

biz tips
2010

bizology *n* the freedom you need to take care of business

We can support your business success.

While every bizology client is at a different stage of the business 'life cycle', they have one thing in common - something needs to change. Our clients regularly confide that they know what needs to be done, but simply do not have the time, resources and sometimes expertise to make it happen.

Helping business owners stay focused is what we do.

Our unique consultancy offers a diverse range of services, from executive level management support, project management, governance and compliance through to business planning and staff, finance, payroll and business administration.

Supporting your business is our business.

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JANUARY 2010

New SA Code of Practice for First Aid

Does your workplace have an adequate and compliant first aid kit. More ...

First Aid in the Workplace will come into operation on 10 December 2010.

However, there is a 12-month transitional period - which commenced on 10 December 2009 - to give workplaces an opportunity to begin implementing the new provisions.

The new code reflects a more contemporary and best practice approach to first aid, better recognises the needs of different workplaces and brings South Australia's requirements more in line with those interstate, paving the way to a smoother transition to national uniformity.

The new code provides for:

Design of First Aid Kits to approved standards and adequate labeling

Location of First Aid Kits to ensure safety and accessibility

Contents of First Aid Kits (refer to Table 1 in the Code)

Maintenance of First Aid Kits to ensure contents are complete, in good working order, have not deteriorated and are within their 'use by' dates.

The code also includes provisions for First Aid Policies and Procedures, First Aid Rooms and First Aid Personnel depending on the size, location and risk situation of the workplace.

To access the full copy of the Code of Practice for First Aid in the Workplace, visit SafeWork www.safework.sa.gov.au SA's website

FEBRUARY 2010

International student work placement

If you could you use a little extra help in your business, it could also be your opportunity to support an international tertiary business student at the same time. Consider Business SA Connect. More ...

Would foreign language and cultural skills be valuable to your business?

Through selective work experience placement, Business SA Connect offers South Australian companies and international business students the opportunity to benefit from each other's skills and experience.

Businesses provide students with a short-term work placement, which is designed to meet individual business needs.

Prior participants in the program have found that this 'skills exchange' has saved them money and time while also helping the student gain valuable work experience.

Work experience projects could include:

- Business/export planning
- Website development
- Marketing/market research
- Logistics evaluation
- Language translation of materials in order to appeal to a broader market.

Once a student has been screened and approved, they will attend a series of business culture workshops.

On completion the student is eligible for a two-week work placement. This placement could consist of two weeks full-time (or equivalent) at the workplace, or completion of an off-site project for the business.

If you believe this could be a valuable resource for your business, check out Business SA Connect at www.business-sa.com

MARCH 2010

Employees working from home

Do you have employees who work from home? Is their workplace safe - and do you know your OHS responsibility? More ...

Having employees working from a home office can be a common and convenient arrangement for both you and your employee - but what are the risks?

As an employer, your OHS responsibilities don't end in your workplace. You are responsible for any place where the employer requires or permits an employee to perform work, including the employee's home, vehicle or work site. It is likely that most of the work undertaken at home will be clerical or computer based.

A health and safety assessment should be carried out at the employee's proposed working area at home to look for potential for accidents or injuries. Risks could include but are not limited to the following:

- Can the employee raise the alarm in an emergency?
- Is there a compliant first aid kit, adequate fire extinguisher and smoke alarm?
- Is the work area segregated from other hazards in the home, i.e. hot cooking surfaces in the kitchen?
- Are there electrical or fire hazards such as overloaded power boards, frayed power cords, or extension cords on the floor, which can be damaged by chairs running over them? Electrical equipment used for the work environment should be tested and tagged.
- Is the path to the exit reasonably direct and free of trip hazards and obstructions to allow unimpeded passage?
- Is the workstation adequately set up to avoid eyestrain, poor posture and repetitive strain? Look for proper adjustable seating, proper desk and screen height, adequate working space or adequate lighting. Repetitive actions should not continue for long periods without appropriate breaks.
- Is the filing cabinets non-tip and is storage appropriate? Are there hazardous materials that require specific storage and handling processes?
- Is there any potential for slips, trips or falls? Are there potential trip hazards such as extension cords, or other obstructions or objects on the floor?
- Does the employee understand their OHS responsibilities?

There is considerable merit in your business tailoring a 'working from home checklist' for your employees. This will ensure everyone is clear on OHS requirements and employees are safe and healthy, no matter where they work.

