



  
**DUCKETTS**  
 TRUSTED ADVISORS

## July 2003 Newsletter

### *Conflict resolution special.*

#### Holiday reading

Its that time of year again. My suggestions, as a result of the endeavor over the last 12 months, are as follows:

Business – “Creating rainmakers” by Ford Harding

Pleasure - "A Mad World, My Masters" by John Simpson

Self analysis – "What shall I do with my life?" by Po Bronson

Alternative suggestions welcome.

#### Wife carrying

My senior partner and I are in training for the World Wife Carrying Championships in Finland. First prize is the boss's weight in beer. I favor the non-traditional method as this dramatically reduces the likelihood of constructive comment. Points are deducted for dropping said load. Is this a new consulting tool for encouraging teamwork/preventing divorce?

#### Summer festivals

The Ross International Festival is back in action this year and should provide plenty to do in late August. Furthermore, Helen Wragg is now bringing top flight artists into GL1 (the Gloucester Leisure Centre) with James Galway appearing on 9 August [www.helenwragg.com](http://www.helenwragg.com)

#### Abuse me some more

I routinely threaten team members with instant dismissal: Whiplash for bringing the firm into disrepute; the Boyscout for being too enthusiastic. I thought it was the normal management technique for showing that you care. So I was taken by surprise by the tribunal case whereby a City broker is suing for £1.5m for constructive dismissal because his boss handled him in a very similar manner. The boss even shouted at the broker for incorrect use of brackets. The Boyscout is comma blind. How else is he to be cured?

Mind you, the broker was doing a gram of cocaine, 5 pints of beer and 5 vodkas a night (with clients). Even Whiplash complains that the bubbles get up your

nose.

#### Book of the month

"Key Management Decision" by Des Dearlove.

Talk about judging a book by its cover. This looks like a straight textbook and turns out to be full of useful management stories. I like the comparison of management styles by country:

- the family (France, Italy & Japan) – boss knows best
- the Eiffel Tower (Germany) – everything is beautifully structured
- the guided missile (UK, US & Sweden) – whatever it takes to hit the target
- the incubator (Silicon Valley) – fulfillment of individuals is the key

So, never put a Swede in charge of a Frenchman?

The East/West perspective is also rather telling. Western leaders make quick decisions and then spend ages getting everybody in line behind them. In Japan, everybody is involved in the decision making process and it therefore takes a long time to reach consensus and the

resulting decision. However, once this point is reached, implementation is quick as everybody is already on side. Before we all rush out to adopt the Japanese method, it's worth remembering that this approach falls down when quick, but relatively minor decisions are needed.

## Value of sheds

Everybody is now happy with the idea that I may be working "up the shed". Some people visualise this as a full scale com centre: others as an oversized packing crate. In fact, the shed is brick-built, although the roof leaks in very heavy rain.

Now, the value of the shed is that it acts as the modern version of the cave. I can contact the outside world, but it is quite difficult to get hold of me. It's an excellent place to hide, particularly if I'm in trouble with my senior partner. In fact, garden sheds are credited with saving many a marriage.

## CVA story

Further confirmation that your tax money is well spent comes with the publication of the Revenue's newsletter by its Voluntary Arrangement Service (VAS). This department receives about 4,000 requests for voluntary arrangements a year, of which only 70% involve the Revenue & Customs. Dividends from such arrangements vary between £25m and £50m a year, so it's a drop in the ocean by government standards. They even claim to receive [wait for it] 150 e-mails per month.

Mind you, the fees can be good. The newsletter contains a story about a company that put together a voluntary arrangement proposal to pay the Revenue the £35k it owed at £800 per month over 5 years. There were no other creditors. When the Revenue asked questions they discovered that the company actually had £20k in the bank, so they had that for a start and accepted £1,500 per month over 2 years. The fee for this deal for the Insolvency Practitioner? => £15k.

## Honda strategy

Have you ever wondered how the Japanese came up with their strategy to over-run the US motorcycle industry? [I think the UK industry just rolled over and gave up.] Honda carefully studied the US market leading machines and created their own big bikes to compete. They then sent a sales team to Los Angeles as gateway to the main market. The sales force found the 50cc capacity bikes much more useful in urban LA and started attracting a lot of attention, despite all the advice and research that it was the big bikes that were the most important. So the sales force started taking orders for the small bikes and within 4 years not only were the small bikes Honda's best sellers, but Honda had captured 50% of the total US bike market – a level of success far greater than they had imagined.

Curiously, the lack of global communication was part of the reason for this. The sales team did not report back to Tokyo that the big bike strategy was failing, but concentrated on the good news that small bikes were selling well. To their credit, senior management did not try to protect the big bike strategy (by heavy advertising, for instance), but ran with the judgement of a handful of relatively junior employees operating thousands of miles from home in a strange culture. They could easily have fired the salesmen for failing to sell big bikes.

