

Canterbury business should think big

Businesses in Canterbury should look at the larger picture. Patrick Rottiers, director of ProConsulting International, often hears from businesses that New Zealand being small, remote, our dollar being too expensive or that we are overtaxed stifles growth. His international experience reveals a different view, so we asked him to expand and explain.

"Being small in itself is not a real issue," says Patrick Rottiers, "I often compare New Zealand to countries like Finland, Denmark, and Norway – similarly small countries that are doing disproportionately well – even Austria and Switzerland are not much larger than New Zealand. These countries are so much more expensive than NZ, with more and higher levels of taxes and look how well they are represented on the international market. So in a lot of ways, I feel like we are looking for excuses rather than coming up with a viable economic analysis."

He adds that NZ will never be able to compete with the low cost countries that are around us like Korea, Vietnam and India.

"The issue is how can we translate our lifestyle, with the cost of our culture, into an economic model? Although mastering the cost is clearly an essential part of the economy, the principal focus should be on added value. New Zealand businesses should look for and work towards improving the added value of their products and services."

"I've been known to tease, saying: 'Maybe we should have a tax for products that leave the country with little or no added value'. How can we use the brains, the power, the value of our people – all of this available at a very competitive cost – to turn our products and services into systematically higher value ones, for which we could command prices and a profitability that medium to long term is going to pay for our education, our health system, fundamentally our culture."

A question commonly raised according to Patrick is how should Canterbury businesses approach exporting. From an international perspective, looking at 4 million people on two islands, he says the moment we start to seriously do business, we are into export. Therefore it is crucial that we think more fundamentally about export.

"Often the model is starting a business, getting ambitious – and the next phase is almost predictable – exporting to Australia, the UK and the US. Few businesses ask the question are these the right markets for my products? In terms of best profitability, is this the

right way to go? We feel good dealing with those countries, as we understand the language and culture. However we should not go for the most obvious choices, but look fundamentally at what is the best added value of our product and or service and which is the best market to approach.



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Patrick Rottiers

"Another example is the fact that we almost seem to uncritically follow the lead of a number of businesses that export to China. We all know China is an incredibly fast growing, gigantic market. At the same time for a lot of businesses this would be the exact reason not to go for China, but to select much better markets, with much better opportunities in a much better timeframe to develop a successful and profitable overseas market.

"It is critical to fine-tune our product or service with the opportunities and the right market to go for to avoid a fundamental mismatch.

"And above all this, it's not just about export. It's not just about incoterms, picking the right market, setting prices and going for it. We strongly believe that developing export in a region means management upskilling. It's the capacity of the management, the insight, the drive, the focus, and the willingness to understand the market that will translate into successful export. Export is not just about extending our values, procedures and ways of looking at things into another market. The scrutinising methodology of upskilled management, looking for market after market as an individual entity rather than an extension of NZ, is critical for thriving export."

For Patrick's business growth tips for 2006 see page 2.



Mark Pfeifer

Accountants add value

As an accountant I decided to find out what business people thought of their accountants – what they liked and didn't like. As part of this process we formed an advisory group from our client base.

We found common frustrations – the timeliness of what accountants do, which clients didn't understand. Infrequent contact and lack of tangible outcomes were other frustrations.

To help address these frustrations, we developed an innovative and cost effective monthly reporting system called Monitored Business Performance.

Clients receive a clear and simple profit and loss statement after each month's trading, along with comparisons against budget and last year as well as relevant key performance indicators. The reports are based on the electronic capture of bank records, which make them very quick to compile.

Our reports provide valuable information each month and save business owners the time and cost of struggling to track the information themselves. When people know exactly what is happening in their business month by month they are much better able to make management decisions regarding their businesses.

Clients are able to receive their Monitored Business performance reports online with password access on the www.btp.co.nz website and they are also able to pay their once-annual accountant's fee in 12 regular installments. We try and make everything much easier for the client.

I believe that if businesses have well-designed processes and systems it will raise the quality and consistency of output. Business people should get on doing what they do best, leaving us to do what we do best.

We have also piloted a business advisory service – Monitored Business Development. Members meet on a monthly basis to discuss a business-building topic. It is a wonderful way for people to meet, network, pool ideas and experience and work on issues together.

Just as we want to succeed in our business, we want other businesses to succeed also.

Mark Pfeifer

Partner, Bishop Toomey & Pfeifer

www.btp.co.nz



“To make **our way**,
we must have firm resolve,
persistence and **tenacity**.

We must gear ourselves to
work **hard** all the way.
We can **never** let up.”

