



“Great enterprises are built by giving goods and services that are worth more to your customers than the amount they pay you.”

G. Heath Clark

comment

By Ray Moorcroft FInstAM, Editor editor@instam.org

Don't forget the customer ... whoever they are!

Internationally, the public sector is moving into a new phase of existence. The great monoliths of Public Corporations (set up to serve the citizen), become increasingly regarded as a drain on the government purse, and are therefore, fractured into smaller units to better serve the citizens of the state.

I have observed this 'fragmentation' phenomenon in countries which span both ends of the political spectrum, so it's hard to believe that it's a right-wing conspiracy. What is perhaps more interesting than the ideological debate is that it is a reversal of the received wisdom which says that organisations deliberately grow bigger to provide better service; not to make profit.

Now I know that may sound naive, but think about it; a business profits most (and grows) when it serves best, not when it sets out to simply grow profit without worrying about service. Under the new terms of reference for public sector activity, the sector is being asked to reduce its size in order to serve its customers better. In some of the countries where I have encountered this approach, the Local District Authority has attempted to imitate the private sector in introducing smaller, internally competitive units of operation. The underlying assumption of these structural changes is that the private sector model can provide better service. The difference, of course, is that the private sector *can* operate in smaller units specialising in a particular activity (even to the extent of establishing a separate identity) whereas Government, even at a Local Authority level, still has a larger identity. The problem with this private sector approach is that it brings some confusion into identifying exactly who the customer is, and this in turn brings into question the issue of 'priorities'. But that's another story.

Whose job is it to remember the end customer?

A model, which relies on the interdependence of smaller units of operation, will inevitably depend on the 'Quality Chain' concept. This approach is a key feature of Edward Deming's work and introduces the idea of 'internal' and 'external' customers, wherein discrete units rely on each other to complete a 'chain' of service which, in theory, ultimately satisfies the customer.

For the Administrative Manager, this is a nightmare. Without a strategic view of who the *paying 'end' customer* is, (s)he is faced with a process which may satisfy each active unit, but may not ultimately produce customer satisfaction. This takes the Administrative Manager into a similarly new split role as both monitor and manager. The monitor role is not necessarily that of ensuring the process is being carried out correctly, but more particularly, whether it's still satisfying the needs of the end customer. The manager bit then involves ensuring that the process is maintained or changed to reflect this focus.

Two examples serve to illustrate the dilemma.

First, let's take the international (with the honourable exception of India and Germany) example of Railtrack maintenance. In this instance, there is a whole chain of customers, each depending on the results of others' work.

For example, the Supplies/Stores Department has its own customers; internally, it's the forklift driver who moves stuff around; externally, the driver has the 'crew' who are waiting to take the first steps in using the materials to satisfy their customer, who is the contractor, who in turn has the Rail Companies as their customer. And so on. You get the idea. However, it's the Administrative Manager in each case who has to keep an eye on the 'end customer' - the paying public - because nobody else is inclined to, nor do they need to. The trouble is that no such role currently exists. Does this system work? Does it need an Administrative Manager to ensure that each link in the chain is monitored and managed at the point of interaction? Well, I'll leave you to make the judgement in your own international context, but I offer advice for visitors to the UK. Don't travel by rail on a Bank Holiday - unless, of course, you're a student of business and you want to witness the breakdown of the Quality Chain Model!

The second example is the idea of merging the public and private sectors in education - the Private Finance Initiative (PFI). Much has been written about this approach, so I'll simply limit my observations to commenting on the role of the Administrative Manager (usually called the School Business Manager - or SBM - in schools) in trying to best serve the 'end customer', who is the child.

Many SBMs believe that the PFI has simply added another obstacle to the process of serving the best interests of the child and that the private companies involved are only interested in their immediate customer, the Contracting Authority. I can only comment that without an awareness of the needs of the 'end customer', this is inevitable, and that the one person who is uniquely placed to help maintain the focus on the child, is the SBM. I'm aware of at least two research studies that illustrate this far better than I can do, but in essence, they point out that without a continuous focus on the *end customer*, the investment produces limited benefits to the child.

