

Generational Divide

Are Baby Boomers, Generation Xers or Gen-Yers leading the company? Is it the same generation at the coal face? Many companies are facing the dilemma of a small pool of Baby Boomer management looking forward to retirement in the next few years, and a mass workforce of much younger and vastly different employees eager to take over the reins. In addition to the implications for the company culture, the loss of expertise and often changes in ownership, many organisations are battling the generational divide on a day-to-day basis.

Baby Boomers were born between 1946 and 1964, Generation Xers from 1965 through 1979 and Gen-Yers from 1980 to 1994. These three generations have distinct attitudes, working styles, training approaches and heroes which all affect the company structure, processes and underlying culture. It is important to recognise and value the generational differences and allow them to coexist rather than forcing an organisation style that makes some employees uncomfortable.

Recruitment and retention, management and training are factors that require understanding of and adjustment for the various generations present in the firm. What might entice a Baby Boomer in a job interview could be a reason for a Gen-Yer's rejection of a company offer. A team environment motivating to a Generation Xer could be destructive for a Baby Boomer. A management style appreciated by a Gen-Yer might be negative for a Generation Xer. A Baby Boomer may consider a company transfer as a reward for years of loyalty while a Generation Xer could view it as a penance and a disruption in valued family life outside of work.

Recognising and dealing with different generations is not only important in the workforce, it is also essential in relationships with customers and other stakeholders. For example, educational institutions interact not only with their largely youthful customers but also a variety of generations across staff, suppliers, students' families, financiers



and government bodies. Engineering companies regularly communicate across generations with a range of workers, customers, regulatory agencies and suppliers.

With the skills shortage, the booming economy and the increased complexity of business it is critical to embrace the different generations in the workplace and provide a positive environment where they can coexist harmoniously.

Sincerely,

Sarah Richardson
Director

Brand Building

A company's core asset is its brand. The brand sets the firm apart from the rest of the market and often has taken



years and investment to develop. Yet how many organisations resort to focusing on price to win business?

In spite of a very strong economy, it is surprising the number of businesses across diverse industries putting forward price as their point of differentiation.

Using price to attract customers is the oldest and easiest trick in the book. Unfortunately it also generates the least profit whether a short-term promotional activity

focusing on price or a long-term low price strategy. More importantly, it is difficult for customers to equate value-added benefits such as quality, innovation, technology investment and service with low pricing.

Whether advertising, a tender document, the company's website or a salesperson's communication, make certain the key messages customers receive support the organisation's brand direction. Ensure the right pricing strategy is in place and build internal systems to require senior management signoff on modifying this agreed strategy.

Customer Retention

Encourage the management team to build a deep understanding and relationship with existing customers before they become a competitor's key strength!

Is it more worthwhile to focus on retaining existing customers or chasing new clients? Most people are aware of the value of customer loyalty but many firms do not reinforce that in their actions. As consumers many of us have tolerated poor service for a period and finally, after a seemingly minor incident, take our business elsewhere. Others attempt to enlighten the offending company by communicating the issue only to be frustrated with a lack of listening or change in approach. In spite of the new privacy legislation, the final straw seems to be endless follow-ups from companies disappointed at losing our business.

Many firms invest heavily in new market and product research, advertising and trial generation. These businesses get excited when the sales manager achieves a significant new order. Are similar investments and energy focused on keeping existing customers happy? Do we have a deep

understanding of these clients? Is there research commissioned to monitor loyalty? Are there systems in place to review diminishing purchases or loss of existing customers?

Membership organisations face



the same issues of member retention. Like other organisations, effort is often directed at seeking new members — but it is not a wise investment unless the organisation works hard to develop a deep relationship with those members once they join. Is there any evaluation on how involved these new members are having joined? There has been significant recent research on the decline of

communities in modern society and membership organisations can play a part in alleviating this deterioration. But do these new members feel they belong to the membership group? How many of these organisations regularly seek feedback from existing members,

whether casually at events or formally via surveys? Why is it a surprise when members leave the organisation? Do these groups conduct 'exit interviews' similar to the discussions with employees departing companies?

Now is a good time to take stock of the

company's key strength, its customers, and understand who they are and what are their characteristics. Encourage the management team to build a deep knowledge of and relationship with existing customers before they become a competitor's key strength!

Divisive Management

Much of the focus on companies is on leadership by the Chief Executive. But there are many firms with visionary leaders whose efforts are thwarted by divisive management teams. Unfortunately sometimes there are other agendas at play undetected by the CEO. Clearly one of the responsibilities of the owner or CEO is the selection and leadership of the management team. However the company head also has other responsibilities and, particularly if the management team includes

family members, there is the assumption the managers actively support the leadership vision.

The CEO's vision will only be implemented if key managers endorse and reinforce the company direction. The company culture may be a reason for retention of many employees. Spend some time discussing with managers the culture and make sure their values are consistent with the company values. Build systems into the recruitment and evaluation processes to identify

and support employees and managers with similar values and to highlight those with conflicting principles. With second or third generation family businesses make sure the key values of the owners are aligned with those of the managers. The culture embodies the company's personality and value systems — ensure this culture is nurtured and cultivated to develop to its full potential.

Is Google the Answer to Life, the Universe and Everything?

By Andrew Turner, Director of Pure Wasabi

Following a Bachelor of Fine Arts majoring in multimedia, Andrew Turner has achieved more than a decade of dedicated visual design and operating experience within the rapidly changing internet world including establishing a web design unit with one of Australia's first Internet Service Providers, RealNet Access, and providing a variety of internet services for a range of customers at APL Digital and Loaded Creative. Pure Wasabi was launched in 2000 and offers web hosting and support services, online marketing and website design and build for clients across diverse industries and customer types.



