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The banner features the eNZyme³ logo at the top left, with the tagline "Business Performance Supercharger" below it. The main part of the banner is a collage of images: a group of people in a meeting, a person speaking at a podium, and various business-related graphics. Below the collage, the text "INTELLECTUAL ASSET MANAGEMENT ... COMPLETE CUSTOMER EXPERIENCE ... PEOPLE PERFORMANCE MANAGEMENT ... ANALYSE ... DIAGNOSE ... PLAN ... ACTION" is written in a curved path.

The three things you can do to get the best performance and profit gains for your business

eNzyme

Starting point

This seminar introduces three strategies that you can adopt, that, based on extensive research and practical experience, will provide the greatest productivity, competitiveness and profit gains for your investments of time, energy and money.

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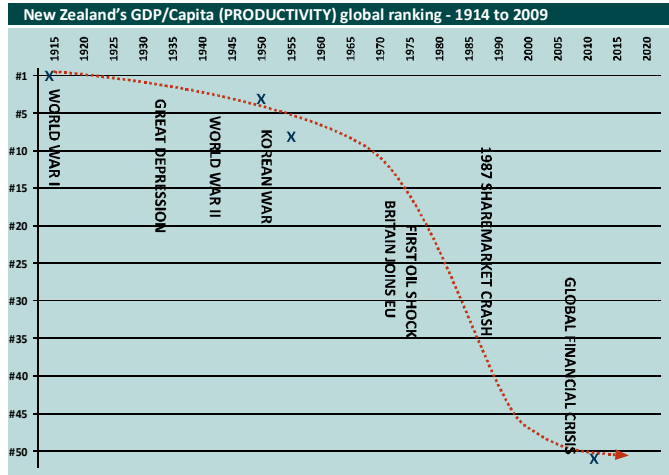
Cooking slowly!

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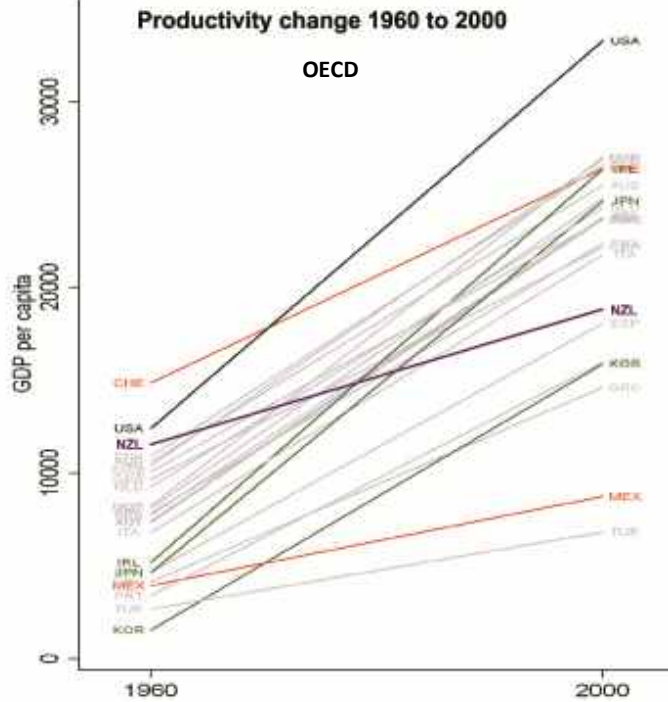
GDP/Capita & business productivity



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**"...all the running you can do to keep in the same place."
Queen of Hearts – Lewis Carrol**





