



KIND WORDS

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Ideas for helping your business through Coronavirus... and beyond

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IN THIS ISSUE:

Seize the moment	page 1
Year of Wonders	page 3
Zoom leadership	page 4
Zoom meetings	page 5
Rainbow Teams.....	page 6
Too much noise!	Page 7
Run don't walk	page 8
Let's have a chat	page 8

SEIZE THE MOMENT

'Never waste the opportunity offered by a good crisis'

Suggested Niccolo Machiavelli, the 16th century Italian diplomat, philosopher and writer.

Whatever the future holds for your business 'AC' [After Coronavirus], it's likely to be different from what it was 'BC'. You have an unprecedented opportunity to review the ways you operate; to assess the extent to which they are still 'fit for purpose'... Or not.

See the next page to find out...



SEIZE THE MOMENT



STRATEGY

Your most important responsibility is to identify and to do something about the biggest challenges your organisation faces. That's 'strategy'. Give it the attention it deserves. It's highly relevant whether you're a branch manager, a business owner, a consultant, a director, an executive, a departmental head or a 'one person' band.

STRATEGY IS NOT WISHFUL THINKING!

It's not about being ambitious or setting targets. It's not fluff - a summary of the blindingly obvious with no shortage of buzzwords. Our fundamental strategy says a bank is 'customer-centric intermediation'. What? Or 'we will delight our customers with unique, creative solutions'. What else would you do? The message? No jargon or wind please. Unclear language means there's nothing clear to say.

Let's get to the heart of the matter. Strategy is about identifying the ways to improve your short and longer-term performance; how to achieve better results. It's deciding what's really important. It's how to gain competitive advantage. Then organising your resources and actions accordingly.

FOLLOW THREE STEPS:

- 1. Carry out a thorough diagnosis** so you have a clear understanding of your current situation. What's going on in your business? Identify the challenges you face. What's happening in your markets? What's happening with your clients, customers, patients or students? What trends are becoming apparent? What's changing? What feedback are you getting? What do you do better and worse than your rivals?

Take your time. Giving inadequate attention to the diagnosis means the choices you make about the future may be mistaken. It's like a doctor prescribing the wrong medicine. The cure won't work.

- 2. Devise an approach,** the ways to overcome the challenges identified in the diagnosis. 'We want to be the catering company of choice in Winchester' is an ambition not a strategy. 'Targeting busy professionals in Winchester who have little time to cook' is.

Break the rules. Introduce new technologies. Come up with 'game changing' insights. They produce the most powerful strategies. Enterprise Car Rental was a pioneer. It brought cars to customers rather than the other way round. The result? Its share of the biggest market in the world, the United States, is over 40%. That's more than double its nearest competitor.

Be different and better so competitors will find it difficult to do what you do.

Specialise. An 'economic moat' is what you need says Warren Buffet, the legendary investor.

The world's leading credit rating agencies, Moody's and Standard and Poors have profit margins five times greater than other business sectors. The reason? They sell financial information that almost nobody else can provide.

