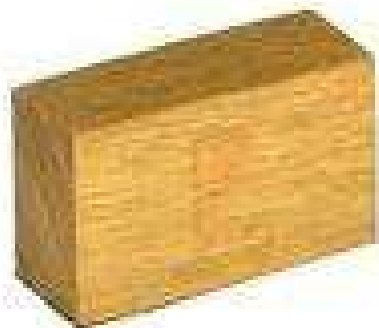


**“What’s the difference
between a block of wood
and a tent peg?”**



**How
TimelessTime
adds value to
your business
through your
people**

On people and their contribution to firms:

Leif Edvinsson,
Swedish Intellectual
Capital Guru.

“The only vital value an enterprise has is the experience, skills, innovativeness and insights of its people”

“The soft stuff is always harder than the hard stuff”

Roger Enrico, Vice Chairman of PepsiCo, referring to Human Resource Management (HRM).

Bill Gates, CEO
Microsoft.

“Take our best 20 people away, and I will tell you that Microsoft would become an unimportant company”

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What's the difference between a block of wood and a tent peg?



Answer

- Someone whittled the tent peg from the block. Someone added effort and more specifically they added competence in whittling.
- The tent peg sells for more than the block. It has purpose and solves a problem. The difference between selling price and the cost of the block is the added value.
- Selling price minus block cost equals value added by the whittler. Selling price minus block cost is also the gross profit available to the tent peg producing firm.
- Net profit (or 'bottom line') is gross profit minus staff costs. So minimise the whittler's salary and the whittler's employer maximises net profits.
- But "pay peanuts and you get monkeys". Monkeys can't whittle. And there the people management challenge begins.

All firms needs motivated, competent whittlers.

INTRODUCTION

What's this book about?



- It's about maximising added value through people.
- It's about managing and developing competence.
- It's about managing staff compensation and benefits.
- It's about what to do to maximise motivation.
- It's about how to check HRM is working right in the firm.
- And it's about showing you how TimelessTime can support you.



Above all it's about ensuring firms maximise returns from tent peg whittling.

INTRODUCTION

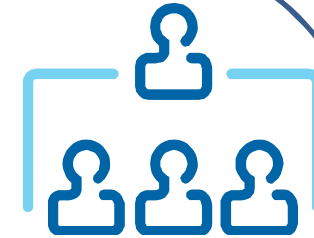
Adding value: the facts



- Getting the right people in post and sustaining good employee relations improves the bottom line by up to 7.1%.
- Providing clear leadership, avoiding overly hierarchical structures, encouraging teamwork and having effective appraisal systems contributes an additional benefit of 4.7%.
- Having the right pay and benefits structure, including stock and incentive schemes can improve the bottom line by 3.7%.
- Sharing business information, engaging with employee feedback and encouraging employees to manage their own development benefits the bottom line by up to 3.2%.
- Keeping people who are not right for the organisation and fostering a costly and inappropriate job security detracts by 7.5%.

MANAGING YOUR FIRM

Recruitment: getting the right people



All firms recruit.
But how does the firm
get the right staff in
place with the right
competence?

Determine the effect the role will
have on added value.

Be clear on the competence needed
and the personality and traits to 'fit'.

Express each role using a Job
Description and Person Profile.

Choose an appropriate recruitment
method. Test to check competence.

Then manage the new employee
into place.

MANAGING YOUR FIRM

Disciplinary and Grievance



You may have to discipline staff and employees may lodge a grievance.

Put in place robust and tailored grievance and disciplinary procedures

When faced with a possible disciplinary or grievance STOP. Don't act without thinking.

Use the procedure!
Work the procedure!

Get help. If going through disciplinary or grievance you need someone to talk to.

Manage the aftermath. All staff will need help to get back to business after disciplinary or grievance.

MANAGING YOUR FIRM

Redundancy



Redundancy is a feature of today's business. It's used to manage in a downturn and to effect organisation change.

It's an employment law minefield when making people redundant. Get help.

Determine the effects of redundancy on the bottom line.