NEW ZEALAND

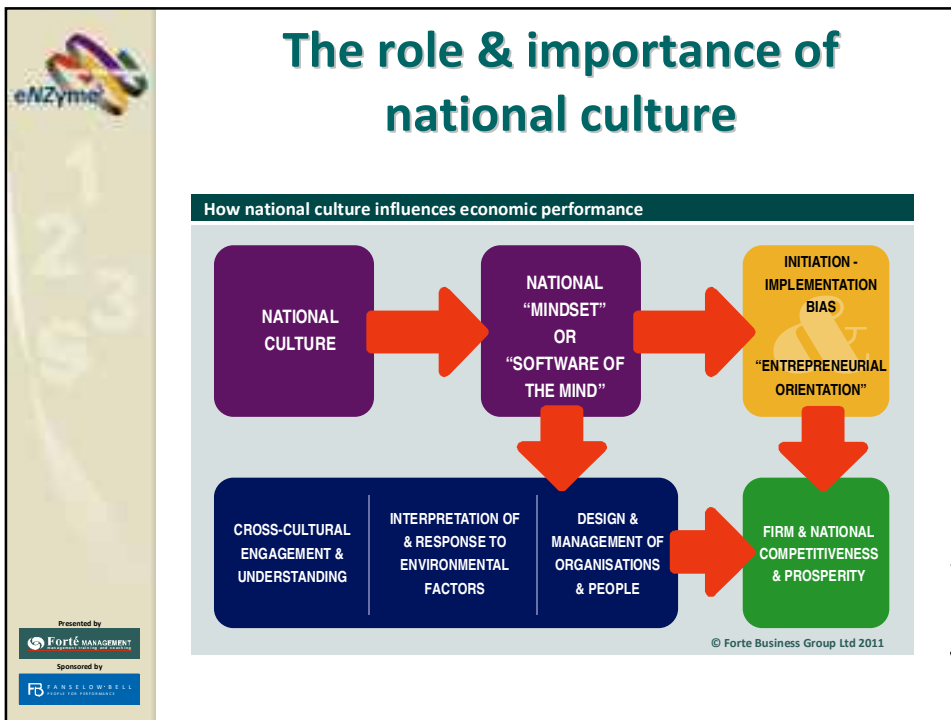
Given how much we talk about being different and unique (and it's true in some important ways), it is remarkable that it never occurs to us that might affect the way we manage, need to manage and need to be managed.

Instead we continue to apply management theory, practices & strategies designed for other, mainly American, cultures.

Rugby Ball All Blacks Kiwi Fruit Nuclear Free Whale Watching L&P

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As Kiwis we think in our own special way

Intensely self reliant, inventive, practical & resourceful.

DIY everything - "Jack of all trades".

Driven by adventure & discovery – doing new "stuff".

Try to get ahead by working longer and harder. Work 2nd longest hours in developed world.

Respect practical things & achievements.


Low assertiveness - 61/62

Avoid appearing "big headed" or causing offense & suffer intense feedback reluctance.



Understate, self deprecate and communicate in strange double negatives and under-statements.

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Despite working hard, we manage in a way that lets a surprising amount of value slip through our fingers – and at the same time increases our transaction costs!

Conversely, if you are an immigrant you have to operate in a “system” where the people exhibit thinking and behaviour that you may find unusual and frustrating.



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If we always do what we've always done – we'll always get what we've always got.

THAT'S WHY WE HAVE TO DO THINGS DIFFERENTLY AND DO DIFFERENT THINGS IF WE WANT BETTER RESULTS!



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We cannot change our culture but we can adopt strategies that change how we perceive and tackle our challenges and opportunities and how we overcome or take advantage of them. It's a very low cost – low risk business intervention.

Let's illustrate ...