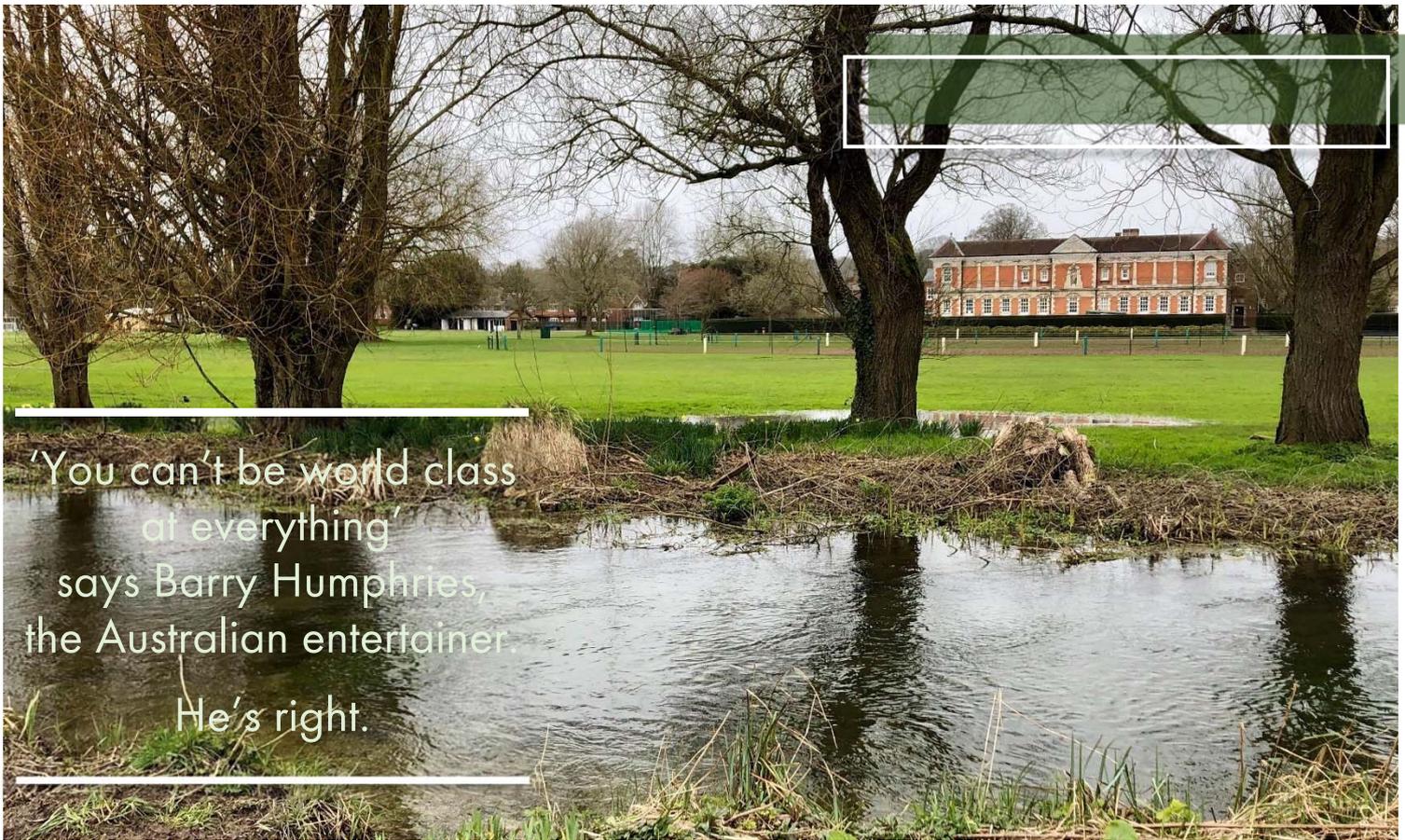
- 3. Convert all the talk into action.** Strategy is about doing something. It's about implementing a programme of co-ordinated and concentrated initiatives. It's the 'punch'. Tough choices are inevitable. Which priorities come first? That's your decision. You'll need to be very disciplined with a very thick skin!

Do more of what you're really good at.

What do you have to do to win?

What are the most promising opportunities?

What can you see that others have not?



'You can't be world class
at everything'
says Barry Humphries,
the Australian entertainer.
He's right.

You can be ambitious.
You can set objectives.
You can have a vision.
You can have a statement of values.
But that is NOT strategy.

STRATEGY is about identifying the ways to move your business or organisation forward, to make it more successful in the future than it has been in the past.

YEAR OF WONDERS

In 1665 'social distancing' orders emptied university campuses. The bubonic plague raged throughout the country killing 100,000 people – about a quarter of London's population.

A 24 year old student was forced to leave Cambridge and to isolate at home. Far from despairing, he made the most of his time, although an apple did fall on his head.

He thrived. He created a small office. He filled notebooks with ideas and calculations. He discovered calculus and formed a theory of gravitation.

His name? Isaac Newton. He became the top mathematician of his time.

The message? Use your time well. You have the opportunity to create great ideas and do your best work. 2020 could be your year of 'wonders'.



ZOOM LEADERSHIP

‘Working from home is the new norm’ says the Financial Times. ‘There may be fewer office desks to return to’. Businesses are keen to cut costs, employees don’t have to travel to do their jobs and working from home may be more productive.

THAT’S THE UPSIDE...

THE DOWNSIDE?

‘Without offices all the informal interactions, networking, brainstorming, team building and fortuitous conversations can’t happen. There’s little camaraderie’ says Jenni Russell in ‘The Times’.

So, given Covid-19’s role in accelerating the trend to using productivity enhancing approaches like remote employment, what should you be doing to help to ensure that the morale and motivation of your staff remains high?

First, make sure your staff can come to the office regularly to collaborate with colleagues on important projects and tasks. Get the most value you can by being together, by being involved. That will boost creativity and loyalty. It will help to keep everyone in their professional networks. And there’ll be gossip, jokes and banter. All to be welcomed!

