



November 2008 Newsletter

Gathering gloom special. Pain is inevitable; suffering is optional.



Social networkin

Heather Gorringe (of Wiggly Wrigglers) is something of a business phenomenon locally. She's also at the front of the wave where social networking is concerned. This is the audio equivalent of newsletters/blogging – a podcast on your website. This is a simple enough idea, but Heather has extended the concept to create a weekly story of rural folk – a bit like the Archers. This has produced a world-wide retail customer base for the company – out of all proportion to the normal reach of such a business.

<http://www.focusbiz.co.uk/podcast/social.htm>

Even the Revenue has got in on the podcast act. Their first attempt www.hmrc.gov.uk/podcasts is unlikely to compete with Heather for entertainment value (its all about penalties).

The Strengths Academy

The Sage of Bishopswood has recently launched the Strengths Academy.

<http://www.strengthsacademy.com/>

Over the last 100 years, many philosophers and practitioners have contributed to the strengths movement, but nobody has pulled it all together. Mike's site reviews the works of the leading thinkers, thereby creating a first class resource (and its growing daily). For instance, our old friend Al "Resilience" Siebert is in there.

help. So, for all those under 50, this is what they get up to

<http://www.fiftyforward.co.uk/>

All Greek

According to the Sunday papers, Bournemouth Council has banned 18 Latin phrases (because they are elitist), including ad lib and vice versa.

My personal favourite has always been "festina lente" which corresponds to "more haste, less speed", but also translates as the chant of solicitors "hurry slowly" (and bill by the hour).

I'm assured that "Numquam nimium dives nimium tenuis esse potes" is the Latin for "You can never be too rich or too thin".

Or possibly "I've gone to the Maldives for a week. Try again when I get back."

Middle-aged?

Once upon a time, I knew what middle-age looked like => my parents (by definition). Now, I'm not so sure (but it must be creeping up on me) and Generation Theory doesn't

The Stockdale Paradox

The Boyscout has been nagging me to put something in the newsletter from Jim Collins's "Good to Great". I found this article from 2002:

Admiral Jim Stockdale was the highest ranking US military officer in the Hanoi Hilton POW camp during the Vietnam War. He was imprisoned for 8 years from 1965 without any rights, no release date and no certainty of survival. He was responsible for doing everything he could to create conditions that would increase the number of prisoners who survived unbroken. When asked who didn't survive, he indicated that it was the optimists, the ones who thought they would be released by Christmas. They died of a broken heart.

The paradox:

Retain faith that you will prevail in the end, regardless of the difficulties

And at the same time

Confront the most brutal facts of your current reality, whatever they may be.

In business terms this means:

- lead with questions not answers
- engage in dialogue and debate, not coercion
- conduct autopsies, without blame
- build red flag mechanisms that turn information into information that cannot be ignored

Selling confidence

The current financial/economic difficulties must provide an opportunity for somebody, so I was not surprised to get an e.mail from consultants K2C offering to restore my confidence (in my own performance?) for a very modest fee. They've also set up an inspiring blog, again with a performance focus

<http://planetk2sview.blogspot.com>

Learning in the thick of it

[http://harvardbusinessonline.hbsp.harvard.edu/hbsp/hbr/articles/article.jsp?ml_action=ge t- article&articleID=R0507G&ml_page=1&ml_subscriber=true](http://harvardbusinessonline.hbsp.harvard.edu/hbsp/hbr/articles/article.jsp?ml_action=get-article&articleID=R0507G&ml_page=1&ml_subscriber=true)

Caveat emptor

I could never understand what supermarkets could do with all that information they collected when you bought goods with loyalty cards. It seems they were waiting for computers processing capacity to catch up. Now it has and algorithms rule the marketing world. You can see the process in action on Amazon, even if some of the recommendations are hard to follow. However, this is all about trapping full-price consumers - "Barnacle Shoppers" (those that shop around and clip coupons) are the enemy and actively discriminated against. For instance, on porn sites (allegedly), barnacle shoppers are redirected to the slowest servers.

As ever, they are out to get you, so use cash when you can, lie about your feelings to anybody with a clipboard and, above all, junk loyalty cards.

www.bryanappleyard.com

Moggie masher

One consequence of multiple accounting standards for big companies is that annual reports are truly enormous. So big, in fact, that they can cause real damage to anything underneath a letterbox. They are referred to in the trade as "kitten killers". See

<http://takingstock.accountancyage.com/2008/10/animalunfriendly.html#more>

The human zoo

I've carried this story for months, waiting for inspiration as to how to use it. Basically, Canon has paid a behavioural specialist to create a (very tenuous) link between the animal kingdom and how people use colour photocopiers.

So, senior managers are like parrots – noisy and ill-disciplined?

<http://www.canon.co.uk/humanzoo/>

Somebody in their marketing department is trying too hard.

All about timing

I've recently reviewed an article that comes to the startlingly obvious conclusion that strategy is all about timing. Good story though:

Tylenol, as produced by Johnson & Johnson (J&J), was the best selling pain relief tablet in the US. J&J's rivals (Bristol-Myers) eventually produced a Tylenol equivalent (Datril) and decided to undercut J&J's pricing. So, they ran national adverts proclaiming Datril as the new wonder-drug, but 10% cheaper than Tylenol. J&J initially ignored the fuss, but on the eve of Datril's launch, they wrote to all their customers giving them a 10% credit note on Tylenol and asking them to reduce the retail price accordingly. The general public was more than happy to stick with the brand name it knew, price was not a differentiator, and Datril sunk without trace.

Dress up Fridays

I thought the concept of "dress-down Fridays" had gone out with the Dotcom crash, but it's apparently alive and well in the accountancy profession (58% of firms). The same survey suggests that short skirts and see-through blouses are a "fashion crime", (although sartorial judgement is not a prerequisite of the job). You can really see why the profession gets its "boring" tag. I'm therefore introducing "dress-up Fridays": if I can't concentrate, I'll catch up on Monday.

On a different note, you can now buy a tee shirt with a built in wi-fi detector. Bars on the pocket light up to show signal strength (as you're walking around). As career limiting as novelty ties, maybe?



Purchasing power parity

Barely 6 months ago, it was cheaper to go to the States for a holiday than Europe – the dollar was at nearly \$2 to £1. Now the exchange rate has unravelled and Scotland appears to be the only acceptable holiday destination. What happens next? An economist has developed a useful indicator based on the price of a tall latte in Starbucks. Apparently, pre-devaluation, this cost \$3.47 in New York and £2.05 in London giving an exchange rate of \$1.69/£. Given the tendency of markets to overshoot, this suggests that the £ should come back up a bit in the medium term. Or the price of coffee in London will fall?

Disclaimer

If you're not cold, or wet, or lost, or exhausted, or bruised by rocks, or covered in mud, then you're not doing your Tax Returns right.





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