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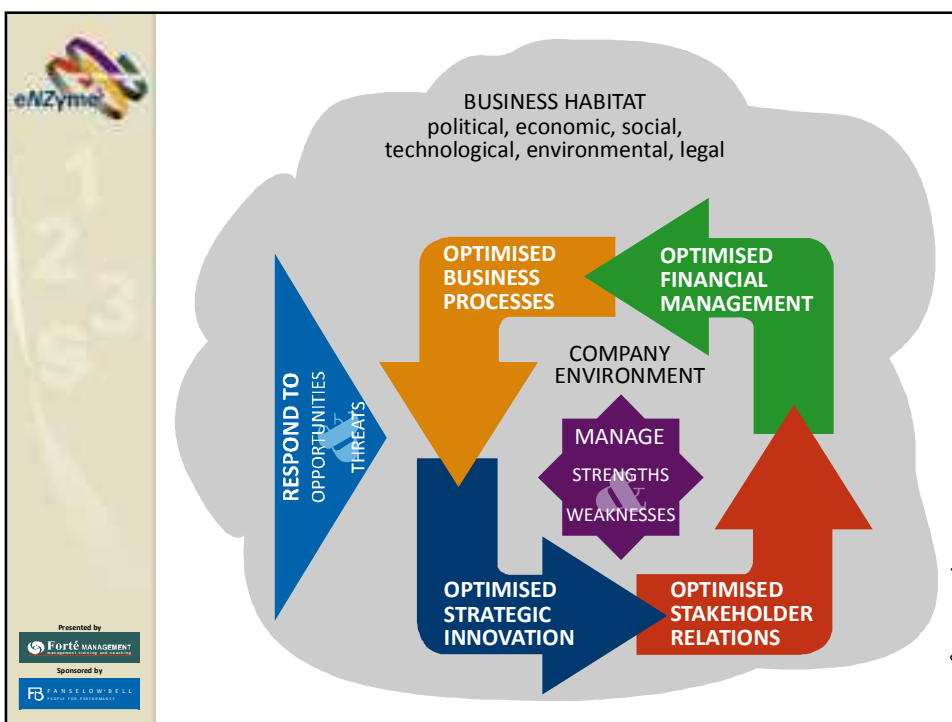
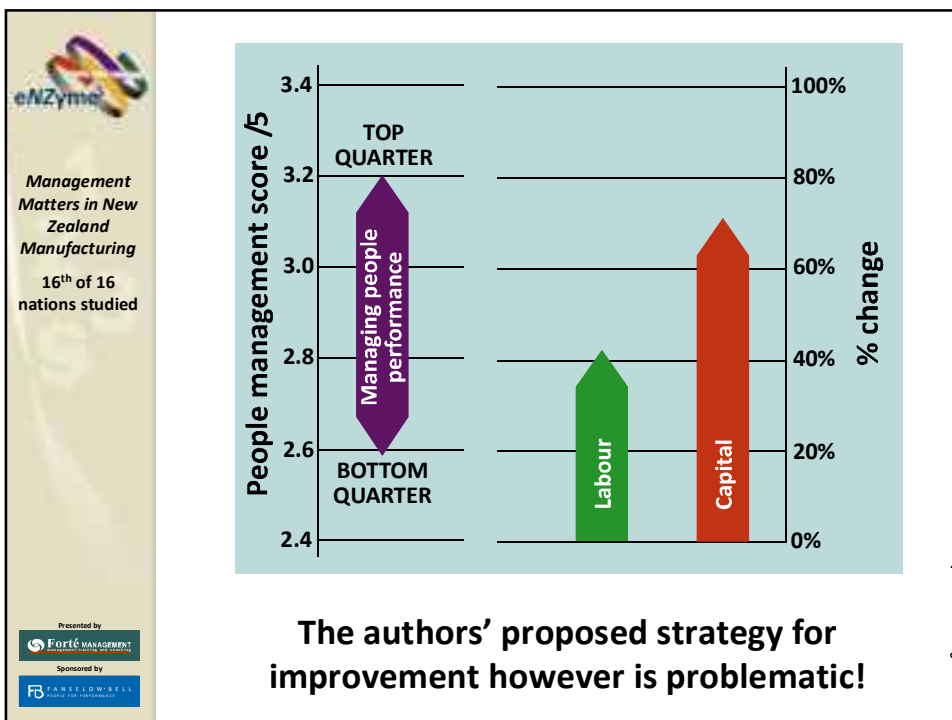
Almost every business would benefit from more capital.


