

**Management Today
August, 2009**

Page: 19
 Section: General News
 Region: National, AU
 Circulation: 28764
 Type: Magazines Business
 Size: 4,976.17 sq.cms.



press clip

INFOCUS

THE TOP MANAGEMENT ISSUES

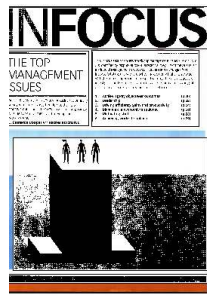
Since 2007, *Management Today* magazine has annually surveyed readers asking them to rate their top management issues. The 2009 survey, not surprisingly with the current climate, has thrown up some new concerns.

By **Cameron Cooper** and **Rachel Borchardt**.

This Infocus section covers the six top management issues (from a list of 30) identified by respondents to the recent survey run on the Australian Institute of Management's website. There are some changes from last year's listing, and with the tightening economy that's no surprise. With the help of experts in their respective fields, these six issues are investigated and examined for impact, while a smorgasbord of insight and practical advice is offered on addressing them.

- | | |
|---|---------------|
| 1. Achieving key objectives/outcomes | (p.20) |
| 2. Leadership | (p.22) |
| 3. Driving efficiency gains and productivity | (p.24) |
| 4. Managing in economic turbulence | (p.26) |
| 5. Motivating staff | (p.28) |
| 6. Achieving work/life balance | (p.29) |



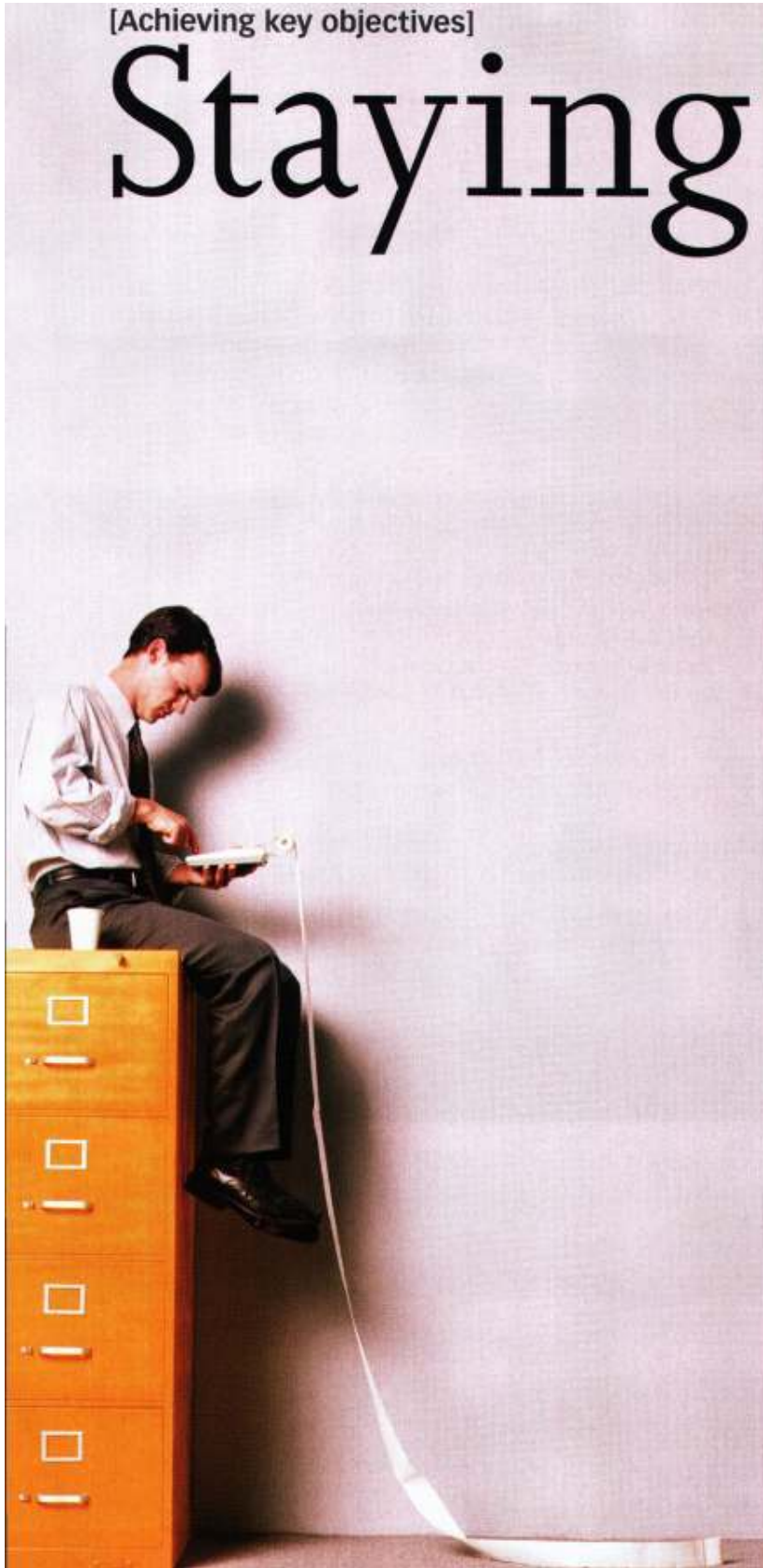


Management Today
August, 2009

Page: 19
 Section: General News
 Region: National, AU
 Circulation: 28764
 Type: Magazines Business
 Size: 4,976.17 sq.cms.



press clip
 →



[Achieving key objectives]

Staying

on top

Managers need to look at all parts of their business approach if they want to hit business targets.