Manage the aftermath. Remaining staff need help to get back to business.

There is a process that firms must follow. Follow it.

Make clear decisions about who goes and who stays. Consult and communicate.

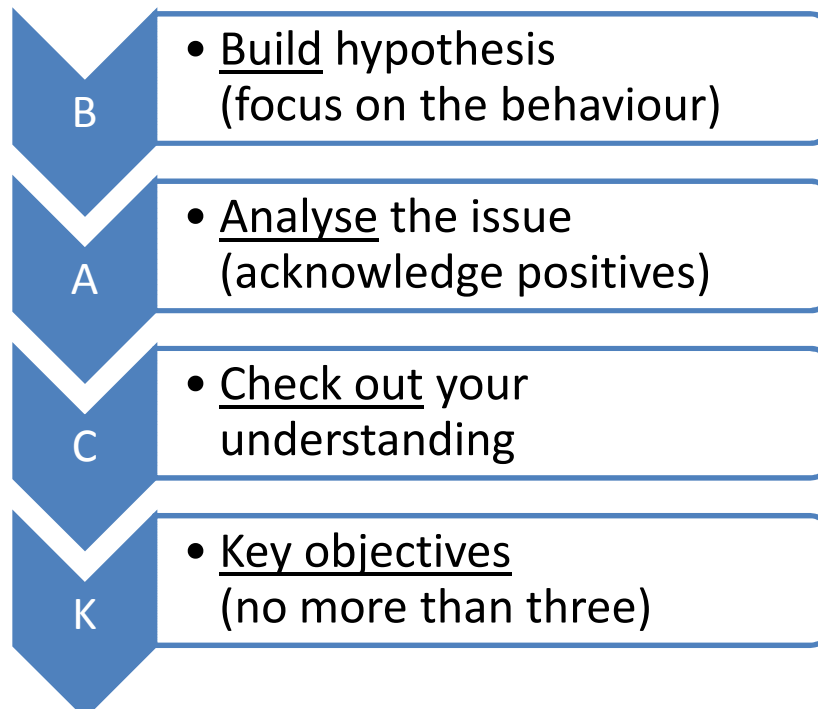
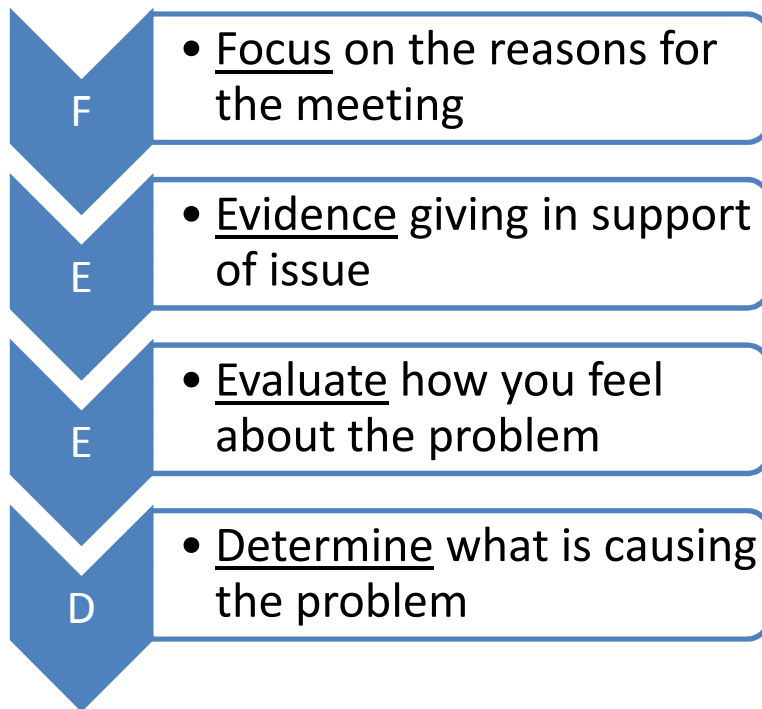
Behave with humility. Treat everyone equitably. Be firm but compassionate.