The usual way to get it is to mortgage the family home, find an equity partner or venture investor

But what if there was another way – a low risk low cost way of achieving the same end?


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Strategy framework





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“Conventional wisdom” limits us to doing what we have always done!

It can take many forms!


Is a benchmark a target or a minimum standard of performance?

We have built our business models on trading with people reasonably similar to ourselves. That is now increasingly invalid.


Worse – most of our management theory and teaching is based on a US model with immense internal market and huge critical mass.

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1.

Build a “Complete Customer Experience”



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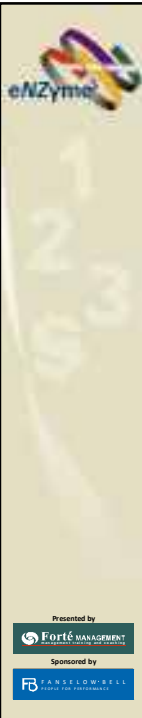
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Complete Customer Experience The diagnosis

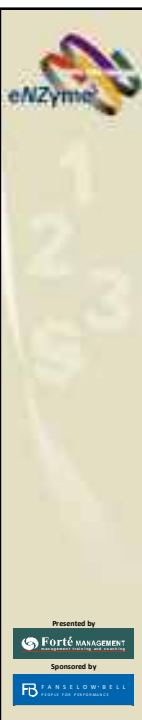
- We have a remarkable tendency to think for our customers – engagement/ design/ communications/ negotiations.
- We take for granted what we are really good at & generally under-sell ourselves.
- We consider the customer’s needs from a very “down-to-earth” perspective.
- We misalign our value propositions and communications.



Complete Customer Experience Amex study

In the USA customers are prepared to pay up to 13% more if good service is provided. India was the highest at 22%. Customers in other countries including Australia were prepared to pay 7 – 12% more. Many reported terminating purchases altogether because of poor service.

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Complete Customer Experience

Indians pay up to 22% more for quality customer experience!

Even Kiwis are likely to pay at least 7% more.

But ... we do not deliver a complete quality customer experience!

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How we know we don't deliver a quality customer experience

NZTE research - Indian business people perceive Kiwis as:

- preferring short-term transactional relationships.
- highly risk averse.
- weak negotiators.
- reluctant to understand Indian culture and consumer needs.
- inflexible with a “take-it-or-leave-it” attitude.
- less fun to do business with than Australians!

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Complete customer experience is much more than a firm handshake, a friendly smile and a glass of SB - mate.



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Complete Customer Experience

For example - Indians place a great deal of emphasis on TRUST.

It's not that we can't be trusted – and in fact we are very quick to trust - it's that our “norm” is to substitute contracts for trust and that sends all the wrong signals.

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The danger is that we have built our business practises and models on trading with people who are reasonably similar to us.

The people we increasingly do business with have entirely different mental models, values, conventions and perceptions.



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**Even at home there are big gaps
– and those gaps cost businesses
sales and profit opportunities.**

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The Real Value Proposition

**When we “think for our
customers” we don’t
understand how our own *value
proposition offer* can align with
their *value proposition demand*
to create optimum value in the
short and long term.**

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Step 1

Analyse and understand customer values and conventions – what is “normal” – what is valued and how much it is valued.

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What's valued is not always what we think!

www.waitrose.com "Waitrose works with dedicated British and New Zealand farmers to provide tender, naturally-reared **lamb**, all year round."