Ralph Bunche

Branding

→ *Brand America: the mother of all brands* by Simon Anholt and Jeremy Hildreth (658.827 ANH)

Business ethics

→ *Megatrends 2010: the rise of conscious capitalism* by Patricia Aburdene (658.408 ABU)

Businessmen

→ *Trump Nation: the art of being The Donald* by Timothy L. O'Brien (338.04 TRU)

Businesswomen

→ *Nice girls don't get rich: 75 avoidable mistakes women make with money* by Lois P. Frankel (332.024 FRA)

→ *Stop whining & start winning: surefire ways for women to thrive in business* by Molly Dickinson Shepard with Jane K. Stimmiller (650.1 SHE)

Company biography

→ *Family village tribe: the story of Flight Centre Limited* by Mandy Johnson (338.76191 JOH)

Creative ability in business

→ *Think big, act small: how America's best performing companies keep the start-up spirit alive* by Jason Jennings (658.4 JEN)

Employment interviewing

→ *Winning job interviews: reduce interview anxiety, outprepare the other candidates, land the job you love* by Paul Powers (650.14 POW)

→ *Brilliant answers to tough interview questions: smart answers to whatever they can throw at you* by Susan Hodgson (650.14 HOD)

Family-owned business enterprises

→ *Unconventional wisdom: counterintuitive insights for family business success* edited by John L. Ward (658.045 UNC)

Internet industry

→ *The search: how Google and its rivals rewrote the rules of business and transformed our culture* by John Battelle (025.04 BAT)

Leadership

→ *Fit in, stand out: mastering the FISO factor for success in business and life* by Blythe J. McGarvie (650.13MCG)

New products

→ *Blue ocean strategy: how to create uncontested market space and make the competition irrelevant* by Chan Kim, Renée Mauborgne (658.8 KIM)

→ *The design of things to come: how ordinary people create extraordinary products* by Craig M. Vogel, Jonathan Cagan and Peter Boatwright (658.57 VOG)

Connect ceases publication

After fourteen years of publication, Christchurch City Libraries has made the decision to cease publication of Connect and provide business information by other means.

Our redesigned website devotes a zone to your information needs: (<http://library.christchurch.org.nz/Business/>) and new business and management titles are listed in our monthly New Titles listings (<http://library.christchurch.org.nz/NewTitles/>).

We are looking at other ways of providing current business information and welcome your feedback and suggestions. Please continue to contact us.

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Phone: 03 941 7923
Fax: 03 941 7848

Email: library@ccc.govt.nz

Thank you for your readership.

“Attitude is the number one factor for success in business – you have to set goals and be inspired and motivated to achieve them.”

Mark Pfeifer

Book review: Megatrends 2010 : the rise of conscious capitalism

Patricia Aburdene

In 1990 Patricia Aburdene co-wrote the bestseller *Megatrends 2000*, predicting the workplace revolution inspired by network computers. She is back to give her latest predictions on the trends that will guide society and business over the next few years.

Many of the themes she identifies are common throughout the western world and revolve around concerns such as social responsibility and environmentalism. For example buying a Toyota Prius instead of a gas guzzling SUV, purchasing organic produce or the move towards businesses using ‘triple bottom line’ reporting.

The overarching concept that is woven throughout this book is the rise of what she calls “spirit”, which she explicitly defines in the introduction as

“Spirit, for me, is the attribute of god that dwells in humanity, the Great I AM, the Life Force, the aspect of us that most mirrors the divine.”

This ‘spiritual’ movement may be strong in the US where about 95% of the population believe in some form of god. However here in New Zealand where only 60% of the population profess a religion, this fixation on ‘spirit’ throughout the book may grate. She also endorses the validity of alternative medicines such as ‘therapeutic touch’ and the healing power of prayer.

Even if you do not agree with the spiritualism she describes, many of the other issues discussed are very relevant to New Zealand business, especially as we like to market ourselves as a clean, green and environmentally friendly country.

This is not a book you can pick up and browse. The writing style is complex and the numerous subheadings are written in a poetic or metaphorical style that often fails to identify the topic. To get value from this book you should ensure that you have a good amount of time available to read it and consider what is being said.

Hadrian Taylor
Business and Computing Centre

Reserve a copy of this book online
<http://library.christchurch.org.nz/Connect/>



Helpful business tips for 2006

At ProConsulting International businesses often ask us for tips on strategies for growth. Here are a few that are not very popular yet in New Zealand, although rather fundamental.

One is ‘the Virtual Boardroom’. It is vital for any company – especially for small organisations – to adopt a methodology of sharing and scrutinising information, plans and procedures.

Another concept that we have written and spoken about in seminars is ‘the Nuclear Organisation’. Again it is based on keeping the size of a company just as large as required for the economic model, while plugging in expertise. This results in an organisation with knowledge and know-how, competitive with much larger organisations, at an absolute minimal but realistic cost.

