

Monthly Newswire

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

July 2017

RISKY BUSINESS: GOOD RISK VERSUS BAD RISK

From a business perspective, there are good and bad risks. Every opportunity that creates value can be considered a good risk. Bad risks include ignoring regulations or failing to implement effective policies and procedures.

Successful business owners understand when to take a risk and how to balance that decision with the potential reward. A good risk can bring new markets, new people and new possibilities.

Some managers tend to over analyse risk, spending too much time thinking about potential outcomes and probable mistakes. This type of over analysing can lead to paralysis - where managers don't make decisions because they are too wary of the risks.

The best businesses make mistakes but are better at correcting things when they go wrong (and are good at learning from them). A big part of risk management is pinpointing the probable negatives and creating plans to mitigate the bad risks. By recognising the negative factors ahead of time and putting the right strategies in place, the business can proceed with a greater chance of success.

Risk management is not a one-off exercise. Continuous monitoring and reviewing of potential risks is crucial. Ongoing monitoring ensures that risks are being correctly identified and assessed and appropriate controls are being put in place. It is also a way to

learn from experience and make improvements to your risk management approach as you go.

Where there is risk, there is reward. If you can identify the risks that are worth taking and put the correct strategy in place to manage these "good risks", you will stand a better chance of success.



UNDERSTANDING YOUR PEOPLE

One of the most important tasks in creating a high-performance culture in your business is taking the time to understand your team and their needs. When employees' needs are met, and they feel aligned with the strategy, vision and values of the firm, they tend to respond with higher levels of engagement and commitment, and are willing to go the extra mile to support the development of the business.

Start by trying to identify what your team members like most about working in your firm. At mid-year appraisals or one-to-one

meetings, ask each team member what it is they like about their job. This sets a positive tone and allows you to assess whether they are satisfied in their current role. It also helps to understand which options each employee would potentially like to explore and the direction in which they would like to develop their career at the firm.

Try to understand the different personality types within your team. Everyone is different and as such, need to be managed in different ways. Some might be extroverts, chatty and easy to engage with. Others may be introverts and less comfortable speaking in front of a group. They may be more reflective and may perform better when they have time to consider the facts, before coming up with a solution.

Different personality types are often suited to different types of role within a business. If you take the time to understand each individual within your team, you can set them objectives that play to their strengths. In addition, different individuals tend to behave differently in certain situations, such as under stress, coping with change or making important decisions.

If you understand the strengths and weaknesses of each individual within your team, you can ensure that you delegate to the right people in order to get the job done properly.

Your understanding of your people can also be a key factor in retaining them. Knowing their strengths and weaknesses will enable you to create appropriate training programmes for the team in order to help each person to develop their skills. In addition, each team member will feel more valued if management is seen to take an interest in them. All of these factors contribute to job satisfaction, which in turn drives employee retention levels.

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

Call: 01909 472 310 Email: kirsty@johnharrison.co.uk

AGILE WORKING & TECHNOLOGY

As agile working becomes more common, technology has had to adapt to ensure that employees can be productive, regardless of where they are physically located. Many potential new recruits expect some degree of agile working and the leading businesses have already started to adapt in order to appeal to the best candidates. Many firms have been rolling out smart devices, cloud based storage and cloud based printing in order to allow their people to work from anywhere.

Smart devices

Smartphones and tablets have revolutionised the idea of agile working. Your team members can catch up on email on the commute to work, travelling between meetings and can work from home easily. The right computer/smartphone hardware can also contribute to employee wellbeing and job satisfaction as people can organise their work/life balance more effectively thanks to the flexibility afforded to them via their smart devices.

Cloud storage

As more firms move to a paperless office setup, cloud based storage has become increasingly popular. As businesses have begun to move their data to various cloud solutions, they have benefitted from less paper storage costs while enabling agile working. Having an appropriate cyber security system in place is necessary but there are many solutions available, regardless of the size of your business.

Printing

Despite the move to a more paper-light office environment, physical copies of documents are still necessary at times. Cloud based printing solutions such as Google Cloud Print are becoming more popular with small businesses. Larger organisations will probably want a custom made “enterprise solution”. Cloud based printing systems allow people to print whatever they need from their smart devices, provided you have a wifi connection.

These technologies encourage productivity away from the office and foster a culture of flexible working that puts the employee first. The focus from the business needs to shift from “hours spent in the office” to “outcomes”.



STRATEGY - IT'S ALL ABOUT THE EXECUTION

Your firm might have the best business strategy but if the management team doesn't execute that strategy properly, it could fail.

While execution can go wrong for a variety of reasons, one of the most basic mistakes may be failing to allow the strategy to evolve over time. The business world doesn't stand still. It is constantly changing. As such, your strategy should be allowed to evolve too. That's not to say that it should be re-written every week, but there should be scope to allow your management team to tweak things and to respond to

new opportunities when they arise in order to keep the business moving towards its overall objective.

Good strategy execution requires a good plan. That plan should facilitate coordination of objectives across the firm, while mitigating risk and minimising bottlenecks. Your plan should help your team members to set priorities and set realistic deadlines. You need to ensure that the whole firm embraces a joined up approach. You don't want to end up in a situation where one department is moving in a different direction to the rest of the firm.

Roles, responsibilities and expectations need to be clear from the start. If people don't understand what is expected of them, it can be very difficult to get things done. Communication is key and managers should ensure that their team members have a clear understanding of their individual objectives, deadlines, etc. Managers need to make themselves available to their team members so that there is ongoing communication around management of objectives, deliverables, etc.

Executing a strategy often involves change. You cannot expect people to change the way they work overnight. However, you can start by communicating what it is you need them to do differently and why you need them to do this. If your people understand the strategy of the firm and the part that they can play in helping the business to succeed, they are more likely to implement the changes.

You should celebrate the successes as you achieve each milestone of your business strategy. If your people feel that they are part of a firm that is “winning”, they are more likely to buy into the vision and strategy of the business.

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