



### Index

Value the Knowledge of Your Team .....	1
Next Steps - Create a Culture of Knowledge-sharing .....	2
Promote On-going Learning .....	3
Develop a Customer-Care Programme .....	4
Grab Attention with Themed Marketing .....	5



**Integrity+Expertise=Satisfaction=Success**

## Value the Knowledge of Your Team

How to measure the enormous value that people bring to an organisation is a growing conundrum for traditional accounting, and it's getting some serious scrutiny the world over.

While you can value plant and stock, the "intellectual capital" of an organisation is mostly overlooked. The intellectual capital includes all the knowledge and experiences of your staff, either learnt in formal training sessions or picked up along the way from informal discussions with colleagues.

How to harness the knowledge is another problem. Knowledge is hugely powerful to an organisation and academics say the management of it - how it can be shared around and stored - is one of the biggest issues facing organisations today.

So why are knowledgeable people so important to your business and what strategies can you implement to create an environment where staff feel motivated to stay, and contribute and share that knowledge?

## Greatest Asset

For many small and medium-sized organisations, without your staff you don't have a business. They are the people who:

- Keep the business operating
- Hold specific knowledge about different aspects of the organisation
- Know your suppliers and customers intimately
- Continue to serve your customers well
- Maintain relationships
- Bring in new business
- Train new staff and pass on knowledge
- Bring a variety of skills, ideas and experiences to your organisation

Have you ever stopped to consider the wealth of knowledge they hold? Your team is your greatest asset and your competitive advantage.



*Be sure to read each article with the mindset "How this could apply to our business". Thinking of it that way will guarantee that you get value. Also make copies for each team member. To really make sure something positive happens, work with your business development specialists to talk your team through ideas.*

## Employee Expectations

You don't want to lose your employees but you must also be realistic that people do move around these days, especially if they feel undervalued and unheard. You need to create an environment where people want to work for you and want to share their knowledge. You need to become an employer of choice.

Some employers, though, need to reconsider what that means for their workplace. Employee expectations are changing, and with it the workplace culture. These days, and even more so in the future, you're going to be dealing with a new type of worker - generation Y - born roughly between 1977-2002.

They have high expectations of themselves and of their employers, are motivated to keep learning, are goal-oriented and want to make an immediate impact. (www.usatoday.com, 2005<sup>1</sup>). They expect open communication, because they grew up questioning their parents, and operate well in a structured yet informal culture, which fosters debate and creative discussion among colleagues.

## Create the Culture

For many businesses, that's going to mean a few changes ahead, and to make those changes, you'll firstly need to start listening and communicating. Bringing people together to share ideas is one of the most important ways of creating a culture of open communication.

Start by creating a series of forums for staff to meet with management. These may have different focal points, for example: regular meetings could be held to discuss the 'state of play' - both good news and bad; ways the business could improve systems; or creative thinking brainstorms to come up with a barrage of suggestions and potentially off-the-wall ideas.

At each meeting, all attendees listen and communicate and everyone is given the opportunity to have their say. Remember, your way is not always the best or only option.

One-on-one meetings with individual team members and their manager are also important to air personal issues in confidence, and talk about the employee's needs.

## Dare to be Different

To continue to compete in a competitive market, small businesses need to pool the talents of their staff and continue to be innovative. Whether large or small, any business has the potential to improve their bottom line, do something better or differently, create a new product or service or find a new market outlet. You have to keep progressing to be successful.

But to achieve this your business needs to share knowledge and think creatively. From what we know about the younger generation of workers today, they demand it. Nowadays, the knowledge and the thinking cannot come from you in isolation behind your desk (although you do need uninterrupted thinking time); it has to come from everyone who works for you.

It means encouraging your staff to bring their brains to their desks and not leave them at the front door. People feel valued when they can have input into decisions and change. You need to respect their ideas and suggestions.

But you have to create the culture to make this happen, and it will take time.

## Learning through Mistakes

If employees are to be encouraged to experiment with new ideas, there must also be an understanding that making mistakes is all part of the learning journey. Nobody will feel motivated to contribute their ideas if mistakes are penalised.

Companies will do well if they value the collective knowledge of their team. By working together and pooling your knowledge you could become truly innovative. Sure, big companies such as Microsoft and Google have taken innovation to new heights, but small businesses here should not downplay their huge potential for new ideas. And remember, New Zealanders are renowned for their innovation!