MANAGING YOUR FIRM

Giving Feedback



Learning to give constructive feedback is key.



“I’d like to talk with you for 10 minutes about the team meetings. When you’re there you make good contributions. However...”

DEVELOPING YOUR FIRM

Setting an HR Strategy



Without a strategy, your firm will not improve from where it is today. An HR strategy forms part of how the firm will achieve its planned return on investment.



Determine your business strategy.

- In terms of markets, products and services
- In terms of turnover, growth and return on investment



Determine the role of people in your strategy.

- Develop options for how the necessary competences will be realised.
- Select the best option and make a plan.

DEVELOPING YOUR FIRM

Effecting Strategic Change



Effecting change is a three-step process.

Competence = skills x knowledge.

Determine how much of each competence you need to achieve the return.

Express skills and knowledge in Job Descriptions and Person Specifications.

Describe your firm 'as is' and 'as needed'.

Remember: you can '*change* the people' or you can '*change* the *people*'.

Strategic HR change is mix of staff development, redundancy and recruitment.

DEVELOPING YOUR FIRM

Effecting Culture Change



Sometimes performance is impeded because the culture in the firm is wrong.

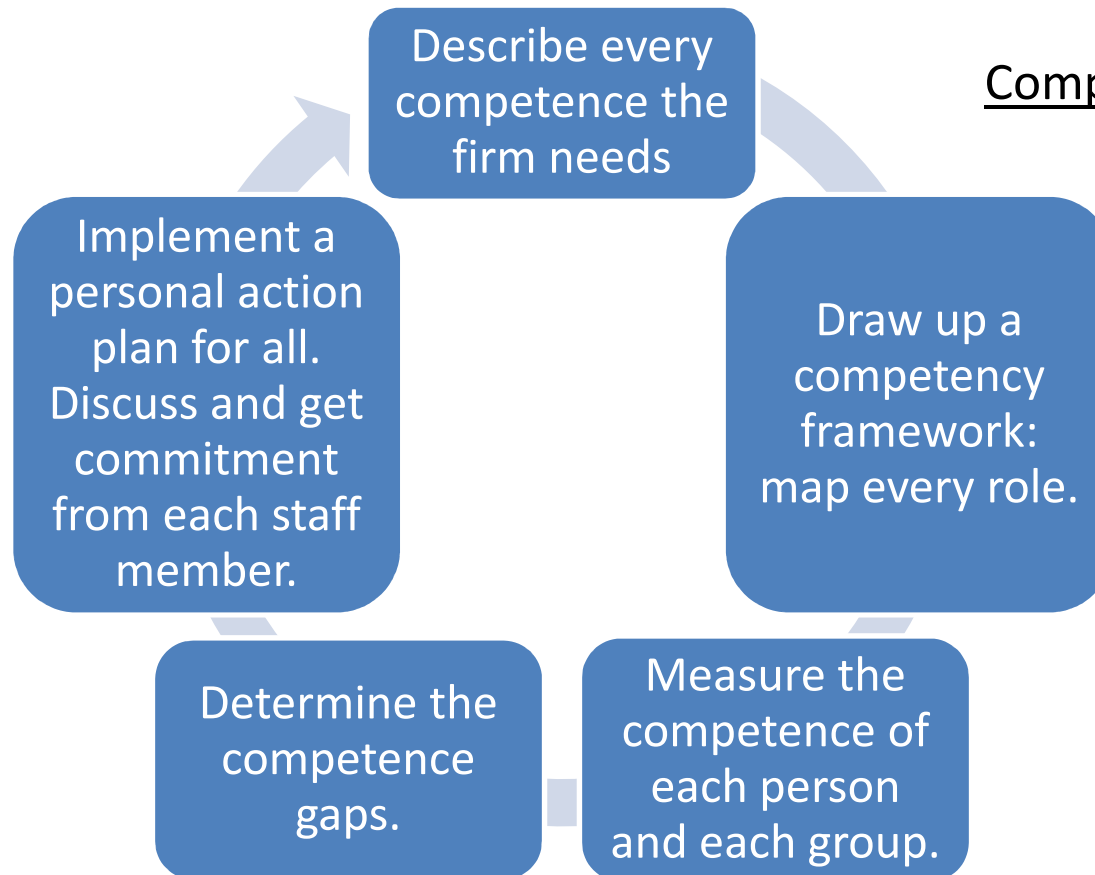
TimelessTime uses Maslow, Hofstede, Hertzberg, Denison and Myers-Briggs to describe culture.