A quick history lesson may be useful for managers who want to slash costs in the hope of shoring up their finances during the economic downturn.

In the book *Downsizing: Reshaping the corporation for the future*, American management consultant Robert M. Tomasko revealed the results of more than 1000 businesses that resorted to firing staff to save cash in the late 1980s and early 1990s. The upshot? More than a half did not cut expenses, two-thirds did not increase profit, and one in three did not increase productivity. Those findings were endorsed by a 2007 study by international management consultancy, Arthur D. Little that produced almost identical results.

The research is a timely warning for contemporary business managers and comes in the context of economic crashes in the early 1990s and 2000-01 when many employees were shown the door.

Fortunately, according to Pitcher Partners Managing Partner Don Rankin, chief executives fighting the latest financial crisis appear to be resisting the urge to recklessly retrench staff.

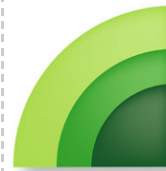
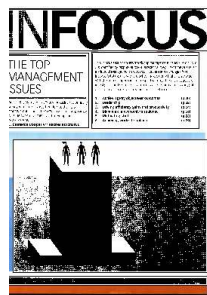
"There's been a much greater understanding of the value of people this time," he says. An overtime ban and nine-day working fortnights are among the more palatable options being presented to employees.

Rankin says there is also growing appreciation that CEOs and their management teams need to work more closely together if their stated business objectives are to stay on track.

"Don't wear it all yourself," he advises bosses.

Beyond lip-service

In this year's *Management Today* top management issues survey, achieving key objectives and outcomes has leapt into first place on the list of key management challenges on the back of the financial crisis.



press clip

“An overtime ban and nine-day working fortnights are among the more palatable options being presented to employees.”

Don Rankin



Don Rankin,
Pitcher Partners

Neil Sylvester, a Director at consulting group Partners in Performance, says there has been a clear reshaping of business expectations.

“And there’s been a major swing from an emphasis on throughput and growing capacity... to maintaining sales and cost-focused initiatives,” he says. “It has happened very quickly.”

As companies respond to market changes, many managers have rushed to overhaul key performance indicators. However, Sylvester says that approach needs to be just one part of an overall approach if organisations want to hit their business targets.

“It’s all very well to change KPIs, but if people pay lip-service to this, and the business doesn’t have processes in place that enable it to respond, then the whole exercise will be fruitless.”

Sylvester offers a checklist of actions for managers:

- assess the business’s target-setting process
- think about better prioritisation of initiatives
- track results and make sure projects deliver cash
- ensure managers and their teams are held to account for the delivery of projects
- there should be consequences for not meeting KPIs.

In addition, Sylvester says, managers should not return to ‘the bad old days’ of cost paranoia that can derail any efforts to achieve long-term business objectives. Rather than slashing budgets blindly, he advises that it may be better for a business to run, for example, two out of three facilities or projects as efficiently as possible.

Plan, plan, plan

To have any realistic prospect of meeting business outcomes, planning and follow-through is essential.

Donald Abell, Partner, Middle Market Advisory at KPMG, says the present financial crisis represents a clear opportunity for managers to tackle inefficiencies and target realistic new objectives.

“If they do that and get through crises like this, they will come out of it very strong,” he says.

By the same token, Abell says reassessments of targets in present markets may lead to an understanding that the high levels of corporate profitability in the

late 1990s and early 2000s are not attainable. “Managers should be taking a sensible and measured approach to questioning the direction that the company is going in; what are their objectives, what strategy are they applying to achieve those objectives, and what outcome are they therefore anticipating they will achieve. Get those all clearly defined so there’s no ambiguity.”

Abell is a fan of the management book, *The fish rots from the head*, which concludes that the most senior people in any organisation are ultimately responsible for business performance and that managers must live out their strategies if they hope to motivate employees.

Ramping up revenue

Don Rankin also notes a present tendency among some of his firm’s clients to consider additional product lines or seek acquisitions and mergers to maintain or boost revenue streams.

The key, he says, is to use existing infrastructure efficiently to create revenue opportunities rather than relying on short-term cost cuts that may dampen the long-term success of the business.

“In a lot of ways it’s easier to keep going if you can keep the revenue line up rather than having to cut into your core infrastructure.” **MT**



Donald Abell,
KPMG

Hitting targets

Donald Abell, KPMG, on realising financial objectives:

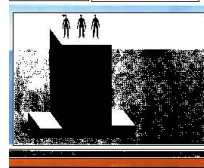
“I tell my clients in tough times their customers will be paying somebody; they just need to make sure it’s them.”