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Understanding what's important – language is helpful

PEDIGREE DEVONS
AT
HOME FARM
MINSTER, NORCASTLE
QUALITY FRESH
RED RUBY BEEF

01840 250195 - 07977 214798
homefarm@norcastle.co.uk
www.homefarm-norcastle.co.uk

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Understanding what's important – language is helpful

All of our animals are born & bred at Home Farm in a traditional manner, grazing SSSI land at Home Farm, Hillsborough, Pentargen Cliffs and the famous Boscastle Stitches (No Fertilisers). We make all of our own silage/hay and grow spring barley which we use as bedding and feed for the young rubys. All of our land is owned by the National Trust who agree with our farming policy of low fertilisers & sprays. We are very involved with Natural England in maintaining species rich grasslands and environmental issues which enable the greater horseshoe bat, peregrine falcon and other wildlife to prosper. All of our animals are taken to the local abattoir. The meat is hung for a minimum of 15 days. It is then cut up by a local butcher and vacuum packed.



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They won't say so if it's not important

"Farm assured British beef."
"Outdoor bred pork."
"100% British beef."
"Dolphin friendly tuna." x2
"We use only 100% Rainforest Alliance certified coffee."
"We are committed to sourcing the best ingredients, where possible from the UK."
"We are proudly able to say that we are able to trace the origin of our food to its growers and farms."
"Our cod is sourced from recognised sustainable fisheries."
"We are proud to use only 100% British potatoes for our chips."
"JD Wetherspoon supports the charity CLIC Sargent. We have raised over £2 million to date. Registered charity no. 1107328."

Wetherspoons menu





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eNZyme

Beginning to understand



What we can see is important ... but it's only the beginning!

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Delving deeper into understanding *national cultures*


Kiwi National Culture Dimensions - rankings and comparators

LOW		HIGH
	FRANCE	UNIVERSALISM
	INDONESIA	INDIVIDUALISM
	POWER DISTANCE INDEX	KOREA
	ASSERTIVENESS	USA
	SHOW EMOTION @ WORK	RUSSIA
	SINGAPORE	AFFECTIVE AUTONOMY
	TIME ORIENTATION	CHINA

Kiwi “dimensions” align strongly in favour of the cognition & behaviour associated with initiation.



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Curiously – understanding ourselves is an even bigger challenge than understanding other people – and it’s the foundation of the whole process because we see the world through the lens that is “us”.

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Step 2

Align the firm’s value proposition offer with the customers’ value proposition demands.

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Can Kiwi firms match these propositions? Do we – and do we tell our customers about it?

- “Farm assured British beef.”
- “Outdoor bred pork.”
- “100% British beef.”
- “Dolphin friendly tuna.” x2
- “We use only 100% Rainforest Alliance certified coffee.”
- “We are committed to sourcing the best ingredients, where possible from the UK.”
- “We are proudly able to say that we are able to trace the origin of our food to its growers and farms.”
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- “We are proud to use only 100% British potatoes for our chips.”
- “JD Wetherspoon supports the charity CLIC Sargent. We have raised over £2 million to date. Registered charity no. 1107328.”

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Step 3

Design/redesign/customise product-service, packaging and presentation.

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Could a typical Kiwi business match this concept?



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Step 4

Design customer engagement strategies

Customer relationship management.

Distribution channels – reach out as close to the consumer as possible.

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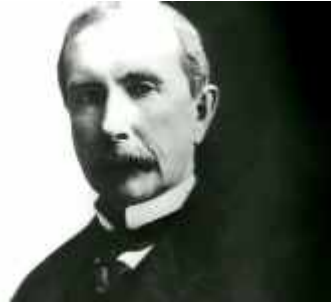
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We are inclined to think that doing the right thing is enough!

“There is only one thing more important than doing the right thing and that’s telling people about it.”