<sup>1</sup> Generation Y: They've arrived at work with a new attitude, [http://www.usatoday.com/money/workplace/2005-11-06-gen-y\\_x.htm](http://www.usatoday.com/money/workplace/2005-11-06-gen-y_x.htm)

## Next Steps - Create a Culture of Knowledge-Sharing

Despite not being accounted for on the balance sheet, your team is hugely important to your business because they hold a wealth of knowledge. Aim to create an environment in which people feel both motivated to work, and motivated to share ideas:

- Create forums for open discussion - small groups, the whole team, with management
- Tell the team what is happening with the business, listen to what they have to say
- Seek their ideas and suggestions for development and change, take all ideas seriously
- Commit time for group problem solving, brainstorming, creative thinking - sometimes the most off-the-wall ideas are the winners
- Build team skills and your own through further training and/or mentoring with more experienced team members
- Establish other methods of communication e.g. in-house newsletter, weekly team update emails etc
- Keep communicating, keep listening



## Promote On-going Learning

As an employer you must always be thinking about the ongoing learning of your team, as well as yourself. Learning means more collective knowledge gained for your organisation, which is critical to maintaining your competitive advantage and the ongoing success of your business.

But as Carl Davidson and Philip Voss point out in their book *Knowledge Management*<sup>1</sup>, most learning happens informally - not solely in the domain of formal training.

They say a study carried out by the Centre for Workforce Development in the US, 'reported that up to 70 per cent of all workplace learning is informal'. It is the learning that takes place during informal discussions with colleagues or customers, in meetings and so on.

They make the point that organisations should foster 'communities of practice' which informally gather together colleagues who work on similar tasks to discuss ideas and share knowledge.

Importantly, the organisation should create a culture of 'structured informality' rather than 'informal structures'. Their point is you cannot force these groups to establish and produce something - in fact any pressure will 'defeat the whole point', they say. The groups will evolve in a culture which values open, informal debate and creative thinking time.

<sup>1</sup> Davidson. C., and Voss. P, *Knowledge Management*, 2002, Tandem Press, Auckland.

*"In mature knowledge-managing organisations, managers understand that their role is to create the right environment for knowledge workers to get on with their jobs."*

Davidson. C., and Voss. P, *Knowledge Management*, 2002, Tandem Press, Auckland

### An Important Message

While every effort has been made to provide valuable, useful information in this publication, this firm and any related suppliers or associated companies accept no responsibility or any form of liability from reliance upon or use of its contents. Any suggestions should be considered carefully within your own particular circumstances, as they are intended as general information only.



## Develop a Customer-Care Programme

Like every part of a well-run business, you need to establish a system for caring totally for your customers.

Creating a system or a customer-care programme means good service is planned, instead of happening 'ad hoc' or reactively.

For example, a customer-care programme could include responsibilities that your business:

- Calls the customer a few days after their visit to check they are happy with the product or service
- Keeps in touch regularly with your 'A-grade' customers and invites them to promotional events
- Offers incentive vouchers when customers spend over a certain amount
- Offers money-back guarantees if the customer is not satisfied
- Commits to being on-time for service call-outs (if not on time, the customer receives a discount)
- Keeps customers informed about what you offer
- Reacts quickly and efficiently to customer complaints, and is committed to solving any problems
- Establishes a system for answering phone calls and taking messages
- Anticipates customer needs before your customers do!

Smaller businesses have the advantage of knowing their customers more personally than bigger organisations. Capitalise on the personal service you can offer. By developing your relationships with your important customers, you will understand their needs and be better equipped to anticipate their demands before they do.

## Grab Attention with Themed Marketing

Looking to stand out from the crowd? Start thinking how you can make yourself a 'destination' store.

People go to a convenience store when they've run out of something. A destination store, on the other hand, attracts customers who want to return again and again because they love the shopping experience. They'll want the same great service, but they'll also want the thrill of finding something different awaiting them.

As well as exciting the senses - that is, creating a feast of sight, smell, sound, touch, taste - keep people wondering what you'll do next by creating themes for your store.

### Smell Summer!

Imagine a travel agency decked out for a tropical holiday, complete with sand on the floor, smell of sunscreen, bright shirts, sun umbrellas and basking warm temperatures - wow. On a cold winter's day, how could you resist taking a peep inside even if you weren't planning a holiday? It's bound to get you thinking about one though, especially if a packaged deal takes the hassle out of planning everything.

The fresh aroma of coffee is always a winner too, but not only for cafes. Why not keep the pot percolating during the day and offer customers coffee and cake to celebrate... well anything - Christmas, business' birthday, change of season, shortest day, return of the sunshine after weeks of rain.

Have empathy with the people in your community. Everyone will appreciate your efforts to make their day a little more enjoyable by turning your shop into a destination store.

### Create a Buzz

If you're doing the same as everyone else, why would potential customers choose you? You've got to make your business famous! Be provocative; get people talking about you to their friends; create a buzz in the street.

You've got about two seconds to grab the attention of passers-by - don't waste it by being boring!

