



## July / August 2014 Newsletter

*No Sport Summer Special (although the word "talent" does appear quite a lot).*

*[Well, maybe the Tour de France.]*

*There was a conspiracy theory that the Govt spiked the England team performance (in the World Cup?) to prevent the economic loss that is caused by a daytime match. If only Govt was capable of such joined up action.*

### Presentation of the month

Adrian Webster on

<http://www.adrianwebster.com/speaking/>

Motivational speaker does stand up comedy. No new ideas (it's the little things that count if you don't want your customers to feel your "perceived indifference"), but wrapped up with energy and enthusiasm.

Or try the book "Polar Bear Pirates: and their quest to engage the sleep walkers".

It's about team building.



### Unlikely idea of the month

Lord Saatchi wants to do away with Corporation Tax and Capital Gains Tax for small business. I'll vote for him

<http://www.telegraph.co.uk/finance/personalfinance/consumertips/tax/10904385/Lord-Saatchi-Cut-corporation-tax-for-small-businesses.html>



### Old (but good) idea of the month

The idea that it takes around 10,000 hours (10 years) to get really good at something came out of the Malcolm Gladwell book "Outliers" and has hit a chord with folk in my network (well, my brother and my climbing guide, both of whom have done more than 10,000 hours in their chosen professions). What you should get from an experienced professional is consistency – they've made all their learning mistakes on somebody else.

Therefore, a particularly important concept when dealing with the medical world.

Gladwell's take on it:

<http://gladwell.com/outliers/the-10000-hour-rule/>

A more considered view:

<http://www.wisdomgroup.com/blog/10000-hours-of-practice/>

## Lessons from away

As you know, I make a periodic pilgrimage to civilised areas out east (well, East Midlands Airport on this occasion) to find out what the rest of the (Accountancy) world is up to. This is what I discovered:

## Economics

It looks OK at the moment, but it could go horribly wrong. How very helpful.

On the bright side, demand for intelligent/educated workers is growing rapidly worldwide. So, stop worrying about pensions: you can work for ever.

## Talent management

The accountancy profession is owned by middle aged white blokes. [I know reader, cause I am one.] The difficulty is that there are not enough people coming into the profession who are prepared/able to assume the risks of partnership and give the current owners enough money to spend their days on the golf course. That's what "talent" actually means. So, taking a lead from the world of football, larger firms are setting up "Talent Academies" in order to groom youngsters. It all seems a bit sinister?

## Marketing

The old stuff still works, but make sure you appear on LinkedIn and (increasingly) on Google Plus.

[www.hootsuite.com](http://www.hootsuite.com) maybe?

## RISK MANAGEMENT

The profession has realised that talking to clients is actually quite a good idea, but accountants often have no idea how. Hence some simple rules for talking to clients outside work:

- Get the budget approved in advance
- Hunt in pairs
- Always stay half a pint behind the client
- Don't talk for more than 50% of the time
- Don't talk about football

Easy, really.

## Teams

If you are offered the job of turning round the performance of a team, remember that:

- Your team will consist of ordinary people
- The competition will have bigger budgets, star performers, bigger everything
- You are starting from a position at the back of the field

If that wasn't the case, you wouldn't be needed. The idea is therefore to get extraordinary performance out of your people.



## Change management from ICAEW

The Institute has recently produced a very worthy 50+ page document on how to do change management. I insisted that the Boy Scout read it (too hard for me) and he came to the conclusion that there were some good questions in there:

- What does the organisation do and who does it?
- What are the key decisions that have to be made and where are they made?
- Who and where are its customers and what do they want?
- The organisational structure chosen should depend on the answers to those questions.

Is he now an expert?

## Tax schemes get stuffed

The Government's master plan to stop tax schemes by forcing people (like Gary Barlow) to pay the tax saved up front is now in play. I'm sure this will backfire in some way. In the short run, PI insurers have decided that tax mitigation schemes are "toxic", so the profession will be able to sell them to the Govt? Well, it worked for RBS, subject to Scottish independence.

## Whiplash lets go

She keeps trying to tell me that we should be warning our clients about the requirements of auto-enrolment. I think I have, but nobody is listening. So she got annoyed and wrote this:

<http://www.chrisduckett.co.uk/whiplashrantofzo.html>



## HBR - recruitment of talent

The June edition of HBR was a "talent special" which implied that something groundbreaking had happened in the world of recruitment. I dutifully read the lead article, only to discover that recruiting for potential is considered to be radical. [A bit like skating to where the puck is going, not where it is.] Putting that aside, it reinforces the point that people need to be generally adaptable with the following specific qualities:

- Curiosity – a penchant for seeking out new experiences, knowledge and candid feedback and an openness to learning and change
- Insight – the ability to gather and make sense of information that suggests new possibilities
- Engagement – a knack for using emotion and logic to communicate a persuasive vision and connect with people
- Determination – the inclination to fight for difficult goals and bounce back from adversity

Plus they've got to do a stack of other things well too. Not really surprising that there's deemed to be a shortage of talent.

