



## *How to retain your employees*

Despite Australia's current level of unemployment, many organizations are finding it difficult to fill vacancies and as the global competition increases, it will become increasingly difficult to attract and retain good people - people who for many of these organizations are their real source of competitive advantage.

The term 'employer of choice' is becoming increasingly more common in the writing on management and business research at present. One recent survey of 120 companies sought to identify the strategies organisations used to keep key people. They found that lower turnover resulted from implementing the following:

- above award remuneration and bonuses
- career development
- flexible work hours
- job sharing
- telecommuting
- gym membership
- share options
- opportunities for international travel.

As is evident from this (non-exhaustive) list, focusing only on what needs to be provided in order to stop people leaving, can be a costly and not necessarily successful strategy. It has been said that a loyal and committed workforce does not come cheap, but this is only part of the equation. A recent study reported in "Management Today" has found that some of Australia's best employers are not paying more than their competitors.

So what is the answer? There is no set formula, however the best employers had common traits.

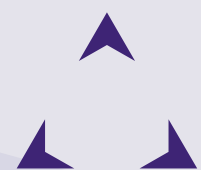
The key was leadership. For example where the chief executive "walked the talk" and oriented new employees into the culture of the organisation; where employees were asked for input in strategic planning and believed they had a crucial role in shaping and maintaining the culture.

Where a distinctive culture was seen as a competitive advantage, these companies also recognised that this started with recruiting. People are recruited for their flexibility, innovation, customer focus and teamwork where these attributes are reflective of the prevailing culture.

Another key factor was opportunities for development coupled with career counselling, mentoring, on site workshops, voluntary transfers and tuition reimbursement. This was coupled with performance management systems that balanced financial and non-financial measures such as quality, customer satisfaction, and innovation.

So it would seem that pay (in all its forms) is important to all of us, but the rest of the equation are the things that generate a sense of purpose, challenge and involvement - the main ingredient is "engagement"- the level of alignment that can be generated in the workplace. Significantly, a piecemeal approach will not be successful. What is required is an integrated or holistic approach based on the particular needs and strategies of the organisation and its people that are congruent and consistent.

In an age when attracting the best and brightest, where for some organisations their greatest asset is brainpower, the strategies discussed here are





going to become increasingly critical for competitive advantage. While none of this is new and much of it common sense, implementing a retention strategy based on the principles outlined is easier said than done. We at AECorganizational consulting can assist you to become the "employer of choice" for your existing and potential employees.

## **Plan ... to take control**

Traditionally, business is sluggish during January. Put it down to what you like - post-Christmas slump, the masses away on holidays, even the heat. The fact is, as the sounds of "Auld Lang Syne" fade, many businesses take a deep breath and prepare to tread water over the months to recovery. But it is not necessary to repeat this same old routine year in, year out. Take a planned approach. Be proactive. With a few careful planning strategies, a typically disastrous month can be reconciled to provide at least decent returns.

Formulating a written Business Plan will force you to think about what you want your business to be and where you want it to go. It is a blue print to follow as your business grows and expands. It provides contingencies during quiet periods and reinvestment options during more successful times. Although creating a business plan will take time, effort, and energy, it will be well worth the trouble.

An integral element of your Business Plan is a Sales and Marketing Plan. The purpose of a Sales and Marketing Plan is to define your market, to identify your customers and competitors, to outline a strategy for attracting and retaining clientele and to identify and anticipate change.

Identify your strengths, weaknesses, opportunities and threats and then construct an

integrated marketing programme based around a timeline of your quiet and busy periods. Utilise tools such as direct mail, sales promotions, special events, public relations and image building as well as traditional forms of paid advertising.

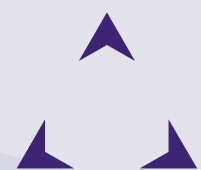
When planning your campaigns, make them measurable. For example what percentage of two-for-one vouchers distributed were actually cashed? This will allow you to calculate a rough return on investment. Most communication campaigns are quantifiable.

Survey your existing clientele to see what you can do to improve. Once you've got them in the door are they going to buy anything? Will you get them back again? Ask them what they liked and disliked. Act on their advice.

Keep an eye on your competitors. What do they do to ensure clientele during quiet periods? How can you improve on their strategies?

Explore new markets and don't forget the web. Position your business to meet the needs of these new markets. This may involve providing already available services on-line or may require a new product or service line to suit changing needs.

