John Harrison and Company

MONTHLY NEWSWIRE

APRIL 2014

Dear Client,

Welcome to our monthly newswire. We hope you enjoy reading this newsletter and find it useful.

Best wishes

John Harrison

WHY TOO MUCH AUTOMATION IS NOT A GOOD THING

Thanks to advances in technology, there is a constant drive towards the automation of processes within businesses. From running the monthly payroll to producing reports for customers, there is usually a process that can be automated by a system. Managers are focusing on doing more with less in this constant drive towards increased business efficiency.

However, too much automation can actually lead to a dead end in terms of increased productivity. Removing people from the day-to-day production of goods and services removes the one facet that machines cannot (yet) replace: the ability to innovate.

Innovation is driven by human interaction with, and frustration with, the existing process for creating a useful good or service. Automating a process reduces this interaction and limits the extent to which improvements can be identified.

Companies with automation initiatives therefore have to take extra steps to ensure that the creative involvement of humans stays high in every one of their business and production processes. Feedback loops must be built and nurtured. Management must foster active process observations and seek constructive criticism.

If your business is highly automated, you should assign a small group of people to focus on productivity improvements. For example, they should try and identify any gaps in your processes, and seek feedback from other employees. Your customers are also equipped to tell you where you can improve on your product or service quality, efficiency etc.

Make sure that this information is fed back into a continuous improvement process. The idea is to innovate and create better solutions, as well as to make the better use of technology.

AVOIDING ISSUES IN MANAGING YOUR TEAM

Managers act as the front-line between chief executives and their employees. They are tasked with not only 'getting the job done', but are also expected to motivate their employees, act as role models for staff, promote a positive work environment and transmit the vision and mission of the firm.

Managers are also expected to make daily employment decisions that could have significant legal ramifications for the business. Here are a few tips to help managers to get it right:

Recruitment

Even before recruiting staff, managers have to be aware of the basic rules and regulations. When interviewing, managers should try to avoid a situation where a rejected applicant can claim there was some sort of prejudice colouring the decision not to hire them. To avoid this issue, it is important to avoid asking about medical history, age, religion etc. The only things that should be discussed during an interview are issues that directly pertain to the job at hand, such as the requisite education, skills or experience needed for the job.

HR Regulations and Requirements

HR regulations are very complex and cover everything from wages, overtime, the working-week and other areas of employment law. The most important rule for any manager is not to presume that you know all the rules and legalities regarding employment. Always consult HR when in doubt.

Performance Management

Stick to company policy when it comes to annual appraisals. Do not show favouritism towards certain employees. Focus on KPIs such as sales, results, etc and refer to objectives and the achievement of targets and goals. Don't make it personal - make it all about business.

Absences

Managing employee attendance issues can be a headache for managers. Don't ignore excessive absences, tardiness or reduced productivity - investigate the cause. Don't be a stranger to your HR department. If you don't have an in-house HR resource, you can always outsource this to a consultant. Managers need to be realistic in the level of their HR experience and should regularly consult with their HR department / adviser to explore legal options, best practices and procedures.

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AVOID RUNNING YOUR BUSINESS BY COMMITTEE

While large businesses are often run by boards of directors, that approach doesn't work for a small or medium sized business. A business isn't a democracy. When it comes to politics, we want leaders who believe in democracy and free enterprise. But in a business, you need a clear-cut leader who makes the final decisions. They may make those decisions based on advice they get from other people and sources, but sometimes they need to be a bit dictatorial in order to get things done.

Others will always be prepared to tell you how to run your business. However, in order to run a business properly, the owner / managing director must lead. It is important to have the tools to make decisions and that's often where professionals such as lawyers and accountants can help. As a business leader, you must be able to assimilate the information that these professionals provide and create frameworks through which you can make your own decisions.

A great business starts with a great leader and their vision. However that is only the beginning as any organisation is built through people. Involve your people in your business, ask for their input and their ideas. Put these elements together and then lead from the front - make clear, informed decisions.

In running a business, leaders should engage with employees but should also avoid thinking like an employee. Great business leaders avoid employee mentality. Where an employee may see things from the bottom up, focusing on all the trouble and pain any business faces, a business leader will see the bigger picture as they can see things from the top down. They perceive the business in a more conceptual way and focus on their vision and goals. They refuse to be bogged down by the details. That's what leadership is all about - and that's what makes entrepreneurs great leaders. They're visionaries. They're moving forward, and tend to attract other people who want to come along for the ride, people who love the excitement, the thrill of it all - and, of course, the profits.

SOCIAL MEDIA MARKETING IS NOT A 9 - 5 PROCESS

The growth of social media means that business is now 24 hours a day, seven days a week - what's more, when a customer complains it's now laid bare on social media for all to see. So how do companies and brands respond to the new 'vocal consumer'? Here are a few top tips to help you to manage your social media presence more effectively:

Put a Process in Place

People will use your social media channels for customer service issues, whether this is encouraged or not. Therefore make sure you have an effective method in place to receive those messages, with an escalation procedure so that the most appropriate person or department is made aware of an issue.

Make the Most of the Opportunity

When a person reaches out to a brand on social media, regardless of whether it's to complain, this should always been seen as an opportunity to make a great impression – not only to the customer but also to the hundreds of potential customers watching the conversation unfold.

Don't Pass the Blame

One of the main pieces of advice for handling customer service issues on social media is to address the issue quickly. With this in mind, never redirect them to another department, person or Twitter account if the issue is with your company, service or brand. That's not to say you have to provide a solution straight away - like all customer issues you do need to investigate it before you can respond. Just let the customer know that their experience is being looked into.

Be Human

Personality on social media counts, so demonstrate you're human, you have empathy and you're doing all you can to address their concerns. Customer issues that are handled well on social media are, more often than not rewarded by the consumer. A thank you tweet may seem like a simple gesture, but can have a huge impact on the company's image.

Please contact a member of our team if you would like to discuss any of the issues raised.