John D Rockefeller 1839 - 1937



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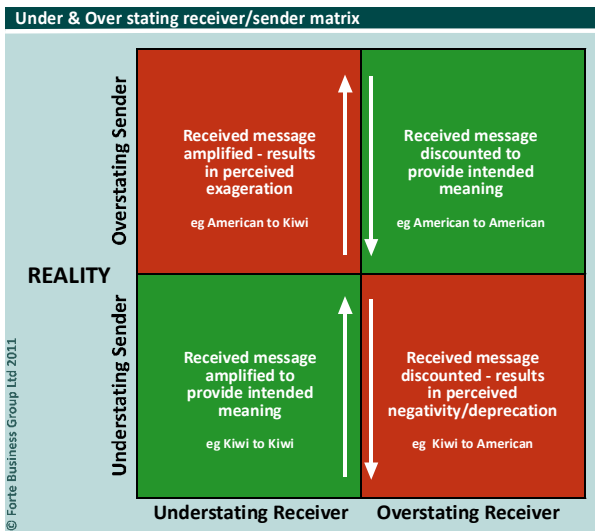
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Communication styles





What can happen when you don't control your distribution channel




Step 5

Action


Implement the cohesive and coordinated plan to ensure every facet of the business (business processes, financial management, strategic innovation & stakeholder relations) is aligned with and contributes to building the customer experience in order to optimise value creation and harvest.

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Manage people performance...



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Managing people performance... The diagnosis

- We DIY people management and lack sophistication – especially metrics.
- We do not enjoy being “managed” and we do not like “managing” other people.
- Our low assertiveness & feedback reluctance get in the road of us being good people performance managers.
- We have poor employee “engagement”.

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Squeezing harder is counter productive!

Stress hurts productivity, erodes people's cognitive abilities, lessens short and long term memory and reduces language (AKA communication & comprehension) skills.


Ref: HBR Medina/Coutu

Yet it seems to be the strategy of choice for many managers!





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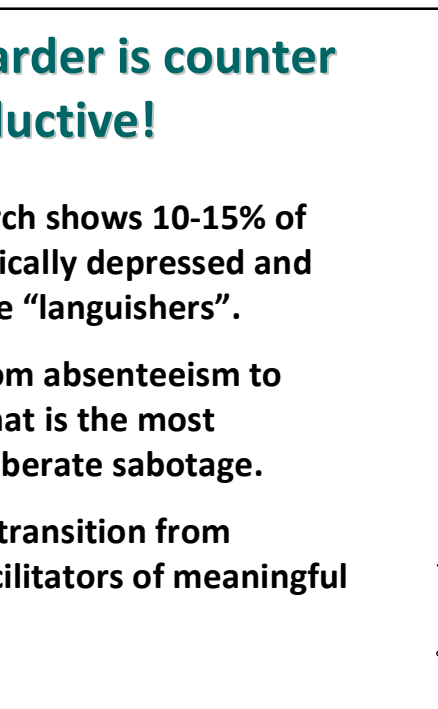


Squeezing harder is counter productive!

In Australia, research shows 10-15% of employees are clinically depressed and another 10-15% are “languishers”.


Problems range from absenteeism to “presenteeism” (that is the most destructive) to deliberate sabotage.

Managers have to transition from “controllers” to facilitators of meaningful work.




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Gallup Research cost of disengagement (in NZ)

STAFF	A	B	C
1	\$12 000?	\$25 000?	\$37 000?
2			\$75 000
3			\$112 000
4			\$149 000
5			\$187 000
10			\$373 000
25			\$933 000
50			\$1 867 000
100			\$3 733 000

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Professional Development

Managers' professional development is the #1 priority!

To create a positive, engaged workforce managers must be able to combine people management competence and confidence along with a very clear strategy to optimise everyone's performance in every facet of the business.

This is definitely not an inherent Kiwi DIY competence even if we think it is!



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Non-linear Management Development

Only achieve incremental gains by building on strengths. Exponential gains come from non-linear development of complementary skills. Eg build a technical manager's communication, negotiation and assertiveness skills.

Think of it like "cross-training".



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About *engaged* employees ...

- Are committed to making the business a success.
- Are enthusiastic about, involved in and satisfied with their job.
- Want to stay with the business.
- Are willing to talk positively about the business.
- Are willing to go the 'extra mile'.

