

Dear Client,

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

Best wishes

John Harrison

The benefits of outsourcing non-core business functions

How many times have you heard the buzzword 'Outsourcing'? In today's hyper-connected world, outsourcing is possible from any offshore location and for any kind of business. Some of the main processes which are increasingly being outsourced are HR management, IT services, marketing services and general administration. Management of these functions tends to stay in-house, but the lower level work is being outsourced more and more.

Cost

One of the most obvious benefits of outsourcing a function to an external supplier is the financial saving. Whether it's office space, human resources, technology or general expenses, the business ends up with increased savings and also has access to an extremely talented workforce (potentially even around-the-clock service, if required).

Efficiency

When businesses outsource their administrative processes, they enjoy efficiency gains. Outsourcing companies tend to have the latest technology, staff with up-to-date skill sets and much bigger teams. This allows the staff in the business the time to focus on higher value tasks such as sales, or creating strategies for growth.

Focus

Outsourcing can take pressure off the management team, allowing them to focus more on developing the business. The team can divert their attention to important core functions like improving customer engagement, research & development and providing high value services. This can have a positive impact on overall business performance.

Simplify

If non-core functions are outsourced, the business becomes a lot leaner. There are less people to manage, less office space required, less problems to deal with and so forth. This also means that systems, technology, etc. can be cut down in scale which further simplifies the operations of the business, reduces cost and reduces the need for managers to invest as much time.

Microsoft gets it right with Windows 10

The reviews are good. So has Microsoft finally got it right with Windows 10? The new operating system (OS), available as a free upgrade for existing Windows 7 and Windows 8 (not including corporate) users, is built from the ground up to pursue Microsoft's vision of a unified OS that spans all devices without alienating any one platform. Windows 10 is designed so that a single user experience spans every piece of technology – laptops, tablets, desktops, phones and everything in between. (And in case you're wondering: there is no "Windows 9" - Microsoft skipped it, going straight from 8 to 10).

This new OS is chock-full of fresh features. To name just a few: a lean, fast Internet Explorer replacement called Edge; Microsoft's Siri-like voice-controlled virtual assistant, Cortana; and the ability to stream real-time games to your desktop from an Xbox One in another room.

So, what is the new OS like for business users? Well, Windows 10 is a welcome return to form. The Start menu, inexplicably removed from Windows 8, is back and working the way you expect it to. Those live tiles from the Windows 8 home screen still exist, but they've been attached to the Start menu, where they make a lot more sense. The good old Start button has been a fixture on the lower left corner of the Windows desktop since the days of Windows 95, offering speedy access to apps and settings. The entire Start menu can be shrunk or expanded to suit your liking. It's essentially a miniaturized version of the full screen Start menu we saw in Windows 8. If you don't like the tiles you can unpin them, leaving you with the narrow column of frequently used apps that is well known to all Windows users.

Instead of placing a search box in the Start menu, or hiding it completely as is the case in Windows 8, Windows 10 sticks it front and centre on the Taskbar. This is a smart move, as it's always there ready to serve up whatever you need to find or want to know. The first time you click on the box, you'll see a prompt to enable Cortana. That's because Cortana and search are pretty much one and the same in Windows 10. In fact, search is just part of the virtual assistant's remit.

Unless there's a specific feature in Windows 7 or Windows 8 that you can't live without the new features combined with the familiarity of Windows 7 make the new OS very attractive. It's even better if you have several devices which can run Windows 10 – particularly a phone – as the tight integration means you can set reminders on the go and pick them up on your PC, say, when you get home or into the office. That's just one tiny example, of course. The bottom line is that Windows 10 is a great operating system. Indeed it's fair to say even at this early stage that it's the best Windows yet. It's not perfect, of course, and there will undoubtedly be bugs that need fixing, so expect patches and updates very soon. However, as Windows 10 matures, there is no reason why businesses won't start the transition across to the new system.

Authority versus leadership

A great manager is one who is a true leader. They tend not to be authoritarian in their approach.

An individual in authority makes use of power in order to get people on side or to undertake an activity with him or her. Such a person has the backing of whatever laws or rules are there and therefore they are able to get others to perform their part in achieving a particular objective. By contrast, a leader gets people to perform a task or embark on a journey out of their own interest. These people are able to identify with whatever the leader is doing and as such make conscious efforts to work towards the same goals as the leader in order to achieve set objectives.

Authority comes in various forms and can be seen by the way a particular person exerts his or her power on others. A leader allows those who follow to make their own choice: This is the most significant distinction between a leader and someone who has authority. A leader always ensures that his or her followers make their own choice to follow his or her lead without being forced or asked to do so. Anyone in your business can become a "leader" irrespective of their formal role within the firm. Just because you have a formal title of "manager" does not mean you are a leader. Here are a few leadership tips:

Have a clear vision

If you don't know where you are heading, how will you know when you have arrived at the destination? Put differently, it is essential that you create a clear vision of what you want the team to achieve so that it can be understood by everyone.

Learn to be a good listener

You are the leader and have many ideas, opinions and solutions. Your team know this but also want to be able to offer their views and feel like they have been heard. A good leader recognises this and focuses most of their communication on listening.

Be someone who makes decisions

As a leader you need to weigh up the upside and downside of any particular option and then decide. Team members may not always support your decisions 100% or may not have taken exactly the same decision. On the other hand they will respect you for making a decision and doing so quickly.

Empower your team

One of the big advantages of a team is the range and variety of skills and experience that is available. You know what you are good at and not so good at, so empower those to do what they do best.

Why your firm needs a grievance procedure

As an employer, you need to have reasonable procedures in place to resolve workplace disputes. Those procedures cover two areas - your complaints against an employee or where your employee has concerns, problems or complaints.

Where one of your employees has concerns, problems or complaints about their working conditions or relationships with colleagues, these are "grievances". An employee is entitled to raise a grievance with their manager about any aspect of their working life that they are unable to resolve informally.

Why have grievance procedures?

Resolving workplace disputes quickly and effectively is good management practice, although there is more to it than that. Having procedures in place to deal with workplace disputes ensures that employees are not treated unfairly or inconsistently. The employees will also know that their grievances will be listened to, and if necessary appropriate action will be taken to resolve the issues.

Written grievance procedure

Your grievance procedure needs to be in writing so that employees will know what to do if they have an issue about any aspect of their working life, be it about their work or their relationship with a colleague. Managers will also know what to do if they are approached informally by an employee about a grievance they have, or if a formal grievance is raised.

It can be tempting, particularly in smaller businesses, not to have a formal written grievance procedure and to rely on informal measures instead. However, this carries the risk of inconsistent application and interpretation, and employees are left unsure of how their workplace dispute will be resolved. This can also lead to legal complications for the business in the future. As such, it is important to have a written grievance procedure in your firm.

A reasonable grievance procedure

ACAS has issued guidance about formulating your grievance procedure. The guidance is not prescriptive, but employers are expected to follow it. The guidance recommends adopting what it describes as "reasonable" procedures..

John Harrison & Co
CHARTERED ACCOUNTANTS

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