



Title:	Managing Director
Company:	Division of a ASX 100
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“Turkeys don’t vote for Christmas”

Context: In the Jan-Feb 2010 edition of the Harvard Business Review, authors T.M. Amabile & S.J. Kramer provided ground-breaking findings into what produces a “good day” in the workplace. Within some 12,000 individual diary entries, “progress” or the sense of ‘moving the dial’, was the vital ingredient discovered in over 76% of the “best days” at work recorded by participants.

The Value Leakage Advisory is interviewing Australian Leaders to benchmark the regularity of “Good Workdays” and to provide insights into how the frequency of such days can be increased. More interviews and case studies are available at valueleakage.com.au

1 Describe a good work day for yourself:

A Good Workday is when I’m with a customer and the necessary amount of faith and trust has been established to allow a free-flowing exchange of strategic challenges and solution possibilities. It may take two years to finally experience such a day. Clients can be slow to reveal their pain points, however, I consider myself a “long-haul” type of guy. Genuine relationships take time to form but are the most rewarding part of my work, intrinsically and extrinsically.

Our Founder, has openly lamented that Business has become impatient with the ROI uncertainty that accompanies efforts to establish long term trusted relationships. Commodity transactions result, which are ultimately unsustainable. I place great emphasis on building enduring partnerships.

2 On average, how many Good Workdays do you have a month?

Roughly half of my Workdays fall into the ‘good’ category. I’m often frustrated that I can’t bring others within the business to see what’s on offer. Engaging internally with stakeholders can be harder than those externally. Internal clients always rate us lower and probably only appreciate half of our capability, yet the other half could make such a difference.



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A Good Workday in the Financial Services sector

3 Describe a Good Workday for your organisation's P&L?

The P&L drives everything so it's always a Good Workday when we can tell the market that we've delivered what we promised for the relevant quarter. I often wonder, however, if the P&L simply gets too much attention. Do we look at it too often? There is such a dichotomy now. Invest to improve, or refrain and deliver to expectations? It's less constrained in a private company. You can agree to defer and pursue a longer-term play. Listed companies are continuously under the spotlight. It's just a natural tension and one in which I think our current CEO is balancing very well.

I think the most important thing to focus on is the predictability or surety around the numbers. If month end is like spinning the chook wheel to find out where your numbers (Revenue and Profit) are going to land, you've got major problems.

4 Do the two Good Workdays align?

The priority is to always get the P&L item right. Being in control and knowing what the P&L will do earns you the right to implement longer term plans and invest in the customer relationships that can genuinely step-change the business. It requires a willingness to back yourself over many years, not just 3 months.

5 Where is Value Leakage most likely to occur in your sector?

Changing the way we do things! There's the old-fashioned Silo approach that says, "give me the spec and I'll build you the rocket" but it's no longer viable. I can't provide a 'spec' because the customer requirement is constantly evolving. It's an iterative process for any Supplier. We build technology. We take it out for testing and end up modifying it six or seven times in response to Market feedback. You must be nimble to survive so you need a layer of people who can move at the necessary pace and with the required skills and attitude. If you just build the 'rocket' it will be useless by the time it's scheduled to take off! So many businesses are attempting to overcome behaviours of staff who say we just want to construct it 'this way'. There is an underlying reason why "Turkey's don't vote for Christmas!"

6 Key Takeout:

The self-effacing reflections of our interviewee, strike at the heart of what many are experiencing in the workforce today. Staff identify with the need to evolve in terms of technology and improved customer responsiveness, but many have an underlying fear of change. Good Workdays get traded for 'secure' Workdays and profit suffers as a result.

The Value Leakage Advisory works with teams to address these issues. We hold a mirror up to each function to enable self-assessment of 'actual' versus 'planned' performance. Staff view their contribution to profitability and are guided in how to rectify 'gaps' efficiently and considerately.

The Value Leakage Advisory finds and fixes profit erosion.
Rectification of internal dysfunctions routinely delivers a 5-15% margin benefit.

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