I would argue that this example illustrates the ethical position that Administrative Managers need to hold when managing what Richard Schonberger called, "groups of people connected by work flow" - the moral being.

I'm reminded of the maxim, 'Do unto others as you would have them do unto you', but people need reminding of what *should* be done. There are, of course, standards for Administrative Managers and I'm not knocking them. But do they work in ensuring that the customer is always the priority - or are they simply about the efficiency of the process?

Unfortunately, I think they're always about the latter, but what do you think??

BOOKS

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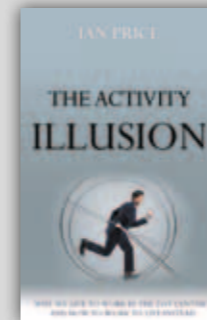
Why we live to work in the 21st Century - and how to work to live instead

by Ian Price

Published by Matador ISBN-13: 978-1848769496

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Please visit www.grimsdykeconsulting.com for further details. Reviewed by Mike Turner FInstAM



While as managers we don't need much reminding, the adage, 'emails are ruining my life', will strike a chord with many of us. The paradox suggested by evolutionary psychology that 'advances in communications technology' lead us to 'work harder but less effectively' is so often manifest in day to day management that I think many readers will recognise themselves when examples are offered in the book.

I liked the examples of managers' reliance on 'emotional painkillers' and the introduction of the concept of Karoshi. I felt that this offered an interesting adjunct to developments in Japanese management techniques. It was also good to see a less attractive view of multi-tasking being provided.

Having identified some of the problems facing managers, the book goes on to suggest practical, achievable solutions. There are timely reminders about how to tame the 'technology beast' and to achieve focus on what is really important.

If managers are addicted to emails and BlackBerrys, then there are work solutions available which are within their control. Likewise in planning their non-working life.

In terms of suggested solutions, I don't think readers will find too much that is new - but what the book offers is support for clear thinking, offered in a readable style with a large show of common sense. There are some interesting anecdotes and guidance on how managers can refresh their way of thinking.

So good luck with creating your own 'virtuous circle'!

New management books on coaching and body language



A number of recently published books have landed on manager's desk and we thought that three in particular might be of interest to readers:

Business Coaching covers in easy steps the essentials of coaching and delves deeper into the supporting skills of questioning, listening and goal setting. It's written in plain English, illustrated in colour throughout and provides clear step-by-step instructions. The author, Jon Poole, has been involved in coaching famous sporting names over the last two decades and the principles readily translate to the business world.

Another view of coaching is approached in one of two

new titles from HotHive Books, which provide managers with new perspectives on topics that are vital to their work. In **The Coaching Leader**, part of the Books Mean Business Series, a group of experienced international executive coaches share their experiences of leading a team. Through a series of real-life stories, exercises and helpful tips scattered throughout the book, they guide managers through the essential skills required to be an authentic coaching leader.

Areas covered include: leading from the front, understanding people dynamics in the organisation, communicating authentically and handling those difficult conversations.

This handy, pocket-sized book is aimed at managers in enlightened companies, large and small, who want to experience the business benefits of having coaching embedded at every level of their organisations.

Effective communication skills

There are many books that tell you how to read body language, but nothing that looks at this subject in relation to technology and the future. **The Future of Body Language** is aimed at managers who are striving to get ahead in life and commerce whether face-to-face, over the telephone or via the internet.

The book is produced in a handy size format that slips easily into a pocket, bag or briefcase. It takes a fresh look at body language in relation to new technologies, including podcasts, Skype, YouTube and video conferencing. Using these new technologies in our business and professional lives means that we all need to learn new skills to get the most out of our communication.

The author, Carole Railton, believes that although many people focus on the technology, we should always remember that it's people who receive the messages and that managers need to be aware of the impact that messages have on them. Therefore, she concentrates on imparting key skills like improving posture so that messages are clear and free of mixed signals, developing an authoritative voice tone in telephone communications, and learning breathing exercises to calm nerves before doing live presentations.

For rapid results, there are exercises in each chapter, which can be put into practice immediately. Managers need to simply invest a little time each week working through these in order to enhance their communication skills.

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