A few years ago Google was a tiny start-up technology company, specialising in internet searching and online advertising through organic and pay per view web page indexing. Google is now a multi-billion dollar empire touching millions of lives around the world every day.

To both online and mainstream marketers Google offers a miracle technology that allows communication direct to their target customers. Smart tag embedding into the code of a website enables 'googlebots' (an army of search spiders) to seek and index the website. Google Adword campaigns offer an economical 'click per view' exposure to target users based on users' search results.

For the geographically impaired, Google provides directional assistance capitalising on a seemingly endless offering of scalable road maps and point by point direction finders for most cities in the world, even providing directions from East Coast USA to locations in Europe with

an instruction to "Swim across the Atlantic Ocean".

The new range of 'mashups' (content sourced from a third party) utilises the publicly available Google Maps technology to build an array of useful map interfaces providing services such as live train tracking or rental apartment availability. Available rental apartments are displayed live on a city map with directions, rollover information and imagery including videos of layout and price.

For the armchair traveller, Google Earth offers one of the most popular Google activities. Google Earth has revolutionised the way time poor, travel deficient, desk trapped workers can see the world by virtually geo-wandering anywhere that a satellite can or is allowed to see. That can mean whale spotting in the Pacific, messiah sightings in natural formations on the other side of the world, reviewing future camp sites in Northern Alaska or even admiring sun bakers at Bondi beach. On reaching the Google destination and finding

support sites by searching via keyword, image or video, if the text is in a foreign language Google can translate it to many different languages, even at one stage Klingon (used in Star Trek).

Even bargain hunters can employ Google's bargain search engine at www.froogle.com to compare item prices across many stores. To be completely 'froogle' most Google applications are free, although valuable, and include personalised photo album formation, email with Gmail, user-friendly blog creation or an excellent search engine.

So is Google deviously infiltrating our webspace or simply lending a helping hand? Is Google the answer to life, the universe and everything? Apparently not, since having 'googled it', there are over two million responses. Google clearly has a great deal to offer business and personal lives. If all this is too much, it is still entertaining to enter a name into Google and be amazed at what emerges!

Advertising

Many advertising campaigns are tarnished by slipping into promotion territory and focusing on short-term trial generation using customer incentives such as discounts.

Advertising is one of the best vehicles for building brand or product awareness. Yet many advertising campaigns are tarnished by slipping into promotion territory and focusing on short-term trial generation using customer incentives such as discounts.

Advertising mediums including press, print and television are expensive as they have broad coverage reaching many people. The downside of these mediums is they are cluttered and customers receive a plethora of messages. So it is important to use that investment wisely and be disciplined in the creative

development to make sure the advertising is impactful, relevant to the customer and memorable.

It is difficult to fit many messages into a television campaign, onto an outdoor poster or within a radio commercial. Due to the expense some companies try to communicate multiple messages which can have the negative effect of lack of recall.

Traditional communication models have identified the sequence of



awareness, interest, trial and then repeat. Many mediums are not ideal for the breadth of messages required to take customers through this cycle. So when investing in advertising, make sure to use the dollars wisely and be single-minded in building awareness.

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Sarah Richardson Consulting was established in early 2004 to provide sales, marketing and management consulting for small to medium sized firms based in Western Australia. The consultancy offers business advice to Managing Directors/owners who may not have a full-time senior marketer or who are looking for an objective outside review.

The company provides consulting on:

- Sales & Marketing
- Organisation Structure
- Forecasts & Budgets
- Purchasing
- Acquisitions Integration
- New Business
- Supplier Management
- Profit Optimisation

Sarah Richardson, the sole Director, has held senior sales, marketing, strategic planning and general management positions over 18 years in the following business-to-business and consumer branded companies:

- Kellogg's (Australia)
- CCH (Australia)
- Johnson & Johnson (Australia)
- Yoplait (France)
- NutraSweet (USA)
- British Petroleum (New Zealand)

Prior to Sarah Richardson Consulting, she managed for three years the national sales, marketing and customer service functions for a small family owned importer and producer of craft products distributing to many small retailers and large chain stores across Australia.

Qualifications include:

- MBA (Honours), Marketing/Finance, University of Chicago Graduate School of Business, USA
- BCA, Business/Accounting, Victoria University of Wellington, New Zealand
- BA, English Literature, Victoria University of Wellington, New Zealand
- CPA and CMA Exams, Society of Chartered Accountants, New Zealand
- Teacher's Drama Diploma, Trinity College, United Kingdom
- Australian Institute of Company Directors Scholarship

Sarah Richardson is an active member of:

- Chamber of Commerce & Industry
- Rotary
- Australian Marketing Institute (CPM)
- Australian Institute of Company Directors



Family Values

Many family business owners claim their business success is due to family values intrinsic in the organisation. But how many owners have evaluated carefully the belief systems of the individual family members and their alignment to the company values? In staff interviews what cultural principles are highlighted and are they perceived as positive or negative for the organisation?

I recently attended a lecture by Hugh Mackay, writer and social researcher, entitled *Have We Lost Our Moral Compass?* A combination of worrying statistics and

anecdotes led the audience to conclude affirmative to the lecture question posed and to recognise the moral uncertainty present in many of our organisations. Organisations typically represent the values of society, family businesses comprise a large number of organisations and most people spend an important portion of their adult life working in some capacity in organisations. These are all factors reinforcing the seriousness of the claimed moral decline.

Take the time to conduct an internal audit of the business culture. Make sure as

company leader the way people are treated on a day-to-day basis is consistent with the desired company culture. This treatment includes how staff and customers are spoken to, formal recognition systems, empowerment and delegation of responsibility and meeting conduct. It also incorporates prioritisation of tasks, acknowledgement of employees' lives outside the workplace, investment in systems and training to facilitate performance and communication of the company vision.