Second, pay much more attention to communication so staff members do not become isolated and lonely. Send out frequent newsletters and updates so everyone is informed about what’s going on. That will help to provide reassurance.

Third, use the telephone! Colleagues working from home are harder to monitor so trust becomes more important. Keeping in touch ‘word to word’ as well as ‘face to face’ helps to increase the sense of responsibility and commitment. It will be easier to give advice especially to the more junior members of staff who would otherwise miss the expertise and experience of their senior colleagues.

Finally, ‘empathy, calmness, grit and the ability to convey ‘purpose’ will be key’ says Martin Vander Weyer, Business Editor of the ‘Spectator’ magazine.

'Managers report utter exhaustion after a day of remote meetings' reports Jenni Russell in The Times. 'It's a poor substitute for sitting round a table with colleagues and friends'.

She may be right.



Online meetings are here to stay. 'It's the future' says Eric Yuan, Zoom's founder.

Not, of course, an entirely unbiased view! Nevertheless, in a business setting, time is of the essence hence the need to 'zoom' as well as possible.

HOW?

- Be clear about the specific purpose of the meeting or session before it's called. Inform those who will attend.
- Remind everyone at the outset of the meeting what it is about.
- Ensure very firm facilitation. No small talk about the mother-in-law and the weather. Start the agenda without delay.
- Set a time limit for the session. Keep meetings short. A maximum of 20 minutes.
- Minimise the size of the group. Jeff Bezos, Amazon's CEO is an 'efficiency freak' according to the 'Sunday Times'. 'No meeting involves more people than can share two pizzas'.
- At the end of the session, refer to its purpose. Summarise the conclusions reached. Highlight the decisions made.
- Convert the decisions into action otherwise they are only good intentions. That requires answering several questions - what action has to be taken? Who is to take it? What are the deadlines?
- Praise someone who has made a special contribution. 'I'll give my employees a hug once life has returned to normal' says Eric. An exaggeration but his heart is in the right place. Don't forget, you set the tone and not only in meetings.
- Remember Bartleby's Law: "80% of the time of 80% of the people in meetings is wasted."



RAINBOW TEAMS

South Africa is sometimes referred to as a 'rainbow' country meaning the coming together of people from many different nations to achieve a common purpose. The same description can be applied to organisations and the staff who work for them.

It pays to encourage a variety of opinions. Studies show that firms whose executives have a diverse range of backgrounds deliver higher returns than those with identikit opinions. As 'Mrs Money Penny' commented in the 'Sunday Times' Business Section three months ago, 'let's be radical. For your next non-executive director specify that no previous experience is required'. 'The truth is' she said 'that boards of directors and, by implication, executives at all levels tend to appoint people in their own image. It's less risky to appoint the person you think you can rely on rather than someone who is likely to rock the boat'. That's being too conservative.

How can progress be made with the challenges and opportunities you face if colleagues only sing off the same hymn sheet? You'll lack the ability to change. That's a definition of madness. Doing the same thing over and over again expecting better results!

In 'Rebel Ideas: The Power of Diverse Thinking' Matthew Syed, a sportsman and now a journalist argues that the way to deal with this problem is 'cognitive diversity'; assembling teams of people at all levels with different backgrounds, different ideas and different skills. People with varying kinds of experience and expertise will approach problems from different angles. Outsiders may spot opportunities that insiders may miss.

To reinforce all of this, some organisations use 'agile' teams made up of employees from different functions and different levels of seniority

This is extremely important. Increasingly, work is done in teams. As 'The Economist' says 'in the modern world co-operation is essential if breakthroughs are to be made'. In science and engineering 90% of research papers are written by teams rather than individuals. In America, patent filings show that teams dominate.

Apart from assembling people with diverse viewpoints, another factor affecting team performance is to make sure that those viewpoints are heard and respected. This is unlikely to happen if the most senior members of a team are autocratic and dogmatic. According to Google, encouraging colleagues to speak up without fear of disapproval or sanction is probably the most important factor behind good teamwork.

How big should a team be? If it's too small it may lack the skills needed to get a project done. If it's too big, it may be too unwieldy and very difficult to co-ordinate. Robin Dunbar at Oxford University has carried out research on the topic. The conclusions? 'If you want to make a decision, limit the team size to four or five people', he says. 'But to brainstorm in a meeting you need 12-15'.

TOO MUCH NOISE!