Remember culture change takes time and is not precise. Plan for it!



DEVELOPING YOUR FIRM

Developing People



Competence can be developed.

People development takes time, effort and money.

People development needs to be planned and monitored.

People development improves staff engagement and morale in the firm.

EMPLOYING PEOPLE IN YOUR FIRM



Staff Benefits: part of your compensation and benefits.



Benefits are a selection criteria when candidates appraise your firm. Benefits determine your ability to attract new staff.



Benefits can save costs in a firm: private medical insurance helps to get sick staff back to work and contributing again.



Like pay, benefits must fit with the norms of the employment market in your industry and locale.

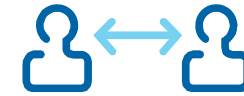


Employees value benefits differently: older workers value pension, younger workers value holiday.

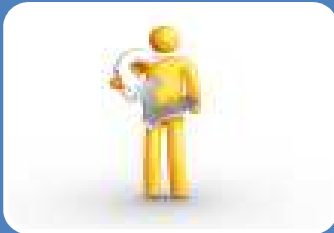


Develop flexible benefits; let employees select benefits from a list.

EMPLOYING PEOPLE IN YOUR FIRM



Pay: part of your compensation and benefits.



Pay is not a motivator.

- There has to be sufficient or it de-motivates.
- Paying too much adds little.
- Everyone gets used to an increase: its effect is quickly lost.



Pay is governed by the employment market.

- There is a market price that can be determined for every role.
- Use salary survey and benchmarking to determine ranges.

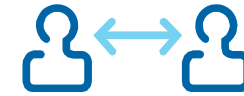


Establish a salary structure and pay equitably.

- Continually review market rates.
- Don't wait for staff to leave before reacting.
- Scarce skills are sought after and command more.

EMPLOYING PEOPLE IN YOUR FIRM

Contracts and Contract Documents



Do put in place a robust and tailored set of employment contract documents

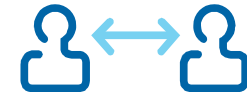


Use an employment handbook augmented by various policies and procedures.

Tailor all documents to YOUR firm and YOUR circumstances.



Keep all employment documents up to date with the changing legislation and the developments within your firm.



Performance Appraisals

Performance appraisals are an opportunity for managers to sit down with employees and discuss employee performance in a structured way.

- Develop and implement a robust and tailored performance appraisal scheme.
- Giving and receiving feedback is fundamental part of management.
- Remember people don't like giving and receiving personal comment.
- Communicate expectations through objectives.
- Train managers and employees in how to run appraisal interviews.
- Decouple performance appraisals and salary reviews.

Then complete appraisals every year for everyone without fail.



Conducting a people management audit

Audit is the examination of evidence to confirm performance or compliance with requirements. Requirements come from legislation and what is referred to as 'best practice'. Requirements also come from the firm's business strategy.