Of course, Harley Davidson has now regained the initiative by being the bike of choice for those suffering a mid-life crisis. And the Harley web site is better [www.harley-davidson.com/selector.asp](http://www.harley-davidson.com/selector.asp)

## "Mozart's brain and the fighter pilot" by Richard Restak

It's received wisdom that the use it or lose it principle applies to the brain. By all means sell your business, but don't retire from life. Lunch may be for wimps, but failure to break during the day is likely to do you no good at all in the future. I may introduce compulsory Tai

Chi. The most interesting concept is the idea that your laptop is actually an extension of your brain, at least if you use it to record events, opinions, feelings and random ideas. The advantage of keeping an electronic journal compared to a written diary is that it is much easier to cross refer ideas and events. There is even specialist software to make this easier (Inspiration: the visual thinking tool). Surfing the web is free form meditation across the sum total of human knowledge?

## How can I save my career?

The Sage of Bishopswood (Mike Pegg) has gone New Age with a slot as an agony uncle on a magazine website ([www.redmagazine.co.uk/askexperts.asp](http://www.redmagazine.co.uk/askexperts.asp)). The idea is to e.mail in queries regarding your career and Mike will send back the answer. I thought I could send in the following on behalf of the Boyscout: "Dear Mike  
I am deeply concerned with the way my boss treats me. Whenever I land a significant new client, I never get any praise. He simply chants "Show me the money". Furthermore, he continuously ridicules me for misuse of commas and double underlines. What can I do to restore my self-confidence?  
Yours, worried of Kingsland."  
Less time sailing would be a good start. Anybody got any bright ideas for the late Ms Whiplash?

## 7 habits of highly unsuccessful businessmen

The recent corporate disasters around the world have backed up what we see in practice - the skills needed to build a company are different to those needed to run a successful one. However, CEOs of very large businesses often live on another planet. Watch out for the following:

- they see themselves as dominating their environment
- there is no boundary between their interests and their company's
- they think they have all the answers
- they ruthlessly eliminate all voices of

dissent

- they are obsessed with company image
  - they underestimate obstacles
  - they rely on what worked in the past
- Having said that these are characteristics drawn from big business, do you see yourself in any of them? Worrying, isn't it?

[www.fastcompany.com/magazine/72/7habits.html](http://www.fastcompany.com/magazine/72/7habits.html)

## The (lucky) superstitious pigeon

Allegedly, pigeons can be trained to be superstitious, but they're not as bright as rats. So, for instance, they can learn that if they stand on one leg, then they get fed. Naturally, there is a tendency for businesses to act in the same way. If something worked in the past, then it must work if we do it again, even if cause and effect are not related. Most businesses build a comfort blanket around how they do things. And then repeat the formula for evermore, regardless of (oblivious to) changes in the outside world. Pigeon thinking.

To get a different result, you have to do something different. And that is likely to take you well outside your comfort zone. Doing different things (or doing things differently) may be the source of luck, a subject in which we apparently lead the world. Straight out of the self-help school, the 4 secrets to being lucky are:

- Maximise chance opportunities – be on the lookout. Play the numbers.
- Listen to your lucky hunches – there's no substitute for intuition
- Expect good fortune – think lucky(!)
- Turn bad luck into good – paranoid optimism? The glass is half full etc.

Incredibly, this is now a respectable scientific subject [www.luckfactor.co.uk](http://www.luckfactor.co.uk)

## How do you get employees to do more without paying them more?

A question I often get asked. The answer, as featured in the current edition of Fast Company, is worth reproducing in full, without my usual tendency to translate: "Nearly every credible survey on employee satisfaction shows that money isn't what greases our skids. Here's what's important: challenging work, a sane supervisor and respectful colleagues, and the promise of career growth.

You know how Southwest Airlines gets its workers jazzed? Every three months, an honored employee chooses the menu for a party of 15 -- and top management does the cooking. "Not only is it a blow-away honor that excites people," says Bob Nelson, coauthor of *The 1,001 Rewards and Recognition Fieldbook*, "but it has turned into a team-building thing for management."

It's not about the money. It has taken a recession for bosses to figure that out. How do you get more out of us when you don't have anything to give? Start by getting us to help. Try asking, "What would make you more productive?" And, "What's slowing you down?" They're powerful questions, first because they oblige us to take responsibility for our productivity, and second because they demonstrate your willingness to admit that we workers are -- yes! -- individuals, cheered and discouraged in myriad ways. "Open a dialogue. See the person as a mass of interesting data that has to be explored," says Beverly Kaye, coauthor of *Love 'Em or Lose 'Em: Getting Good People to Stay*."

There's a lot more in a similar vein from [www.fastcompany.com/magazine/72/backattheoffice.html](http://www.fastcompany.com/magazine/72/backattheoffice.html)

## Workshops

How to market your business effectively. 16<sup>th</sup> September at Network House.

## Address me not

The Revenue really is struggling with tax credits. Reports indicate that it has recently written to a taxpayer asking for the taxpayer's address. Hereford are not expecting to resume processing tax returns until August.

## Fancy dress Friday

Apparently a distant (fond) memory. Gothic Whiplash was just too much for those with high blood pressure. Suit sales are up 10% in the US and even IT techies are buying ties. Thank goodness accountants can get back into their blue overalls.

## Disclaimer

Poet's motto  
Written drunk; revised sober.



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