According to Cath Everett, 'Raconteur' Magazine [30 March 2020], 60% of employees' time is spent on mundane tasks that add very little value – answering the phone, being interrupted, going to meetings, making requests, replying to emails, searching for information.

Cath reckons that less than a third of staff members' time is devoted to carrying out their actual role – concentrating on the job they were employed to do. The result? Huge inefficiencies and low productivity. Employee wellbeing can suffer as well with long hours needed to keep the in-tray under control leading to the very real prospect of burnout.

Some companies recognise this already. For example, to 'free up' time for staff to focus on 'real' work, a 'no meetings' day has been introduced every week. It recognises that you can either be in a meeting or working. You can't do both at the same time! Meetings should be the exception rather than the rule. An organisation in which executives spend a great deal of their time attending meetings is an organisation in which very little gets done. It indicates that responsibility is diffused not concentrated. It indicates that the organisation may be badly organised. It's time to change it.

To tackle this excessive 'noise', take the following steps:

1. Narrow your business's or organisation's focus to just 3 – 5 priorities. They are set by the 'top' team and then cascaded down throughout the organisation to department managers and section heads and on to individual employees. Don't underestimate the courage and discipline required to make this happen.
2. Focus on the future not the past. 'Skate to where the puck is going not where it's been' says Warren Buffet.
3. Aim high. Do something that will make a difference. Don't just play it safe because it's easy to do.
4. Make the priorities crystal clear. Communicate them well. Launching a new service? Boosting sales of existing products? Controlling costs? If you're not sure what you should be focussing on, then those who work for you will have no idea either. That will lead to lots of wasted effort and even more 'noise'.
5. In the light of the priorities, concentrate on what really matters. That's essential precisely because there's so much to do.

And don't forget Vilfredo. Vilfredo Pareto. He invented the 80:20 rule.

80% of Tesco's operating profit is likely to come from around 20% of its stores. 80% of the fatalities from Covid-19 will come from just 20% of the population especially if they are analysed by age. More provocatively, 20% of your staff deliver 80% of your organisation's added value. Do you know who they are? Do you motivate them accordingly? What are the reasons why they contribute so much? Other members of staff need to know.

6. The overall message? In any situation, 80% of the output will depend on just 20% of the inputs. And 80% of the inputs produce just 20% of the output.

So focus on expanding sales to the 20% of your customers who provide 80% of your profit. Stand back for a moment to understand why these customers, products and services have become so important.

The message?

Concentrate your efforts where it really matters. Time is short. Resources are limited. Do a small number of things really well rather than a larger number adequately. That's the route to achieving much better results.

RUN DON'T WALK

The McLaren Formula 1 base near Woking is helping to save lives by producing ventilators in the battle against Covid-19. McLaren is part of the UK Consortium, Ventilator Challenge. More than 50 companies are involved. 18 months of business planning has been squeezed into 5 weeks. Ten years supply of Ventilators are being made in 10 weeks. So what?

Speed up the pace at which you get things done. Innovate. Introduce new products and services much more rapidly. Scrap the normal rules and procedures. Serco, a large outsourcing company, now hires the workers it needs in 4 – 5 days. It used to be a month.

Oxford University's doctors are seeking to reduce the development time for an effective vaccine to counter Covid-19 from the usual 8 years to 5 months. If a medical team is striving to do that, what about you and your colleagues achieving a similar time feat? Your existing procedures and systems can get in the way. Change them for the better. Your customers will give you a big vote of thanks. And more orders.

LET'S HAVE A CHAT

You may have 'issues' with bosses and colleagues especially with those you find it challenging to get on with. The consequences can be serious – frustration increasing, performance suffering and stress levels rising. But you can do something about it.

Three suggestions:

1. Think about the reasons for the tensions. Be honest. Face reality. To what extent are you part of the problem? Try and change your reactions. Make a big effort to see the other person's point of view. It's possible that you end up working together much more effectively.
2. Become a problem solver not just a critic. Collaborate rather than compete. Ask a 'difficult' colleague about the ways in which you might work more productively together. Rather than express your opinions first, ask 'open' questions – how? what? when? where? who? and why? Have the patience to listen to the answers.
3. Ask a boss or a colleague for help. This shows you value the other person's experience and expertise. You'll be building on his or her strengths rather than weaknesses. That will be welcomed. It demonstrates that you're keen to find out 'what is right' rather than 'who is right'. It shows you're keen to get a task done well. And even if you don't become friends, mutual respect may be established. It's worth a try. You need to take the initiative. Now!

ACKNOWLEDGEMENTS

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Photos:

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