

PROFIT MATTERS

Helping you realise your full profit potential



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Build stronger business relationships

Traditional networking tends to focus on meeting and connecting with as many people as possible in a business setting.

However, simply handing out your business card or talking up your business to others does not necessarily foster trust or build strong relationships. Those who attend regular networking events but feel they are not making true and honest connections with others need to shift their goals from simply increasing their number of business contacts to building quality relationships.

Since the overall purpose of networking is to connect with others who can help you, as well as you help them, having strong relationships, communication and trust is fundamental. After all, there is no point knowing 100 people if you only feel comfortable reaching out to one or two of them.

Business owners should view interactions with others at networking events as opportunities to develop true relationships. This kind of approach can help get to know others on a deeper level, and create more meaningful, natural connections. Having no expectation or pressure to connect with someone means that when or if you do connect, it is genuine and authentic. There is also no obvious underlying motive for the connection that only benefits one party, which can increase the development of trust between two people.

To transition from a networking to a building approach, individuals need to focus on giving rather than getting. If the focus shifts towards helping the other person and listening to their needs, you are more likely to develop a better connection and will naturally be rewarded for your efforts.

Focusing on building relationships also makes the process of following up with contacts a whole lot easier. Spending more time communicating and sharing with two or three people, instead of 10 or more means there will be less people to contact. When you reach out to these contacts, you may find that you have something interesting or important to say, which has carried on from your previous interactions.

Here are some key points to keep in mind at your next networking event that can help you steer clear of the traditional networking mindset and help foster genuine relationships with others:

- Strive to spend more time having sincere and genuine conversations with others, rather than aiming to have shorter talks with many people.
- Spend time getting to know the people you talk to, and think of how you could help them. Giving a little now can help in the long run if you ever need their help.
- Aim to just talk to people. Don't think about whether or not the person you're talking to will help you become more successful in your career. Make the effort to engage in conversation with them about topics or subjects that don't relate to your business.
- Think of some interesting ideas or experiences that you can share with others. Keeping these in mind can help when striking up a conversation with someone new, as they allow you to start a conversation. Don't be afraid to talk about and connect through different topics and experiences, such as school memories, hobbies, pets or even television shows.

HYD Advisory



Suite 3
284 Belgrave Esplanade
Sylvania Waters
NSW 2224

TEL (02) 8543 6800
EMAIL admin@hydadvisory.com.au
WEB www.hydadvisory.com.au

DIRECTORS
Mark Pinhorn
Jon McInnes

ASSOCIATE
Mark Gocher

Accounting
Cloud
Finance
Wealth

Is an agile workplace right for your business?

Reviewing your workplace to facilitate greater flexibility is an important consideration when looking to increase productivity.

Agile working has been adopted in businesses globally with varying degrees of success. Tasks can be performed in large



shared spaces or by employees who share a role working in the same space at alternating times; working from home is also enabled where appropriate. Flexibility in the work environment and self-managed hours allow employees to satisfy personal commitments.

Before considering a move to an agile workspace within your business, it is important to review the pros and cons.

Pros

- Offering flexible work hours effectively means a greater range of hours are covered. This should lead to decreased pressure as a greater volume of work can be achieved by workers sharing the same role
- Giving your workers the freedom to make choices that fit with their personality and commitments can be the catalyst for greater creativity. The forming of new ideas, improved communication and collaboration could lead to greater overall productivity and job satisfaction
- Creating zones allows your workers to move around according to the task at hand. Quiet zones allow for focused, deadline-driven work

to be carried out without distraction, whereas collaborative zones grant employees the chance to interact in a supportive space

Cons

- Management must accommodate the changes in autonomy. Leaders need to demonstrate that they have confidence in their workers' ability to work unsupervised at times
- Change is uncomfortable for many, especially long term employees and those with more experience in the workforce. Opposition may come from the belief that the current space was working effectively without necessary changes and that hot-desk models remove ownership of a workspace
- A legitimate concern is the spread of germs. When moving around the office from desk to desk, it is markedly easier to catch others' illnesses, impacting upon the whole office

To ensure a smooth transition to an agile workplace, consider the impact it will have on your current employees and their productivity. Changes should reflect the needs and desires of your unique business.

The ins and outs of workplace warnings

Warnings are an important workplace tool in helping to ensure that employees understand their employer's expectations.