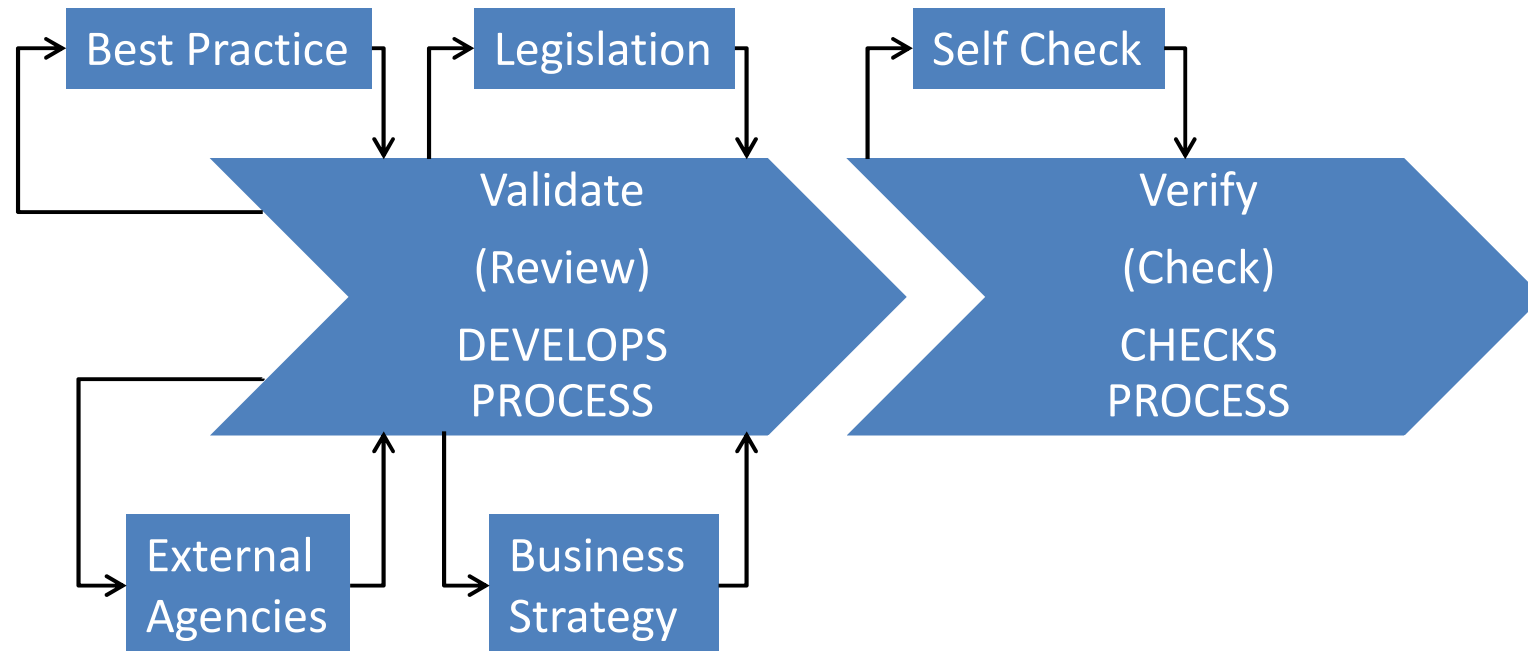
Audit involves comparing two entities, one the 'ideal' and the other the 'actual'. Audit highlights gaps in performance. Gaps can be analysed and bridged with corrective action.

Audit should form part of a continuous improvement activity. Audit generates a report of non-conformance (with requirements) and corrective action. Non-conformances can be categorised according to severity.

