

Chartered Accountants

Business **in focus**

Monthly audio program > presented by Michael Schildberger

March 08

The extras



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Accountants

NUMBER ONE IN NUMBERS



When you seek advice you like to know that your advisor has plenty of experience. On this month's program we have chosen several such people with particular areas of expertise, all with "hands on" knowledge.

Take workplace bullying, a subject that, surprisingly, is ignored by large numbers of employers. Joydeep Hor, managing partner of Harmers Workplace Lawyers, gives us warnings and examples.

Online selling is a huge area of success for Domenic Carosa who has built a business from nothing to \$100 million turnover. He has plenty of sound advice for us.

Then there's the big issue of the moment - the economy. We're told it's great but that means rising inflation and interest rates. Is that the real, sad story? Not according to our reliable regular economist Professor Neville Norman. He explains - and gives us his forecast which contains bad news in the short term but better news before the end of the calendar year.

How do you go about designing and implementing a learning and development plan for a business? Elizabeth Wilmot of the Institute of Chartered Accountants has some guidelines.

"Carbon neutral" is a new buzz phrase these days in business and Cheryl Bowler, principal consultant with Energetics explains the first steps which companies should take.

Some of us are good at planning and reaching goals, others not so good. Facilitator and trainer Grant O'Sullivan of Australian growth coaching has advice on how to make goal setting work.

As usual I hope you enjoy the program and get plenty of value for your own business.

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Track 1

PLANNING & REACHING GOALS

Grant O'Sullivan, Australian growth coaching

- > A good personal strategic plan will focus on using and developing strengths
- > A good personal strategic plan will inspire us to stretch and grow
- > A good personal strategic plan will be consistent with our values
- > A good personal strategic plan will encourage us to learn lessons from the past
- > A good personal strategic plan will be written down

Track 2

SUSTAINABLE BUSINESS

Cheryl Bowler, Energetics

- > Know why you want to go carbon neutral
- > Measure your footprint before announcing your intentions
- > Use an accredited framework such as Greenhouse Friendly™
- > Look for ways to reduce your footprint
- > Switch to sustainable energy sources through GreenPower
- > Buy verified offsets

Track 3

ECONOMIC UPDATE

Professor Neville Norman, Melbourne University

- > Interest rate is a percentage "of" something - the sum borrowed or lent
- > Inflation is a percentage "growth", usually over a year or quarterly period
- > Inflation causes excess demand, cost push, tax push and world links
- > The outlook: World links are slowing inflation (marginally), tax push is history, cost push is emerging, excess demand is here intensified by speculative markets
- > The RBA in mid-February warned: Curb spending or cop more rate rises
- > Pointers for business: Rate rises, strong demand and profits, labour shortages and difficulties/costs
- > Actions: Price pressures, supply pressures, policy pressures - huge business watch-outs but better than a recession

Track 4

HUGE PROFITS WITH ONLINE SELLING

Domenic Carosa, Destra Corporation

- > Many people want to get their websites right before going online. I say “jump in the deep end”
- > The best way to build a site is to listen to people who're using it
- > Despite the best research, what I think consumers want isn't necessarily right
- > The online advertising market is the fastest growing sector in Australia, worth more than \$1 billion
- > Online advertising aims at a smaller but a highly targeted market
- > One of the biggest business lessons I've learned is if you have to make a tough decision, do it no matter how tough

Track 5

KEEPING GEN Y HAPPY

Mark McCrindle, McCrindle Research

- > Ageing workers, a skills shortage and leadership challenges ahead mean we must attract Gen Y to our businesses
- > It's important to have generational diversity
- > Remuneration isn't everything
- > Learning and mentoring can flow both ways
- > Positive, supportive feedback rather than autocratic management styles work well
- > 5 key workplace needs of Gen Y: Work-life balance, workplace culture, adaptive management style, job content, training

Track 6

DESIGNING AND IMPLEMENTING A BUSINESS TRAINING PLAN

Elizabeth Wilmot, Institute of Chartered Accountants

- > A clear training plan for the firm and for individual staff demonstrates your commitment to their ongoing development
- > Quality and timely training ensures that your staff have skills and knowledge required for your firm to stay competitive
- > Conducting a skills audit and training needs analysis will disclose the skills gaps and assist with the development of a training plan
- > Identify top priority training needs. Training plans can then be developed for individuals and for the firm
- > Implement your training plan and review regularly to ensure alignment with the firm's strategic vision.