Neil Sylvester, Partners in Performance, on controlling costs:

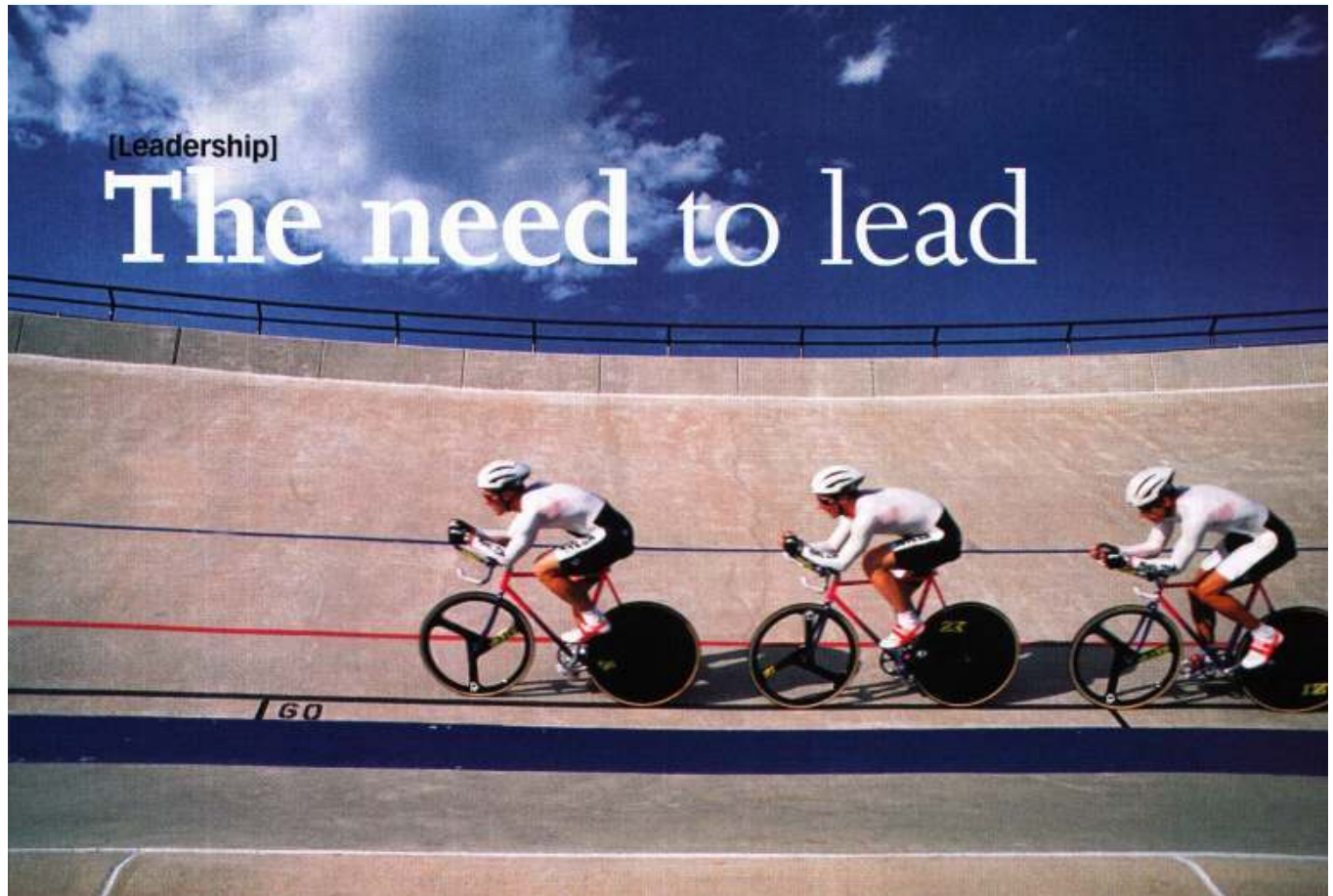
“With senior managers, a don’t just tell them ‘we want to reduce costs by 10 per cent’. Make sure you know how your managers are going to respond to that.”

Don Rankin, Pitcher Partners, on staff training:

“Many salespeople have been mere ‘order takers’ in the past couple of years because of strong markets and now they have to get back out and sell. It requires retraining – and rebuilding-sales programs.”



press clip



When the going gets tough, line managers and staff look to their leaders to lay down a course of action and provide much-needed inspiration.

At 5am each Saturday, Rachel Argaman sits down at her computer and starts to write an email to all employees at her booming hotel chain. About three hours later, the CEO of Toga Hospitality hits the send button on a communicate that covers the gamut of the business's interests: group results, feedback on field trips, analyses of individual hotels and general words of congratulation and encouragement.

Experts' tips

Quentin Jones, Human Synergistics Australia, on the importance of better engagement and followership: "That trickles down to performance because people's hearts, heads and whole being are committed to what the business is about."

Sue Forrester, The CEO Institute, on empathy for staff: "Put yourself in the shoes of your employees; try to understand before being understood. In these times, it's about communicating well and understanding your employees. If you do that well they'll be content rather than fearful."

"It is my ritual," Argaman says. "Everyone knows about each other's performance and everyone is focused on that."

It is part of a leadership philosophy that has seen Toga Hospitality, which manages the Medina, Adina, Travelodge and Vibe brands, grow from about 10 properties to 48 over the past decade.

With five more properties under construction and a chain boasting hotels in Australia, New Zealand and Europe, Argaman and her team are defying the global financial crisis. She has no doubt that outstanding corporate leadership is "the key differentiator now, and always" for companies, and believes clear communication with staff lays a platform for success.