The process of researching, changing and communicating is an ongoing process. This is not to say it needs to be costly. There are solutions for every budget. The important part is that your plan of attack is finalised well in advance and budgeted for accordingly. An integrated approach is the key - a piece meal approach just won't do as it is merely a knee-jerk reaction to market stimuli. Be a sharp operator and be prepared.





Review your plan monthly and refine if necessary. Remember that even if you do everything absolutely right and work quickly and take an aggressive approach, it may still take you six months to a year to see the real fruits of your planning and implementation.

Obviously the industry and environment in which your business operates will have a great impact on how badly you are affected during different seasons, but every organisation, small or large will be more successful with a business plan.

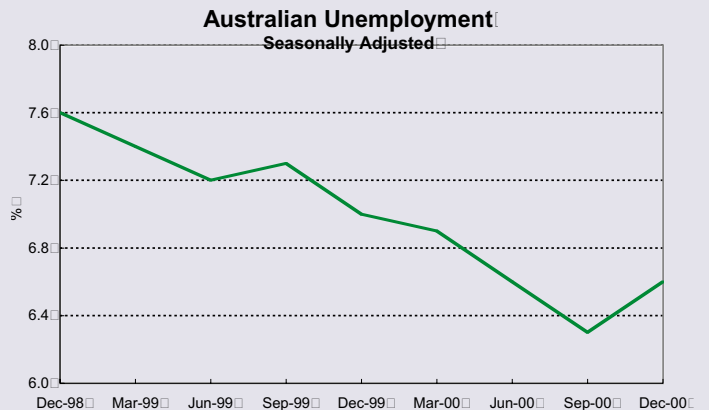
The *AECgroup* has many experienced business advisers who can help you create an effective Business Plan and Sales and Marketing Plan for your business.

## Economic outlook

Employment growth has been moderating in recent months in Australia, with the unemployment rate finishing the year on an upward trend at 6.6%. Both the housing and retail sectors have been hit by the introduction of the Goods and Services Tax and all indications are that businesses reliant on domestic demand will continue to feel the brunt of the economic slowdown in the next quarter or two. While economic growth has been boosted by a sharp jump in exports resulting from the weak Australian dollar over the last 12 months, a pullback in world production should also feed through to weaker export demand in the year ahead.

The Reserve Bank of Australia should move to lower interest rates slightly in February or March, enabling businesses to borrow at cheaper rates and reducing the interest burden on home buyers. A further rate cut is anticipated in the second quarter of 2001 to further stimulate the slowing economy. However, the extent of the

reduction in interest rates by the central bank is likely to be much less aggressive than its US counterpart due to a better growth performance and lingering underlying inflation concerns.



Deteriorating economic conditions in the United States prompted the Federal Reserve to lower the benchmark interest rate by 0.5% point to 6.0% in early January, with the market anticipating further monetary easings in the months ahead.

## Marketing hints and tips

### How to establish your own e-mailing list

The success of any direct mail campaign lies in the accuracy of the list. The more targeted and personalised the list the more successful the direct mail campaign.

But how do you establish your direct mail list? Why not get your customers to make it for you? Simply ask visitors to your web site for their contact information...here's how.

- 1) Ask visitors to subscribe to an e-newsletter. Not unlike ours!
- 2) Offer your





web visitors a free download, such as software, a game or screen saver; just ask them to sign up!

- 3) Free contests are always a hit with consumers. Ask for their contact information to enter. Let them know they will be contacted via their email address if they win.
- 4) If you provide a service, offer visitors a free email consultation or feedback session. Have them fill out a web form and e-mail you their questions and comments.
- 5) Give visitors access to a member's only area within the web site. This may be a forum, chat room, or games room. Simply have them submit their contact information to receive their very own username and password.

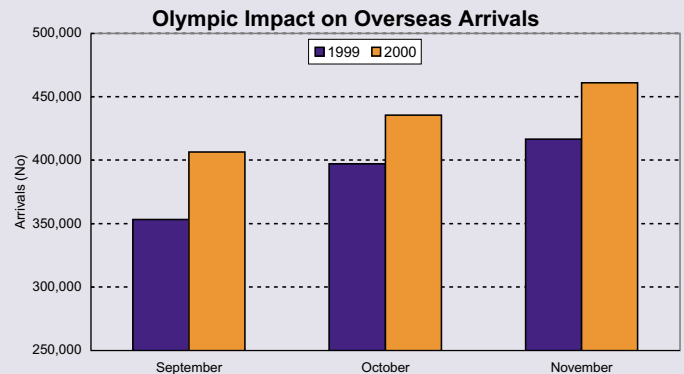
A nice touch is to auto respond to new members with a welcoming message, or a thank-you note for participating.