They also serve as evidence of a fair performance management process and provide supporting evidence should the employee be terminated. Warnings can play a crucial role in defending unfair dismissal claims as it provides evidence that the employee was aware that they were displaying unsatisfactory workplace performance and conduct.

A workplace warning is defined as a communication, be it verbal, or written, to an employee about their performance or conduct at work. Warnings are a tool used to communicate an identified area where an employee needs improvement, or where their conduct does not meet the required standard.

The aim of delivering a workplace warning is to give the employee an opportunity to improve their workplace performance or conduct. Verbal warnings are usually administered before a written one as they are less informal and are usually of a less serious nature.

That is they do not warrant summary dismissal. Once a warning has been issued the employee's performance or conduct is usually monitored for a set period of time.

A written warning should be issued after a warning meeting has taken place. At the

conclusion of the meeting, the employee is advised that they will be receiving a written warning in the following couple of days.

Generally, most written warnings will comprise of the following:

- record who was present at the warning meeting
- record the fact that the employee was invited to have a support person present
- outline the conduct or performance which is the reason for the warning
- where appropriate refer to a relevant policy or the employment contract
- refer to previous warnings that were issued
- record the employee's responses to the matters in issue
- clearly state that the employee needs to improve, including an explanation of the consequences for failure to improve
- where relevant, provide support for the employee to improve such as training
- preferably be countersigned by the employee as evidence of their understanding of the warning

There is no legal requirement as to how many warnings must be given prior to termination. The unspoken rule is to use anything from one to three written warnings, to ensure that the employee is given enough notice and time to improve their performance or conduct.

However, it is always a good idea to refer to the company's policy and any performance management procedures that may be in place before deciding when to terminate an employee.

There is also no legal rule that defines how long a warning remains current. Generally, it is unusual for a warning to remain current after six months had passed with no more warnings being issued.

Workplace warnings are an important tool for employers to communicate their expectations to their employees. Failure to implement, or appropriately manage, warnings can come at a high price.



A guide to recruiting cultural fit

Cultural fit should be considered just as important as competency when making recruitment decisions to benefit your long-term business.

Failing to consider cultural fit can lead to plummeting business productivity, poor performance, lost opportunities, poor public relations and high staff turnover. Successful recruitment judges applicants on more than qualifications and experience alone - it extends to assess cultural fit through personality traits and values.

To best assess whether a candidate will fit into your business's culture you must



understand your business's culture in terms of values and expectations towards teamwork, communication, customer focus, integrity, respect and so forth. Knowing your business's vision and values will help set a precedent when making hiring decisions.

Culture can be communicated at the beginning of the hiring process through criteria in the job advertisement, for example, working well under pressure may be a necessity. However, the interview often enables the interviewer to best assess the potential cultural fit, as their CV may not accurately reflect the candidate.

When interviewing applicants, use behavioural style questions to gauge cultural attributes. Behavioural questions, such as "Give me some examples of how you resolved conflict at work," or "Describe a work environment where you had the most success," are often a good way of ensuring behaviour is congruent with the style used in your business.

An interview is also a good time to communicate your business's culture and to identify whether the applicant is motivated to match your culture. Explaining the culture of your business helps the applicant to further assess their own suitability, providing them with the opportunity to opt out if their values do not align.

Ideally, employers should equally consider whether the candidate is qualified to do the job and whether there is a cultural fit for the best hire.

How to find your target market

Knowing your target market can help to differentiate your business from competition, tailor your marketing efforts to better meet customer needs and potentially boost sales.

A broad target market that tries to appeal to "everybody" can easily get lost amongst the crowd.

Demographics alone, such as age, gender, income and occupation, do not provide enough insight into the attributes of your target customer.

When constructing a target market profile, narrow down your typical customer with consideration to geographic, psychographic, and behavioural characteristics to develop a clear and specific vision of your target market.

Geographics

Segmenting your target customer through geographics involves considering what continent, country, city or town they may live in, the size of the area, the climate and if they live in specific neighborhoods.

Psychographics

Categorising your target market through psychographics, uses personality and interests to define your target customer. Psychographics analyses variables such as lifestyle, attitude,

values, personality traits, social class, activities and opinions.

Behavioural

Behavioural segmentation involves your target customer's behaviour towards your products or services. It can include the benefits sought, how often they will use your product or service, their loyalty to your brand, their readiness to buy your products/services or if your products/services are used for a specific occasion.



Wise Words

The secret to business is to know something that no-one else knows

- Aristotle

Securing your data

IT security threats can wreak havoc on a small business, posing concerns for business owners and customers alike.