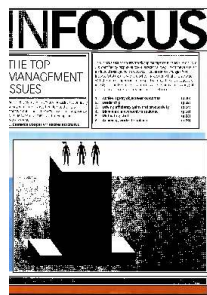
"Action always inspires hope and one of the hallmarks of great leadership is the clear articulation of strategy."

Pulling the levers

Leadership has featured in the top six of *Management Today's* readership survey of management priorities for the past three years.

Peter Fuda, Principal at The Alignment Partnership, is not surprised. Of all the levers at the disposal of CEOs, including strategy, structure, metrics, systems and skills, he says none is as important as good leadership.

"In fact, I've come to the conclusion that the lever of leadership is more important than every other lever combined," he says.



Management Today
August, 2009
 Page: 19
 Section: General News
 Region: National, AU
 Circulation: 28764
 Type: Magazines Business
 Size: 4,976.17 sq.cms.



slice
 slicemedia.com

press clip

“Everyone thinks that when things get tough you need more of that autocratic, kick-the-crap-out-of-people leadership.”

Quentin Jones



Quentin Jones,
Human Synergistics Australia

Fuda believes employees are looking to their senior management team for cues. Rather than merely reporting the news that markets are in turmoil, he suggests CEOs “really need to be authors”.

“They need to be plotting, scheming and planning the next chapter of the journey. And they need to see the current environment, no matter how dire, as just one input into their plans rather than something that totally predetermines the actions they might take.”

Theory of impact

The Alignment Partnership embraces a theory of impact, which maintains that CEOs’ success should be measured against how they enable others in the organisation rather than any personal goals. To this end, three leadership attributes are vital:

- awareness: CEOs should know what they do not know
- accountability: they should be answerable for their own behaviour while also holding staff accountable for their actions
- authenticity: they should be open about their imperfections because followers will welcome such honesty.

“Everybody knows the CEO doesn’t have it all worked out,” Fuda says. “When they stop pretending, the more likely they are to engage people in the journey ahead.”

Financial crisis

Sue Forrester, Chief Executive of The CEO Institute’s Queensland arm, has been on hand as senior executives thrash out the important issues in the wake of the financial crisis.

She encourages the notion of having a team of leaders who inspire, motivate and communicate with their staff.

“A company is not all about one leader but a group of leaders,” she says. Diversity within the senior leadership group is also important.

“If you have a charismatic leader as your CEO, you may well need different styles of leadership sitting beneath to ensure you get diversity around the table. Similarly, if you have a methodical leader you may well need some different leadership and thinking styles within the team to be motivating and communicating with employees.”

Forrester advises corporate leaders to stand by their promises (say what you are going to do and deliver on the promise); model the way (set the example by aligning your actions with the corporate values); and avoid kneejerk decisions (removing coffee from the staff canteen and getting rid of pot plants can save some money but may damage morale more).

The blame game

Quentin Jones, Director of organisational development consultancy Human Synergistics Australia, says too many leaders in times of trouble revert to passive-aggressive behaviour and avoid the difficult management calls. They blame others, redirect fault and engage in a strategy he describes as CYA, or cover your arse.

“Everyone thinks that when things get tough you need more of that autocratic, kick-the-crap-out-of-people leadership. (But) you still need inspiring leadership that has a vision and that is prepared to pull people rather than push people.”

While the tendency during an economic downturn is to cut costs, Jones says a management maxim holds true in all markets: good leaders value good people.


“(And) good companies outlast bad companies,” he says. “Part of being a good company is what you do with your people in these times.”

Corporate success

For Rachel Argaman, corporate success comes down to a simple and constant equation: revenue minus expenses equals profit.

“I believe, in times like these, that leaders have to get back to basics, get in among their teams and model the way by focusing on those two simple things,” she says. “Revenue has to be driven by motivated teams delivering quality service or products to happy customers, and expenses have to be managed with forensic attention to detail.”

At the same time, Argaman will continue her weekly email ritual to stay in touch with staff.

“I cannot emphasise enough how important communication is: communication across the whole organisation!” 



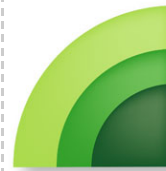
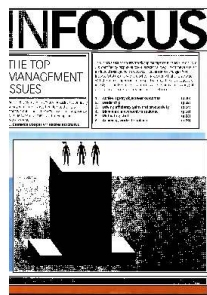
Peter Fuda,
The Alignment Partnership



Rachel Argaman,
Toga Hospitality



Sue Forrester,
The CEO Institute Queensland



press clip

[Driving efficiency gains and productivity]

Bridging the gap

Increasing productivity is a key to business survival and success, but many companies simply fail to achieve the necessary gains.



Paul Geason
Telstra

At any given time of the day, telecommunications giant Telstra has about 7000 technicians driving around the nation in trucks as they repair phone lines.

It is a mammoth logistical task that has to be managed efficiently. "We want to make sure that we get the right skills, the right asset, to a particular customer need on time, and are able to resolve that problem the first time," says Paul Geason, Executive Director, Convergent Sales at Telstra.