## Olympics Exposure Boosts Overseas Arrivals

As many predicted, it seems the exposure generated by the Sydney 2000 Olympic Games has boosted overseas tourist interest in Australia. Recently released data indicates that in the two months following the Games, there was a significant increase in the number of overseas arrivals to Australia. Arrivals from all markets grew considerably in this period, although the majority of additional visitors were from New Zealand, the United States, Korea and China.

During the Games in September 2000, arrivals rose dramatically to 406,500, up 53,400 (or 15.1%) from that recorded in September 1999.

In the subsequent months of October and November, arrivals were up 9.7% and 10.6%, respectively, from the corresponding months of



1999. Greater overseas interest in Australia as a result of the Games should continue to result in sustained growth in international arrivals in 2001 and 2002, although the global market for the tourist dollar is expected to remain highly competitive.

The *AECgroup* can provide a variety of statistics at a very affordable rate. If you would like to procure some facts, figures or statistics - economic, demographic or otherwise - please contact any of our offices to obtain a quote.

## Secrets of Success



Century 21 Business Brokers recently approached the *AECgroup* to provide an internet solution for the selling of businesses.

"We had a web site as part of the Century 21 Australia franchise, but we found that the selling of businesses did not fit into the



property selling framework that Century 21 had based their internet solution on." said Pam Frank, Administration Manager.

"The AECgroup had been recommended to us by Century 21 Doug Disher Real Estate so we called them in to help us out. The *AECgroup* quickly understood our website needs and provided excellent client service."

Pam had approached other web development companies but found they were either quoting outside the budget, or including a range of features that were not required. A clear indication that these companies did not fully understand the business of selling businesses.

The *AECgroup's* solution was one that required drawing on skills from three of our divisions. In the first stage AECeconomics spoke to the management team about their business and what it was they wanted their web site to achieve. From these discussions the web site was developed as a set of storyboards each of which solved a particular problem. Once the solution was accepted by the Management Team AEC was able to accurately quote on the development and implementation of the web solution.

Having accepted the quote, *AECinfotec* and *AECdesign* proceeded with Stage 2: Implementation. At the time, Century 21 Business Brokers had also commissioned a new company brochure, so our graphic artists were able to translate the new corporate image to the web site.

The Century 21 Business Brokers internet solution features flash animations, interactive databases, search features, enquiries and videos. The databases are administered through a restricted component of the site and allow staff to add or edit: businesses for sale; staff profiles; seminars and news items.

"Our internet solution now supplements our

traditional advertising mediums and is very cost effective especially for our overseas market."

"Our percentage of enquiries has risen substantially with the addition of our new website," said Pam.

## *Aecupdate*

The *AECgroup* would like to introduce you to the newest member of our production studio... a state of the art digital editing suite and associated television production facilities.

We now have the facilities, the expertise and the professional service to produce high quality cost efficient multimedia solutions.

The finished digital video we produce can be converted for a variety of end uses including: television broadcast, CD-ROM and streaming from the web.

The *AECgroup* now has the very latest software and hardware in house, run by a team of professionals for professionals. Our new equipment includes Dual Apple Power Macintosh G4 processors with AV rated hard drives and dual monitors, non-linear editing software, high quality digital camcorder and a full complement lighting kit along with a whole room full of other hi tech tools.

Bringing the production facilities in house has enabled the *AECgroup* to become highly competitive across all facets of production, from corporate videos to creative advertising campaigns.

Is your organisation taking sufficient advantage of video production? Maybe





you need to; put a face to your product, produce creative television commercials or develop instructional videos?

## Conferences and events

Currently on offer is the Economic Futures: Victoria Conference to be held on the 3rd and 4th of April in Melbourne which will give an insight into the economic and industry future of Victoria and featuring presentations in the areas of: government & industry partnerships, business investment environment, manufacturing, trade, tourism, finance, IT&T, education & training, transport, communication, energy and biotechnology. This conference will help to identify major opportunities for industry growth throughout the State and will examine matters of Government policy and stakeholder issues facing industries that are aiming to move ahead of the competitive market.