Engagement is the degree of employee-employer alignment. Employees have a choice about the level of engagement they offer their employer.



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Why engagement is so important

There are correlations with:

- Performance/efficiency/productivity
- Safety
- Attendance and retention
- Customer service and satisfaction
- Customer loyalty and retention
- Profitability
- Return on Assets



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The 4 drivers of engagement

The company
Leadership
People systems
Stakeholders

•
 Requires all of these elements to be present.

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Manage and develop the firm's Intellectual Assets

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Intellectual assets – What are they?

Intellectual (or intangible) assets are the drivers of business productivity, competitiveness and profitability.

They exist as difficult to replicate combinations unique to each business. They are the “magic” ingredient that makes the difference between ordinary and exceptional – given similar plant and machinery etc.

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Intellectual assets – What are they?

Include all the business’s inventions, ideas, **institutional knowledge** & expertise, know-how, designs & design capability, plans, customer databases and relationships, production processes and quality systems, brands and reputation, as well as registered IP like patents and trademarks.

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Intellectual assets... The diagnosis

- Kiwi firms are distinguished by not identifying managing and developing intellectual assets.
- We often embed high value intellectual assets in the comparatively low value products and services that we sell.
- We struggle to recognise and extract the value from things we can't touch and see.

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Here's why that's so important!

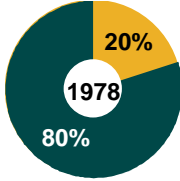
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“A funny thing happened on the way to the 21st Century”[©]



1978


80% 20%

● Tangible Assets ● Intangible Assets


Reference: Standard and Poor’s 500 stock index and IAM Magazine, March 2006.

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Intellectual Asset Management The goal ...

- **Optimise performance & profit.**
- **Minimise risk of loss, theft, no FTO etc.**
- **Identify new products/services and value proposition fits.**
- **Identify new revenue and profit streams and shareholder value.**


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Which particular assets are most important varies between sectors

F&B	Brands
Finance	Customer relationships
High Tech	R&D capability
Media	Creative individuals
Software	Creative teams
Engineering	Accumulated insight & understanding that is transferable from project to project = expertise & <u>experience</u>

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Defining an “Asset”

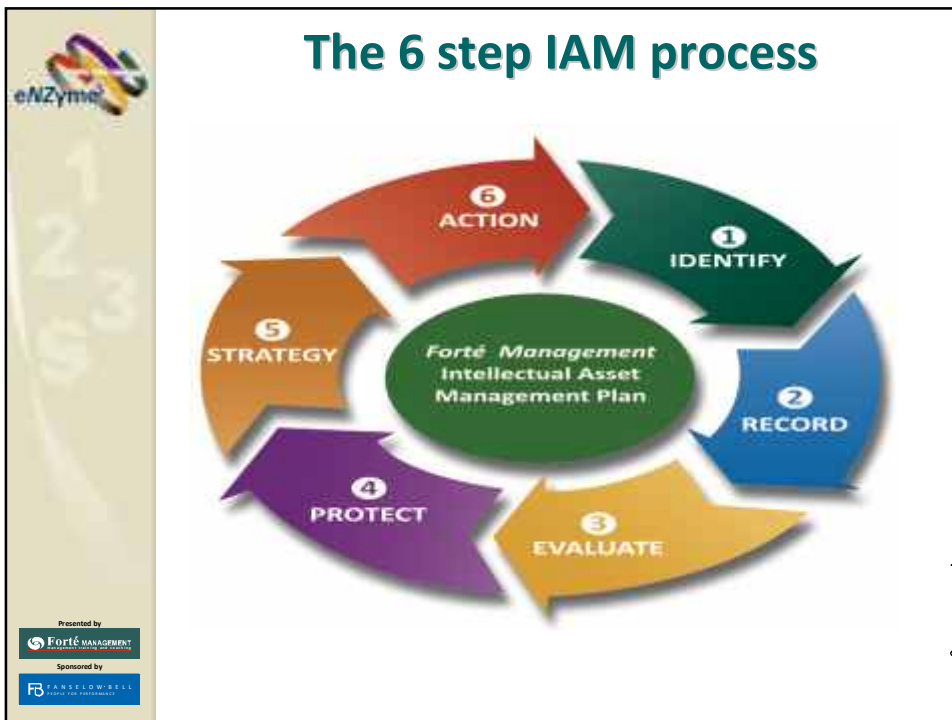
"An asset is a resource controlled by the enterprise as a result of past events and from which future economic benefits are expected to flow to the enterprise."