"That will then mean that we're able to attend to more jobs and we can reduce the overtime of our workforce and increase the levels of satisfaction of our customers."

The aim at all times is to ensure that productivity is as high as possible.

accurately measure and manage productivity if they hope to address the 'productivity gap'.

Tony Markwell, National Head of privately held business services at business consulting firm Grant Thornton, says the problem extends to the SME market and often becomes obvious after a period of economic prosperity.

"When you've gone through a boom period, inefficiencies get built into all parts of your business," he says. "You chase profitless volume, you do work that overruns just to get jobs out the door, and you keep people busy for the sake of being busy."

To effect change, Markwell says an overhaul of remuneration strategies is a good starting point.



Karen McWilliams
Institute of Chartered Accountants

"A business needs to be looking five, 10 years down the line in terms of what it's going to do."

Karen McWilliams

"From my perspective, productivity for us is very much about being able to get more from either the same amount of assets or resources, or, in some instances, given the state of many organisations today, getting more from less," Geason says.

Bridging the gap

Amid the economic downturn, it is understandable that managers want to improve productivity. The truth is, however, that many companies struggle to do so.

According to an independent survey, *The Telstra productivity indicator: A report on business attitudes towards improving productivity in Australia*, 78 per cent of the nation's largest organisations believe ramping up productivity is a high priority, but only one in two have any systems in place to measure improvements or set targets. The study concludes that companies should

"So you might reward people for finding cost savings, for doing jobs under budget. You might find ways to really drive your workforce in a different way to what they were in the past couple of years."

Metrics matter

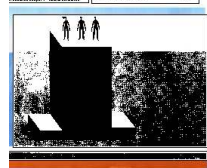
Part of the problem with efforts to boost productivity is that confusion often surrounds the very concept.

A dictionary definition of productivity typically refers to measures of output from production processes and factors in the quantity and quality of that output in relation to units of time. Semantics aside, most analysts agree that for real productivity gains to be achieved through business processes they must be subject to robust measurement alongside other common metrics such as profitability, revenue, sales and costs.

The Institute of Chartered Accountants in Australia is



Tony Markwell,
Grant Thornton



press clip



championing "broad-based business reporting", a tool encompassing operational and financial reporting that is designed to give stakeholders a better understanding of business performance. It aims to help organisations adopt standardised methods of using key performance indicator reporting.

Karen McWilliams, the Institute's Manager of Chartered Accountants in Business, says "You can't manage what you're not measuring.

"It might be a case of more effectively managing your labour (and assessing) the number of hours you've got staff employed. Our perspective is really that businesses need to go back and start thinking about their limitations – what are the limited resources that they have – and then look to measure their performance in managing them more effectively."

McWilliams argues that the focus on shareholder returns often means that financial metrics, such as revenue and profitability, commonly dominate boardroom discussions and can encourage short-term strategies.

"A business needs to be looking five, 10 years down the line in terms of what it's going to do," she says. "Now is the chance, with all this economic uncertainty, to actually put in place strategies that look to that longer term."

Productivity measures

Markwell says productivity measures are especially important during a downturn.

"When you are very busy, one of the first things to go is the internal administration," he says. "People get behind in accounts and don't review and make decisions on the accounts... If you're more cost conscious and running a leaner margin, your accountancy and your financial performance needs to be up to date and you need to review it and track it."

Despite suggestions in some quarters that email and social networking sites are distracting employees and wasting work hours, technology remains a crucial component of the productivity jigsaw.

An analysis of economic research by strategy consultancy ACIL Tasman, *ICT as a driver of productivity*, reports that information and communication technologies (ICT) are increasingly important to productivity improvement in international economies, including Australia. It claims the contribution of technology, and primarily ICT, to productivity growth is up to 75 per cent in some sectors over the past two decades.

Technology as a tool

At Telstra, Paul Geason has no doubt that technology is a great tool for driving productivity.

"(But) I've never been of the view that technology solves problems," he says. "People solve problems and technology can enable people to collaborate, to share information, to make better decisions quickly."

He says that while higher productivity hinges on extracting greater outcomes from the same or fewer assets and resources, "quite often, what it really is about is improving work processes, working smarter, working more flexibly." **MT**

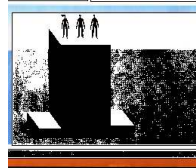
How to improve productivity

Tony Markwell, Grant Thornton, on the importance of people power:

"There is no substitute for motivation. You can put rules and regulations in place, but without highly enthusiastic staff, productivity efficiencies become harder to achieve."

Karen McWilliams, Institute of Chartered Accountants in Australia, on the virtue of patience: "When changing internal processes there may be some initial pain up front – the cost of training, for example – as you get these things in place. But you should be looking to the long term."

Paul Geason, Telstra, on the imperative of good leadership: "It comes down to traditional methods of leadership in terms of a strong focus in identifying targets – targets that can be monitored and measured – and then there's the constant discipline of governing those outcomes."



press clip



[Managing in economic turbulence]

Manage for the long term

It's tempting to look short term during an economic downturn, but the smart managers keep their eyes on their long-term goals.

In a hospitality sector that has taken a hit during the economic downturn, The Coffee Club is showing remarkable signs of resilience.