A further recommendation is to adopt a systematic passion for following what the competition is doing. Who of my competitors is going where? What are the options? What is happening in my market, not just in the immediate field, but also in a wider sense? These questions should be on the table all the time. Unless we totally understand the market and its players well enough how can we come up with added value? How can we establish a professional pricing model?

ProConsulting International is a business development company, working in New Zealand and overseas. With our international background we assist management teams in developing their methodologies, their insight and analyses of the market, products and profitability. A lot of the practical work revolves around management and business development, business planning, developing the marketing concept, assistance in organising market research and product development.

One of our passions is showing companies how important it is to communicate about their organisation and its product and/or service. This is a crucial element and should be roughly 50% of the marketing. But as important as this communication, is the inbound stream of data from the market.

If interested you can contact Patrick at p.rottiers@proconsultinginternational.com or (03) 326 7637.

www.proconsultinginternational.com



Book review:

The skeptical business searcher: the information advisor's guide to evaluating web data, sites, and sources

Robert Berkman

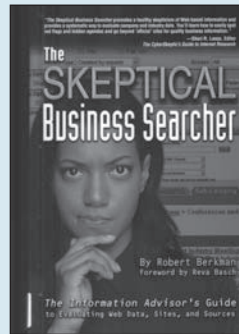
In his latest book, researcher Robert Berkman sets out to remind us that even in the age of the internet a good researcher must still consider the fundamental issues of bias and authority when searching for information sources. In its most simplistic form, do they want to sell us something, and do they know what they're talking about?

In the main part of the book Berkman looks at the types of information available on the web, from company and industry sources to statistics and public records, and considers how reliable they are likely to be. He also discusses the concept of precision business searching, particularly using Google, and includes tips on how to read URLs. If looking for a list of pre-screened sources of company information, sales and marketing data, industry analyses and more, the appendices and the companion web site will be invaluable. They include lists of the author's recommended no-cost online company information sources – to be used with the author's 'verify, don't trust' caution always in mind.

This is a book for those who know that there are other and better sources than that top ten, and want to know how to find them. Berkman's main focus is on ensuring that the business searcher can effectively evaluate the information found, explaining how to recognise the underlying bias and misinformation potentials of any source. Having information is critical to decision making, having correct information can mean the difference between business success or failure.

Julie Farquharson
Business and Computing Centre

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City and country guides

MarketNewZealand.com has been created by New Zealand Trade and Enterprise with the aim of "connecting international buyers with New Zealand's leading exporters". In the 'Exporter information and services' section of the site they provide useful country and economy profiles as well as city guides for New Zealand's main export markets.

The country guides include such information as key economic indicators, top ten imports and exports, New Zealand's top ten exports to the country, a brief country overview, and a description of the current political situation. The guides also offer suggestions for sector opportunities. They give details on regulatory issues, cultural information relevant to conducting business, visa requirements, contacts, and other useful websites.

The city guides provide information on places to stay, things to avoid, things to do, as well as comprehensive information on what you would need to know to begin conducting business in the city including; contact details for the NZTE office, transport information, communication, money and banking, useful phrases, and tips for conducting business.

This is a resource full of valuable market intelligence. The guides give practical 'entry level' information that could unlock foreign markets to Christchurch's own dynamic business enterprises.

“Success consists of going from failure to failure without loss of enthusiasm.”

Sir Winston Churchill

Book review:

Michael Levine

The broken windows theory originated in the context of crime. It states that if a window in a building is broken and is not quickly repaired then within a short period all of the windows will be broken, or that leaving such minor infractions uncorrected indicates that major crimes might also be condoned. Levine has taken this model and applied it to business. His hypothesis is that it is the small problems left unattended that lead to business failure.

This is an interesting book. It deals with some familiar issues including customer service, marketing and website design, but from a slightly different angle. Levine recommends an obsession with

Broken windows, broken business: how the smallest remedies reap the biggest rewards

the details and a compulsion to fix problems as soon as they arise. He emphasises the importance of customer perception and the obvious, if too frequently ignored, fact that values and promises are no good to the company if they are not practised by everyone.

Levine is not necessarily advocating that a CEO micromanage the frontline business, but he makes some good points around the value of maintaining high standards in the small, seemingly unimportant things.

Some might find the tone and repetition of this book tiring, but customers everywhere would endorse the message. Levine contends that it is the details that

say whether or not you care.

The practicality leaps off the page, challenging the reader to do something.

These are not difficult ideas, but they are not often stated this clearly and that makes this book worth reading.

Kate Ogden
Business and Computing Centre

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