The International Accounting Standards Board

Intellectual assets are no different!

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Step 1: Identify

- Application of a structured, facilitated process to identify the full range of intangibles.


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Why it's so hard to DIY... FAMILIARITY



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Step 2: Catalogue

Record under these headings:

- Brand, Image & Reputation based.
- Intellectual Property based.
- Product & Design based.
- Contracts based.
- Customer & Supplier based.
- Organisation & Operations based.
- Workforce based (Human Capital).
- Other 'Stuff' including "at risk".

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Step 4: Protection options – securing against loss & theft

- Vary from country to country.
- International treaties (PCT).
- Registered and unregistered. ®, TM, ©, patents, design rights, registered design, PVR, trade secrets, etc.
- Buying time with provisional patents.
- Why patent? An alternative perspective.



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Step 4: Protection options – securing against loss & theft

- Recording & securing passwords, supplier lists, customer records & relationships, etc.
- Controlling access & release.
- Constraints of trade, confidentiality agreements (NDA) etc.
- Avoiding premature disclosure.



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Step 4: Protection options

Happiness is the return of a stolen computer, with data intact

By BECK ELEVEN - The Press



DATA DELIGHT: Detective Constable Matt Reynolds, left, is delighted to reunite PhD student Claudio de Sassi with his stolen computer yesterday.

"For the first five seconds we couldn't believe it, then the shock fades off and we realised the car was really gone," De Sassi said.

"I slowly realised the coincidence of having everything in the bag."

"It was not a happy night."

The thesis was his research on the impact of climate change on subalpine tussock grasslands.

The theft forced him to consider returning to his native Switzerland with nothing to show for almost three years work.

Never has a man been so happy to see a computer full of data spreadsheets.

Claudio De Sassi's world fell apart when a car containing almost three years work towards his PhD was stolen two weeks ago.

De Sassi, a Canterbury University academic, could not hide his joy yesterday as police reunited him with his stolen laptop and backpack.

However, the laptop had been "decorated" by the thieves with a sticker depicting a skull in a military helmet, and in the backpack he uncovered a bike pump and bike light that did not belong to him.

"It's fantastic," he said.

"It looks like I wanted – plus some presents."

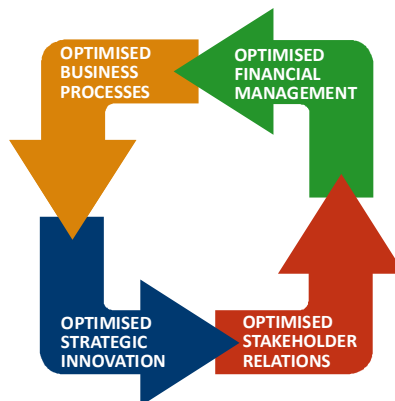
De Sassi had been in The Bicycle Thief restaurant with a visiting American academic when they emerged to find De Sassi's Nissan car missing and replaced with another stolen Nissan.

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5. Strategise and plan

Integrate management of intellectual assets into every aspect of the business strategy and plan to drive the productivity and profitability of every product, service, process, etc.



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Step 6: Action plan




Go make it happen

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Leap to new profit & performance

with




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 Business Performance Supercharger

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Supercharging your business performance and profit with three strategy tools specially designed for Kiwi businesses




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