The impact on trade at the cafe chain has been negligible, according to co-founder Emmanuel Drivas. And, with about 27 new stores scheduled to come on line before the end of the year, business growth remains strong. Two key factors are helping, according to Drivas. First, price points for food and coffee have been set to meet the franchisor's original aim 20 years ago to offer a stylish but affordable meeting venue. Second, while cash-strapped consumers may be shunning a new car or fridge, they still want some enjoyment out of life.

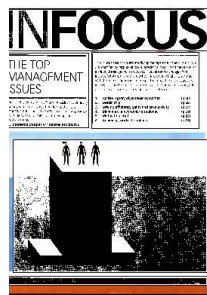
"Anyone can afford a cup of coffee and a sandwich, and that's the price point that we're in," Drivas says. "In these economic times I think people do want to go out and relax."

With 240 stores across Australia, New Zealand and Thailand, The Coffee Club is a significant player in the food and beverage market. To counter the financial crisis, some rivals are resorting to value meals to lure customers. While Drivas says "that's not the way we want to go", he acknowledges that the public does want a little bit extra.

"What we're focusing on is adding value by giving people extra-good service."

Framework for success

In this year's *Management Today* survey of readers, managing in economic turbulence has inevitably become one of the hot issues. As markets flounder, many managers are facing the novelty of steering their corporate ships in rough seas. Professional services firm Deloitte has shown the value of sound advice and innovative thinking on the back of the release of its *Managing in volatile times* framework, which helps companies fully assess the impact and opportunities that the present economic environment presents. Not only does the program showcase the firm's thought-leadership skills but



Management Today
August, 2009
 Page: 19
 Section: General News
 Region: National, AU
 Circulation: 28764
 Type: Magazines Business
 Size: 4,976.17 sq.cms.



slice
 slicemedia.com

press clip

it has also been a major driver of new business.

One of the brains behind the framework, Deloitte Managing Partner NSW John Meacock, says feedback from senior executives suggests they have been pleased to have a positive and proscriptive plan to follow during the crisis.

"We've had a very positive response from the market," says Meacock, who adds that Deloitte has rolled out the concept in about 30 countries following its success in Australia. "It has been one of the things we think has held our organisation up very strongly in this market."

At the heart of the model are five levers to which companies should pay particular attention: revenue, costs, assets, foundations and expectations. In the present climate, Deloitte advisers have noticed some managers become paralysed with indecision.

For companies reliant on successful sales strategies, O'Donnell notes US business researchers Philip Lay, Geoffrey Moore and Todd Hewlin, who argue that managers should aim for higher sales via 'provocation'.

"By this, they mean that good sales are possible, even in a downturn, if the seller takes the time to find out exactly what are the pressing problems for their clients, and to come up with original and workable approaches to assist them," she says.

"This approach involves identifying a big problem, such as a threat to the client's bottom line, then developing a provocative point of view on the problem, which challenges conventional wisdom."

As The Coffee Club prepares to open about 27 new stores before the end of the year, Emmanuel Drivas acknowledges that the franchise model is serving



Loretta O'Donnell,
Australian School of Business

If leadership is showing fear, it then goes through the whole company." John Meacock

"If leadership is showing fear, it then goes through the whole company and creates real organisational issues. So because they freeze and don't take action early enough, they then overreact at a later time with rash action."

Deloitte is urging businesses to develop a strategy that is both offensive and defensive, a balancing act that requires genuine leadership from senior management.

"That's where people struggle a bit," Meacock says. "You need to be paring back costs and doing a range of those things, but you also need to be agile and ready to seize the opportunity and be spotting those opportunities to be offensive."

Protecting your talent

Loretta O'Donnell, Academic Director of the Graduate Certificate in Change Management at the Australian School of Business, says the kneejerk response in tough times of many knowledge-intensive organisations, in which salaries typically represent a high proportion of expenses, is to retrench some employees.

"However, human capital can be a firm's most strategic asset, so cutting people can limit innovation, growth potential and momentum," she says.

O'Donnell says managing change poorly in times of crisis leads to cancerous employee outcomes, including lower motivation, active rumour-mongering and poor communication. "In knowledge-intensive firms, these kinds of issues can lead to less discretionary work effort and lower performance. Staff are less likely to work extra hours with extra vigour if they are not sure of their own security in a changing environment."

the business well during the downturn. "We grow through franchisees; they're our growth, they're our banker," he says.

While signing up franchisees can sometimes be problematic in a tight lending environment, Drivas says the crisis is even having an unexpected benefit on the recruitment front. In recent months, there has been a surge of franchise enquiries from former middle managers who have been made redundant.

"I think people are actually buying themselves jobs." **MTI**



John Meacock,
Deloitte

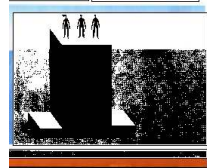
Fighting back

Deloitte Managing Partner NSW, John Meacock, offers three key messages when managing in economic turbulence:

Costs: "In bad economic times, companies go straight to the cost lever. Clearly, it is a very legitimate move and it's a great opportunity in this market to resize and rebase costs. Our concern, though, is that cost is used as a very blunt instrument. Across a range of other areas, including things like revenue, there are a lot of things that an organisation can do that can make a significant difference."

Leadership: "The key is decisive leadership. You've got to be taking some very clear action and have clear plans, and be willing to adapt and be ready to be agile."