While we're in HBR mode, this is quite fun:

**A culture of inquiry starts at the top — with leaders who question**

<http://blogs.hbr.org/2014/04/become-a-company-that-questions-everything/>

## VAT penalties still hurt

During the recent recession, HMRC was portrayed as an organisation which understood the difficulties that taxpayers were facing. The "Time to Pay" scheme was ludicrously generous for a period of about 6 months (in 2009?). Then we went back to normal and, subject to the odd flood, HMRC (particularly VAT) is once again totally lacking in a sense of fairness. A good example of this is late payment VAT penalties. VAT is payable quarterly with fines for late payment (1 day is enough) ramping up as breaches occur. So, if you are late 4 quarters in a row, the penalties are huge. Be careful.



## Prenups

I'm convinced we should be paying more attention to the point, but nobody is listening

<http://gordonlutton.co.uk/blog/general/price-y-pre-nup.html>

## Yet another reason to focus more on the team and less on individuals

This is a good article – I've gone for cut&paste:

"Having a team full of superstars doesn't lead to high performance, according to research by Roderick Swaab, a professor at Insead business school, and his colleagues. His researches indicate that when two-thirds of the team are star performers, they co-operate less and become more competitive with each other. The reason seems to be that stars have become habituated to being recognised and rewarded for their individual performance, so the more other stars they

see around them, the more competitive they feel. So they hoard information and waste energy jostling for position.

So should you avoid creating a team of stars? Not necessarily. But you do need to manage them differently. In particular:

- Avoid any kind of individualised reward or incentive, if you want them to work as a team. Make rewards collective.
- Reward and recognise teamwork – but again, collectively. If someone isn't being a team player, the rest of the team will most likely bring pressure to bear on them. If that doesn't work, then it's time for a frank discussion about whether they are suitable for this team.
- Hold frequent conversations about how they can be more effective in supporting each other. Establish team priorities and encourage team members to subordinate their own priorities to these.
- Establish the principle that everyone is responsible for both their own learning and the learning of other team members.
- Make the team the star. Work with them to build the reputation of the team, so that outsiders recognise the individual for being part of a bright nebula.
- Recognise that they all have big egos and openly discuss how to harness these for the benefit of the team, rather than let them undermine the team. The greatest antidote to excessive egoism is laughter, so encourage the team and its members to laugh at themselves.

It will still be a tough challenge to manage a team of stars. But when they work together, as a true team, great things can happen!"

[https://www.linkedin.com/today/post/article/20140709104114-2632954-yet-another-reason-to-focus-more-on-the-team-and-less-on-individuals?trk=hb\\_ntf\\_MEGAPHONE\\_ARTICLE\\_POST](https://www.linkedin.com/today/post/article/20140709104114-2632954-yet-another-reason-to-focus-more-on-the-team-and-less-on-individuals?trk=hb_ntf_MEGAPHONE_ARTICLE_POST)



## The Adjudicator's Report

The annual report for 2013/14 makes interesting reading in relation to HMRC. Although the number of complaints about HMRC referred to the Adjudicator has gone down, 90% of taxpayers' complaints were upheld and £4.4m paid in redress.

## Disclaimer

If it's August, the Boy Scout must be in wettest, wild West Wales (or maybe wildest, wet West Wales).

## Phil does marketing

Good fun "in the flesh":

<http://philolley.com/the-9-reasons-businesses-fail-to-achieve-their-true-potential-oct-2013/>

## How to do tax investigations

The marketing folk keep telling me I need to do "How To" articles for the website. So I've borrowed somebody else's:

<http://www.chrisduckett.co.uk/howtotaxinvestig.html>

Good summary, but not much sex and violence.

But:





## Chris Duckett Limited

Network House , Thorn  
Office Centre  
Rotherwas  
Hereford  
HR2 6JT



Telephone 01432 370 572

Email: [clients@chrisduckett.co.uk](mailto:clients@chrisduckett.co.uk)

Website [www.chrisduckett.co.uk](http://www.chrisduckett.co.uk)