APRIL 2010

Smart Communication

What smartphone is best for you, your business or your staff? How do I sift through all the brand hype, promises, plans and options to get what you need? More ...

More and more business people are looking to their handheld devices to combine the offerings of a mobile phone with a small personal computer. A smartphone is a hybrid device that has all the features of a mobile phone and most of the features of a PDA such as calendar, email, web browsing and office applications. There is much more of course - music, podcasts, videos, cameras, social media and the myriad of apps (applications) available for download.

A smartphone seems to be a must have these days rather than an “ordinary” mobile phone, but with the explosion of devices on the market, how can you really be sure which is the right one for you? Here are our top 10 tips.

1. **NEED** - Do you really need a smartphone? Are you mobile a little or a lot, do you already have good mobile connectivity with your current laptop, will it be mainly business or personal use, can you afford one?
2. **USE** - What will you mainly use it for – email, web browsing, diary management, reading files, contact management, connection to the office network or just your computer, music, photos, videos, fun and wait - actually making phone calls!
3. **TECHNICAL** - Be aware of the technical differences – key options include the phone’s operating systems e.g. apple OS, windows mobile, blackberry, android, symbian; hardware components e.g. touchscreen, ‘qwerty’ keyboard, camera; the type of network it can operate on e.g. 3G or WIFI. Other considerations are screen size, weight and size, on board storage.
4. **COST** - Watch out for the cost – will you have a pay out on your current phone or plan, can you buy outright or will you combine with a plan, what is the cost of exceeding your plan or download limit, do you need to pay a premium for speed?
5. **BRAND** - Are you too brand loyal? Whilst high profile devices such as iPhone and Blackberry are much loved, almost all phone manufacturers offer smartphones.
6. **INFORMATION** – Research, research, research – go to the manufacturer’s website and retail outlets, search the web e.g. Choice, CNET, ZNET, PC World, smartcompany, flying solo and many more.
7. **SHARE** - Talk to people using or about to buy a smartphone, especially in like businesses - but don’t expect an iPhone or Blackberry user to talk about anything else.

APRIL 2010 (CONT.)

8. LOOKS DO COUNT – Yes, the look and feel in your hand and pocket or bag is important – this is an investment and you have to be happy every day.

9. SUPPORT – Where will you get support if things go wrong or you need extra help – the retailer, the network provider, the manufacturer’s website? Check out warranty conditions.

10. APPLICATIONS – Apple dominates the apps market but others are rapidly developing apps stores – what works for you?

This brief but very limited article from www.news.com.au - “Five smartphones for the multitasker” will quickly introduce you to the main players and includes links to their websites.

www.news.com.au

When you work out what is “smart” for you and your business – let us know! We would love to report the results to the Bizology community.

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MAY 2010

Steps in finding the right employee

Using psychometric testing as part of your recruitment process can help ensure you get the right fit for a job role and your company. More ...

You are recruiting for a new team member. You have taken all the right steps - reviewed the job and person description, crafted an excellent job advertisement to attract the ideal candidate, advertised or used an agency, short-listed and interviewed candidates - and decided on the ideal person.

Psychometric testing for your preferred candidate can offer objective input. See whether the person you prefer fits into your organisation, measure what they will bring to the job, match their strengths with your requirements and identify development needs or challenges not drawn out during interviews. Tests are specially designed and targeted to your business needs.

Psychometric assessments are an excellent tool to assess a candidate's abilities, personality, motivations, values and interests - in line with your particular role and your company values and culture - under standardised conditions.

Typically the candidate will attend an assessment centre and undertake either paper or online tests, taking about 1.5 hours. An organisational psychologist may give you (often on the same day) a phone briefing on the results, usually tailored to the job and person description and your company. You may also be provided with questions to assist you probe further into important areas during referee checks or a further interview with the candidate. You may also receive a detailed report. The extent of your report is dependent on fees.

The nature of psychometric tests can vary, but most have two aspects. Aptitude tests are used to measure reasoning ability, most commonly numerical, verbal and abstract reasoning skills. These are timed tests with only one answer. The results of these tests will assist to verify if the candidate person is intellectually capable of doing the job. Personality questionnaires are preferential questions (where you select from a series of choices) with no right or wrong responses. The resulting profile is then compared to a profile of the person the employer is seeking.