The rebound: "We're taking a strong view that you need to have a view... As a management team, we've said we think calendar 2010 is going to be stronger than calendar 2009. So cutting graduate recruitment due to the credit crunch doesn't make a lot of sense. We're going to need those people in 2010 and going forward, so why would we do what others seem to be doing, which is reducing their graduate intake?"



press clip

[Motivating staff]

Invest in your staff



Investing in your staff during hard times is a recipe for success.



Naomi Simson,
Redballoon

If the economic downturn has taught Redballoon CEO Naomi Simson one thing, it is that there is a direct correlation between an engaged workforce and the profitability of an organisation. She has put this into practice herself.

As the head of Australia and New Zealand's leading online gift store, Simson says one of the keys to keeping your team motivated throughout a financial crisis is to invest in them. At the heart of this philosophy within her organisation is the 'lunch and learn program', which sees employees hear from interesting commentators ranging from forensic policemen through to movie scriptwriters.

"We bring in speakers every so often and they share their story," Simson says. "These people view the world in a different way and have had different experiences and, therefore, give our people a new insight. It extends them."

Underpinning the success of the program is a sense of management giving something back to the team.

"It's not about what you can get from staff," according to Simson. "It's also about what you can give as an employer."

As the effects of the economic downturn hit the bottom line, many employers may balk at allocating more money for workers, given that it is hard to measure motivation as a business metric.

However, Simson says it must be a priority if managers want to retain their elite talent.

"At the moment we're in the circumstance where organisations almost think they shouldn't invest in their people because they've had to let some go. Well, the people who are left behind will remember that."

They're worth it

How quickly markets can change. A year ago, generation Y workers were flitting from job to job and many industries were complaining about a skills shortage.

Now managers are faced with the prospect of reassuring and motivating staff, many of whom live in fear of being retrenched.

Investing in staff need not be a costly exercise, according to Terry Hawkins, founder of People In

Progress, who has trained more than 100,000 people in the business sector in her role as a presenter on human performance. She says managers can encourage others simply by projecting a positive attitude.

"Great leaders and managers make it exciting and challenging and they wear the brunt of the fear," Hawkins says.

Two-way communication with employees is also crucial, according to Hawkins.

"People want to improve and they want feedback. Being able to give them that feedback is a powerful way of challenging people and helping them to develop."

Managers, too, should not be afraid to ask their workers for assistance or advice.

"(Showing such) vulnerability is a powerful leverage with staff," Hawkins says.

With corporate researcher IBIS World forecasting that half-a-million Australians will lose their jobs by July next year as businesses try to combat the recession, Hawkins urges managers to be up-front with employees and equip them with coping strategies. For example, she was called in last year to make presentations on managing personal change to local government employees before a council amalgamation process that ultimately led to restructuring and some job cuts.

"Have the guts to tell them the way it is and then give them the strategies of how to cope... You've got to manage the fallout and not brush it under the carpet."

A team effort

A range of other strategies can help boost staff morale. Providing additional training opportunities for career development is a proven winner, especially during a downturn when some workers may be idle. Incentives, financial or otherwise, for salespeople can provide a win-win scenario whereby both the individual and business can benefit (see panel page 29).

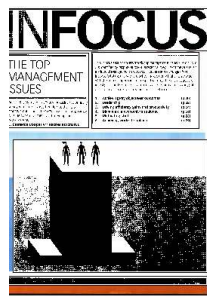
Anne Barclay, a Director at business performance consultancy HR Advantage, says it is important to keep workers engaged as part of a planned and proactive process. An emphasis on building or rebuilding strong



Terry Hawkins,
People In Progress



Anne Barclay,
HR Advantage



press clip

teams is one way to capture the minds of workers who may have seen some of their colleagues depart the company because of the downturn.

"Change is very derailing for everyone involved... and teams can fragment under those circumstances if there isn't somebody paying attention to morale, someone helping to focus the team and make sure they're still focused on the outcomes they need to achieve."

Conveying positive messages about the business can also act as a circuit-breaker against the constant doom and gloom of a recession, according to Barclay.

"You want to put forward messages around (the theme of) 'we're in tough times but we're making decisions about the long-term viability of the company and we're looking to the future,'" she says. "People can focus on that and not get too distracted by the other things that are going on."

While setting challenges for employees is important, Barclay warns against setting the bar too high.

"It's very demotivating to feel you've been set goals or challenges that you can't possibly meet. That spirals motivation down."

At RedBalloon, Naomi Simson believes it is up to management to nurture employees and maximise their

personal and business development. By helping staff and meeting their needs, the business ultimately wins, too.

"Remember, if you make a contribution to people they are usually pretty willing to contribute back," she says. "There has never been a better time to invest in your people." **MT**

Good intentions

Providing incentives for staff does not have to be a budget breaker, according to corporate motivator Terry Hawkins.

"I always believe it's not the incentive that motivates but the intention behind the incentive; what it stands for," says Hawkins, the founder of People in Progress, who believes a personal or creative reward often goes a long way.

"I know of one company that gave away \$20 trophies and staff would go crazy for them," she says.

And, while cash bonuses are always appreciated, Hawkins warns businesses to steer clear of token incentives. "Staff get offended when they get a piddling amount."