### Keynote speakers include:

The Hon. Steve Bracks, Premier (invited)  
Nicole Feely, VECCI  
Kagefumi Ueno, Japanese Consul-General  
Professor Michael Skully, Monash University (corporate finance expert)  
Jeff Floyd, Tourism Victoria  
Paul Fennelly, AIG  
Alan McGarrigle, Toyota Motor Corp  
Mike Smith, Yallourn Energy  
Joseph Cullen, ADEV  
Brad Matheson, MAV  
Kerry Murphy, State & Regional Development  
Peter Strachan, National Express Group  
Dr Chris Whitaker, Melbourne Port Corp  
Peter Walsh, Victorian Farmers Federation  
Lyndel Jack, Austrade

Professor Dick Wettenhall, Melbourne University  
Wayne Rankin, The DeBono Centre for Innovation

Brian Donovan, Telstra.

As a subscriber of this newsletter the AECgroup, are offering a 10% discount to those interested in attending and a further 5% discount will be offered to those who book and pay for their conference registration before Friday the 16th of February. Preferential rates also will be offered to clients interested in associated sponsorship opportunities.

For further information or for full program details call the AECgroup or view our website located at:

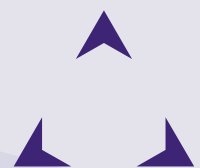
<http://www.aecgroup ltd.com/html/index.htm>

### Other AECgroup Events

- NSW Outlook 2001 Conference: 28th Feb-1st Mar 2001, Carlton Crest-Sydney
- 4th Annual Northern QLD Conference: July (date to be confirmed)

## Introducing our team

The AECgroup is a company without boundaries. While we have offices in Sydney, Brisbane, Toowoomba, Townsville and Cairns, our staff work together as project teams according to their skill sets, using the latest technologies, regardless of geographic location. Each issue of AECascent will feature profiles on members of our team. This issue we profile Carey Ramm, and Rachel Batt.





## Carey Ramm CEO/ Senior Economist

Carey is the CEO of the *AECgroup* and principal economist of *AECeconomics*. As a founding director of the AEC Group he has been responsible for guiding

company development over the last decade including the Group's transition to a public company. He is widely regarded as a leading economic commentator working on countless major projects, development strategies, marketing plans and impact assessments.

### What are your professional interests

My professional interests include economic forecasting and regional economics. As well as these I take a keen interest in business development and e-media.

### What do you find most interesting about your job

While my first role is as an economist, I am involved with every aspect of AEC's business right down to the last details of print production. I gain great satisfaction from watching our clients grow their businesses.

### A few years ago you were keen sailor, are you still

I still love sailing and I go when I can. My days of racing are certainly not over but they are on hold. I sold my boat "No Fear" 12 months ago. When you race you travel the circuit, so you have to be completely focused. I have a young family and underwent a knee reconstruction last year so it was time to have a break. But I will be back!



## Rachel Batt Web Designer

Rachel is a multimedia graphic designer with *AECdesign*. She has been responsible for many of the web site interfaces that the *AECgroup* has been contracted to develop. She has a Bachelor of

Communication Design majoring in Illustration and is renowned in North Queensland not just for her graphic design and web development skills, but for her freehand artistic talents. Last year she was commissioned by the Museum of Tropical Queensland to paint a 4m by 4m mural of the HMAS Nautilus for the Pandora Display.

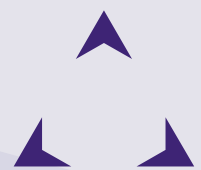
### What gives you most satisfaction from your job?

Bringing an idea to life. I have always loved drawing and cartooning. Flash Animation allows me to bring my artwork to life. Designing web sites is about helping users find their way - making it easy to navigate using movement as well as colours, lines, shapes and fonts.

### Have you seen the web change much over the past few years

Yes. I have noticed that where sites used to use a lot of static HTML, they are now more updateable. It's becoming easier for clients to change things themselves through the backend. Its great that you don't necessarily have to be technically-minded to be involved and I think clients appreciate this.

As a designer I've also noticed over the past few years that the focus has shifted from websites being purely marketing tools to





become more workable - a medium where you can do things, buy things, find things and even make money on-line!

### Do you still do freehand art as well as graphic design

Yes sometimes. Most jobs I do I draw some images and scan them in before manipulating them on screen. I also use freehand drawing in the planning process as it is quick and you can instantly see what works and what doesn't.

As for enjoyment...I still draw occasionally on the weekends. When I draw outside of AEC I generally choose to do photo-realism drawings but I occasionally do a bit of expressionist work as well.