CHECKING PERFORMANCE IN YOUR FIRM



The People Management Audit Process

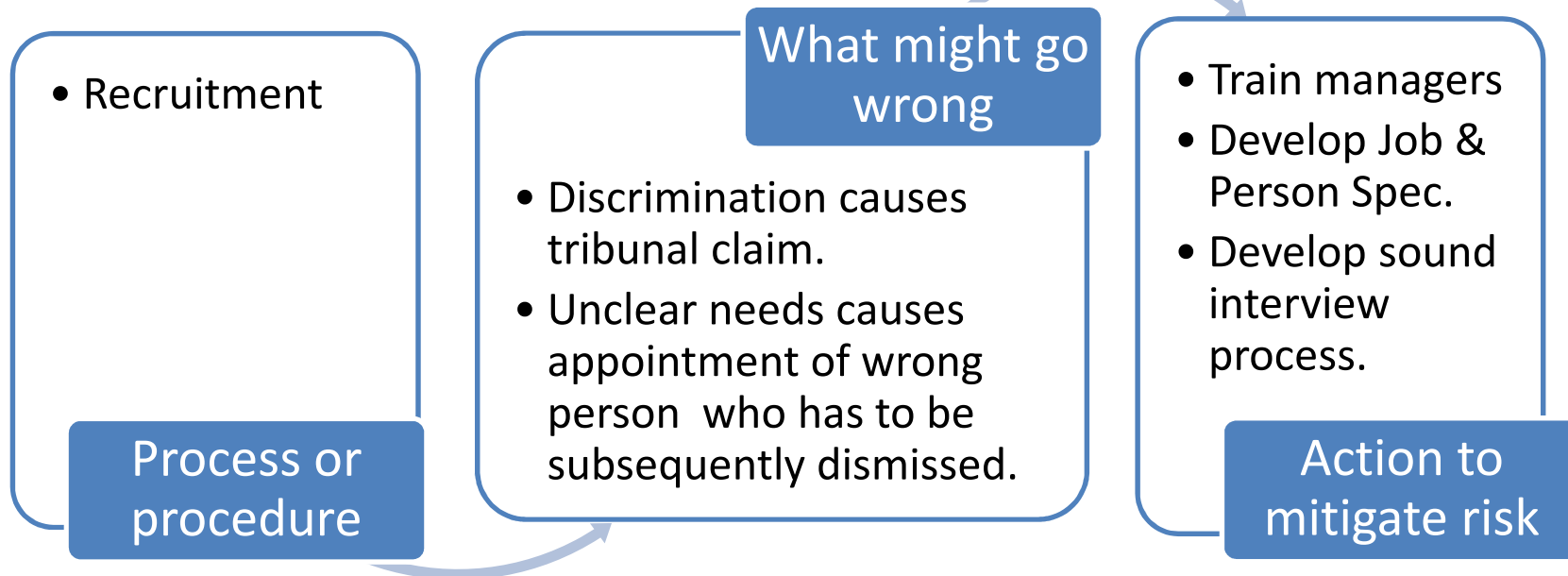


An audit has two parts: Validation and Verification. This duality generates a two-step quality process which follows the ethos of ISO9001.

CHECKING PERFORMANCE IN YOUR FIRM



Managing HRM Risk: an example

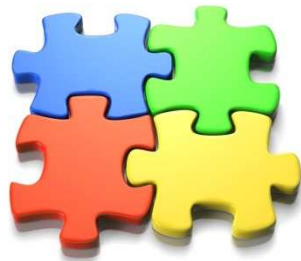


Risk is the chance of some untoward event multiplied by the severity of that event (its effect in money terms on the bottom line). Take action to mitigate the highest scoring risks.

Learn to complete risk analyses on all processes as required.

ABOUT TIMELESSTIME

TimelessTime Services: What we do



We provide the full range of people management support needed by senior managers. These are structured under four functional headings.

- Making long term improvement and change

Strategic



- Checking that HRM is working for you

Audit



- Developing processes and procedures

Process



- Making HRM count

Action



ABOUT TIMELESSTIME

TimelessTime Products: How we do it



Complimentary HR
Audit

Telephone and
email HR support

Available 24/5

Annual fixed fee



Redundancy

Recruitment

HR Policy
development and
evaluation

Company
restructure



HR Director

HR Manager

Business Partner

Board level or
operational

We work in partnership to ensure people truly are your most valuable asset.

TimelessTime
Senior Management Support

ABOUT TIMELESSTIME

The Author



Sue Berry founded TimelessTime after spending 25 years in operational and strategic HR roles. Having experience in a wide range of industries including aerospace, electronics, chemicals, service industries, the Health Service, academia, not-for-profit NGO's and the charity sector means that she can offer a first class service to clients based on the 'good practice' of both large and small firms.



Sue holds a Masters degree in Human Resource Management and is a Fellow of the Chartered Institute of Personnel and Development. With a B.Ed.(Hons) she is also a qualified trainer. She has published two books and written many papers on topics related to people management.



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