[Achieving work/life balance]

Flexible work

Flexible work arrangements are no panacea; there needs to be plenty of flexibility from managers and staff if they are to work effectively.

When Queensland Firebirds netballer Alissa Castrisos took on a permanent role as a solicitor at Mallesons Stephen Jaques, she made it clear to bosses that she wanted to give 100 per cent to her legal and sports careers.

Even for Castrisos, a goal attack known for her speed and agility, it has not been an easy juggling act at the Brisbane arm of the national firm given that she has to attend training most afternoons.

However, Partner-in-Charge Berkeley Cox says Mallesons is serious about promoting employees' work/life balance and has set clear terms that enable the relationship to work.

"It was important for us to deliver on her individual needs to give the Firebirds everything, but also give us everything in the context of the hours she was prepared to work," he says.

"She leaves every afternoon about four o'clock to attend her training sessions and takes off days if the game's on a weekday. In exchange for that, Alissa has a salary sacrifice (deal)."

The Castrisos case is not unusual for Mallesons. Over the past 10 years it has implemented flexible working arrangements to meet the diverse needs of employees. Four-day weeks, nine-day fortnights, and early finish

times to help parents collect children from school; they are all part of the mix.

A balancing act

A talking point for many years, work/life balance makes another appearance on the list of management challenges in this year's *Management Today* top management issues survey of readers.

Kate James, a Director at business and executive coaching consultancy Total Balance, spends much of her time advising clients on how to balance professional and personal objectives. She says the economic downturn is forcing many people to reassess their priorities.

"People's perspectives have changed a little bit; we're not looking at the idea of career being everything," James says.

That can present a challenge for managers. When an employee requests greater work flexibility, James argues it is critical that managers at least acknowledge the plea.

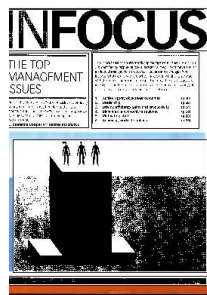
"The most important thing is that people feel heard, so there is a conversation around it and that it's fairly transparent." If the request is denied, James says it is incumbent on management to explain the logic behind that decision. People feel less resentful when they understand the reasons."



Kate James,
Total Balance



Berkeley Cox,
Mallesons



Management Today
August, 2009
 Page: 19
 Section: General News
 Region: National, AU
 Circulation: 28764
 Type: Magazines Business
 Size: 4,976.17 sq.cms.



press clip
 →

infocus



“We see very strong benefits for the organisation if we can meet individuals’ needs. Provided both parties are prepared to be flexible, the arrangements can work.”

Allen Wiseman



Allen Wiseman,
Kimberly-Clark

For managers fielding such work/life requests, James offers some advice: think outside the square and, most importantly, apply consistent decisionmaking to all members of staff.

Healthy habits

Employing more than 1650 people across all states and running a manufacturing operation that runs around the clock seven days is no easy feat for Kimberly-Clark, a manufacturer and marketer of health and hygiene brands such as Kleenex, Viva and Huggies.

The company’s Human Resources Manager, Allen Wiseman, says one of the key corporate challenges is keeping employees engaged. By offering flexible work arrangements, he says the business has been able to meet the needs of both the company and its staff.

“We see very strong benefits for the organisation if we can meet individuals’ needs. Provided both parties are prepared to be flexible, the arrangements can work.”

It is not always easy, and Wiseman says being clear and consistent as to how the working arrangements operate is required.

“We manage through a well-defined policy and guidelines to help leaders work through the process with individuals to understand their needs and to determine whether we can meet those needs.”

Kimberly-Clark is also conscious of meeting the necessary legal and occupational health and safety requirements before granting staff permission to work from home.

The employer is just as liable for someone’s health and safety in their home office as they are in the work environment, so caution is required.

“It’s not just a matter of saying ‘yes, you can work from home’. Obviously, there are a number of risks if an employee is operating their computer on the ironing board in their living room. So we ask the staff member to work through all the issues and respond to us as to how they would meet them in that more flexible working arrangement.”

Working options

The range of flexible working options is on the rise as companies seek to recruit and retain the best talent. Teleworking, job sharing and compressed or staggered hours are gaining in popularity, but managers should assess a staff member’s aptitude to work independently and manage their time before signing off on any such agreements.

At Mallesons, Berkeley Cox acknowledges it is not always possible to meet the needs of every employee.

“It’s a very difficult issue balancing client needs with staff needs. What we need to do is create an environment that empowers our staff to do the work in as flexible a manner as possible.”

He says, nevertheless, that it is essential to keep an open mind about new approaches. “The process is always evolving and will continue to evolve... and our learning about what is useful will be shared on a systematic basis throughout the entire firm.” **MT**

Walk the talk

More and more employees are taking advantage of flexible working deals such as varied contract hours and working from home.

Total Balance Director Kate James praises such arrangements, but says managers must still ensure that workplace teams are synchronised.

“You actually need to be mindful of the fact that, for the team to be cohesive, you need to bring people together on a regular basis,” she says. Doing so in a creative and stimulating way can ensure workers are still productive.

“I have one client who started conducting his one-to-one meetings while going for a walk. That’s thinking outside the square; you get a bit of exercise, you get outside and you get to have your meeting.”