Securing your data does not have to be a daunting task; there are some simple steps you can take to minimise your risk of a data breach, such as the following:

Update software

Security software needs to be installed on all of your business's devices and regularly updated to protect against emerging online threats. Keep up to date with antivirus and anti-spyware software, use good firewall and a secure wireless connection.

Regularly back up

Backing up your data regularly is one of the most important safeguards to protecting your data. A combination of on-site, i.e. hard drives connected to a computer, and off-site (cloud technology) backups should be used.

Cloud-based backups are useful for storing sensitive information but are not suitable for large backups, such as videos and photos. Cloud technology allows you to retrieve your data from elsewhere, if one backup goes down. It protects against internet theft as the data is encrypted before it is sent to the cloud.

Build a culture of data privacy

Creating a culture of IT security in your workplace helps to educate staff and set expectations around technology uses. A good privacy policy should outline IT security and confidentiality. Reviewing your policy regularly and creating a contingency and disaster plan can help to prevent and manage mishaps.

Living up to your potential

If you're one of the many people who feel that their talents go unrecognised or unutilised, it is time to start thinking about if you are leveraging your true potential in life.



Very few people can claim that they have achieved all that they are capable of doing. For most people, it is easy to take comfort in modest achievements. But for others, it can be hard to shake the feeling that you could have done much more with your life and career.

A person's potential lies in both their talents and the strength of their spirit and willpower. Achieving your potential takes time, effort and a commitment to the process of self-improvement.

If you feel that you aren't making the standard of contribution you are capable of making, here are three ways to change your mindset to fulfil your potential:

Start behaving successfully

The way humans choose to behave can determine the extent to which they apply their talents and create outcome standards. When a person chooses to act in ways that will enable his or her success, their real potential can be achieved. No matter the extent of a person's talents or capabilities, unless they behave successfully, their potential will never be realised.

Think wisely

The way we think, feel and take action all contribute to the outcomes we create for ourselves every day. Reaching your potential requires the desire to get there first. Commit yourself to making considered choices that support the achievement of your potential. If you accidentally make decisions that undermine your success, deliberately take steps to change them.

Make opportunities for yourself

Don't wait for other people to recognise your potential; look for and take part in opportunities where you can make a more significant contribution. Thinking wisely and planning help when reaching your potential, but it is the action you take which will lead you to success.

Participate in events or projects that will allow you to showcase your talents and demonstrate a willingness to go above and beyond. Be willing to give things a go. Remember, those who chase their desire to broaden their capabilities are most likely to realise their potential sooner.

How to reinvent your business

Small businesses should always be open to the idea of reinventing themselves to stay relevant to today's customers and marketplace.

Business owners who resist change and leave it too late to reinvent risk stumbling behind and at worst failing. Instead, businesses should focus on a proactive approach to growth for optimal business performance and success.

Making a commitment to reinvention before the need is obvious does not come naturally; it requires planning. Here are three ways to make sure your business does not get left behind:

Continually forecast

Industries are continually shifting - competitors are introducing new products, customer



needs are ever-changing and technology is transforming the way business was traditionally performed. Forecasting change is essential to be a competitive leader in your industry.

High performing businesses exploit existing businesses that have not yet peaked and recognise untapped markets. High performers also understand that remaining competitive means some form of risk taking is necessary.

Focus on strategy

Strategic planning is imperative to make reinvention possible. Businesses need to detect shifts in their industry ideally before they happen. The best way to predict these shifts is to involve line managers, frontline employees, store managers etc into the strategic process, as they often pick up on insights business owners can easily miss.

For a business to reinvent itself, it needs a permanent strategy which continually scans the market for unsolved problems and untapped customer needs.

Invest in top talent

Successful businesses need teams of talent to run and grow the business effectively. Business owners need not only hire the right type of candidate but they must strengthen and prepare individuals for the challenges that will arise when reinventing. Businesses need to invest time into developing their employees to enable them to succeed in their work.

By first looking at what their employees are required to do day to day, business owners can assess what factors are fueling (or limiting) their success.

About us

HYD Advisory

Achieving better results for your business

At HYD Advisory we can:

- work with you to help your business grow by identifying opportunities.
- establish systems that encourage and support success.
- ensure your business structure is the most appropriate for your business.
- position you and your business for financial freedom.

We seek to truly understand you, your business and your financial goals. Together, we work to establish a plan to achieve your financial goals.

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