Track 7

THE HIGH COST OF WORKPLACE BULLIES

Joydeep Hor, Harmers Workplace Lawyers

- > Employers sometimes are unaware of bullying. It can take a trigger like a termination to prompt a complaint
- > The law says that employers should take proactive steps like monitoring behaviour
- > Managers may have to make themselves unpopular by having difficult conversations with staff
- > Ramifications go beyond financial penalties. They can include unmotivated staff, absenteeism, time wasting and high staff turnover
- > Total costs range between \$6 billion to \$13 billion but we think that's conservative
- > Some employees fear reporting bullying because they don't want to be "troublesome"

Track 8

PREPARING FOR A SLOW-DOWN

John Cleary, Blue Chip Consulting

- > The winds of economic change are blowing - prepare for a dip in demand
- > Start with a close look at what your staff are doing
- > Focus sales staff on winning new clients - be proactive!
- > Look at ways to boost the amount of goods you produce - increase throughput
- > Invoice immediately
- > Review prices, and focus sales on increasing high margin products
- > Undertake a waste audit
- > Monitor debtors closely and be prepared to drop those who are bad payers
- > Review inventory. And review debt financing.

Track 9

SHAREMARKET LOSSES

Michael Jones, Cummings Flavel McCormack

- > Commissioner has released a ruling explaining he will deny a tax deduction for sale transactions done to realise a loss
- > Common examples include: The simultaneous sale and buy back of listed shares, sale of shares to a related entity, and sale of worthless shares to a related entity
- > Wash sales are no longer a standard share portfolio management exercise
- > Consider and document the primary purpose of an asset sale that triggers a loss

Track 10

SHAREMARKET UPDATE

Tim Lincoln, Lincoln Stock Doctor

- > It's not been a great start to the year!
- > Inflationary pressures and rising interest rates are not good for the sharemarket
- > There are now great opportunities for astute investors to find fantastic stocks at bargain prices
- > Don't panic! Stay committed and don't try to time the market
- > Lincoln is now topping up on stocks as long as we're confident about the stock
- > BHP is OUT of our star stocks! Also News Corp. JB Hi-Fi remains IN
- > Stock favourites: Leighton Holdings, CSL, Incitec Pivot, One Steel, SMS, QBE, Westpac.

For more information about the topics discussed on this March 2008 program, please contact the relevant organisations listed below.

PLANNING & REACHING GOALS

The Institute of Chartered Accountants in Australia

1300 137 322

www.charteredaccountants.com.au/training

SUSTAINABLE BUSINESS

The Institute of Chartered Accountants in Australia

1300 137 322

www.charteredaccountants.com.au/training

ECONOMIC UPDATE

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HUGE PROFITS WITH ONLINE SELLING

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KEEPING GEN Y HAPPY

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DESIGNING AND IMPLEMENTING A BUSINESS TRAINING PLAN

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THE HIGH COST OF WORKPLACE BULLIES

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PREPARING FOR A SLOW-DOWN

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SHAREMARKET UPDATE

Tim Lincoln, Lincoln Stock Doctor
Please contact Lincoln direct for details about its Stock Doctor fundamental analysis software or Managed Fund services.

Tel: 1300 676 332 or 03 9854 9444.

Website: www.lincolnindicators.com.au



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Volatility creates opportunity.

“Great investment opportunities come around when excellent companies are surrounded by unusual circumstances that cause the stock to be misappraised.”

Warren Buffett



Lesson: Opportunity abounds in volatile conditions for those who view corrections as the market equivalent of a “stocktake” sale!

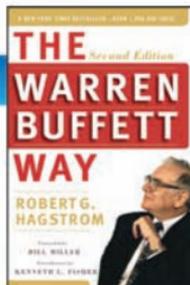
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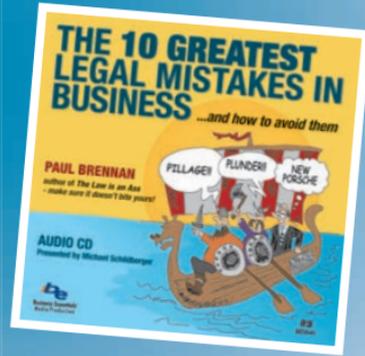
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THE 10 GREATEST LEGAL MISTAKES IN BUSINESS *...and how to avoid them*

AUDIO CD PLUS EBOOK



It is difficult for even the most creative business person to commit entirely new legal mistakes. They've all been done before - many, many times. Often people wait until they are desperate before they see a lawyer about a legal problem - this just seems to be human nature. But you don't need to learn the hard way.

You can avoid legal mistakes if you know what is coming.

Paul Brennan, author of *The Law is an Ass - make sure it doesn't bite yours!* lists the top 10 legal mistakes in business - plus other legal minefields. And it couldn't be easier. You can listen to the CD and then reinforce the key messages by reading the eBook.

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- Take the pain out of partnership disputes
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