to open our eyes and see it.

The Foundation's goals in terms of business are very simple. They are to increase the market value of Foundation companies, to increase the market value of Foundation property and to provide cash flow to support church growth. We can do it.

This is a good illustration of compounded growth rates.

This is where we started from fifty years ago. This is where we are today. If we truly follow our True Father's intent, where can we be fifty years from now? This is a graph showing compounded growth rates over fifty years. If we have started out with one billion dollars of church assets, if we grow at ten percent, after fifty years, we will have 120 billion dollars.

Over fifty years, if we grow at 12.5 percent, starting with one billion today, we will have over 360 billion. If we grow at 15 percent, we will have more than one thousand billion.

The lesson is very clear. Moderate rates of return over a long time will produce exponential growth in investment value. It is more important to stay in the game than to win big. You stay in the game by avoiding risk and preserving capital. The preservation of capital is the fundamental building block of investment strategies. Our failure is not that we invested too little; it is that we invested too much. We should remember this point.

This is a slide showing the indemnity period versus liberation. There is a clear divide. It is very different. The times of God's providence before Jesus came and after Jesus came are very different. The same is true of our situation. The times of the Unification Movement on the foundation level and on the growth level are very different. We have to make this transition for us to realize God's will and True Parents' vision. In the indemnity period we have the process of making the foundation of faith and substance, Noah building the ark, Abraham's offering, Moses in the wilderness—a period of absolute obedience to irrational orders.

The period of liberation is different. It is a period of the coming of the Messiah and his acceptance, the period of understanding God's intent rather than following the letter of the law, the period where man governs himself by his own conscience, a period of brotherhood and universal acceptance....

What does this mean for me? We have all suffered. I have suffered, you have suffered—but we have to remember that we suffer so that others do not have to. Unification Church members must learn to be more open and embracing and universal. It is a period without discrimination, a period when all people can inherit God's blessing and the kingdom of heaven because of True Parents' sacrifices.

I will leave you with one last slide. These are True Parents' words from God's Ideal Family and the Responsibility the Citizens of Cheon Il Guk are Called to Fulfill.

The main attributes of God's true love are that it is absolute, unique, unchanging and eternal, so whoever practices true love will live with God, share His happiness, enjoy the right to participate as an equal in His work and the right of inheritance. Therefore, a life lived for the sake of others, a life of true love, is the absolute prerequisite for entering the kingdom of heaven.

Our True Parents and God have given us the keys to the kingdom of heaven. All we need to do is practice it.
Komapsumnida! ♦