MAY 2010 (CONT.)

These tests provide insight into

- Learning, thinking and interpersonal styles
- Coping with stress
- Team, leadership and reporting styles
- Team player or an independent worker

Sharing the results of these tests with successful candidates can be a powerful motivator and useful people management tool. Over time you will have the results of psychometric tests on all of your staff (and you could also test your existing team), which will assist with team performance, targeted training, working with performance or behavioural issues and motivating people to give their best and enable them to help your business grow.

Email us on info@bizology.com.au for any more information regarding psychometric assessment.

JUNE 2010

Tax time planning

It's Tax Time again. Is your business ready for 30 June? More ...

Now is the time to talk to your accountant and/or financial planner about the tasks you can do for your business or yourself at this important time of year, such as:

- Ensure your financial paperwork and software are in order
- Be clear on your projected performance for the year. Ensure that you know your cash position and liabilities due before you consider additional expenditure
- Review your assets register and write off any obsolete, broken or lost items
- Find out if you can afford to buy some capital items before 30 June
- Write off any bad debts. Make sure there is evidence of reasonable steps to recover the debt.
- Pay any superannuation entitlements before 30 June to get the deduction
- Maybe pay yourself and your team a bonus – you deserve it! Consider salary sacrifice to superannuation to maximise the benefit
- Make a tax-deductible charitable donation – help others whilst receiving the deduction.

Once 30 June is here, your business must undertake a year-end payroll reconciliation of payroll, PAYGW, superannuation, payroll tax and WorkCover. This will ensure you are ready to issue payment summaries to your employees by the required date of 14 July.

Also, remember that any Reportable Employer Super Contributions, typically salary sacrifice superannuation, must be captured adequately by your payroll system, so that these amounts appear on the new payment summaries.

JULY 2010

Paid parental leave

The Paid Parental Leave Scheme commences 1 January 2011 – .how will this affect you? More ...

From 1 January 2011 the primary carer for a newborn or adopted child can claim paid parental leave for up to 18 weeks at the national minimum wage, which is \$569.90 a week (effective 1 July 2010). This is taxable similar to salary and wages.

To be eligible for paid parental leave, the primary carer must have:

- been engaged in work for a total period spanning at least 10 of the 13 months prior to the expected birth or adoption of the child with a break of no greater than eight (8) weeks between any two (2) consecutive work days; and
- have undertaken at least 330 hours of paid work during the 10 month period (an average of around one (1) day of paid work a week).

Parents will generally need to be living in Australia and be an Australian citizen or resident from the date of birth of the child and remain so for the parental leave pay period in order to be eligible. Full-time and part-time employees, as well as casual workers, contractors and self-employed people, may be eligible provided they meet the above criteria.

Paid parental leave funding will be provided by the Federal Government. The Family Assistance Office will advise an employer when parental leave is payable to an employee. Following approval, the monies will be paid to the employer prior to the commencement of an eligible employees' paid parental leave. There will be no obligation on employers to provide parental leave pay to their employees until they have received the funding amount from the Family Assistance Office.

The obligation on employers to administer the payments commences on 1 July 2011 in order to assist employers transition to the new arrangement. In the transitional period, eligible claimants who are not paid by their employers will be paid by the Family Assistance Office.

The Scheme allows for more than one person to be entitled to claim the payment if the primary carer changes over time. For example, if one parent is the primary carer and returns to work after ten (10) weeks, the other parent could then become the carer and claim the final eight (8) weeks' leave.

Other conditions and entitlements apply and there is some impact on other family benefits.

For full and further information, visit the Family Assistance Office website at www.familyassist.gov.au

AUGUST 2010

Salary sacrifice

Having arrangements in place for your employees to salary sacrifice to superannuation is very beneficial - but do you and your employees understand the rules? More ...

Salary sacrifice to superannuation means that an employee's take home, gross pay is reduced by a nominated amount, which is then paid into their chosen superannuation fund at a tax rate of 15 per cent rather than their normal marginal rate.

There are several important factors to be aware of:

- The salary sacrifice arrangement must be documented in advance in a salary sacrifice arrangement (SSA) declaration, in order for it to be deductible for your company
- Your payroll or accounting system must be set up to include it on the Payment Summaries as Reportable Superannuation Contributions at 30 June
- Your payroll system should maintain a running total of salary sacrifice superannuation and superannuation guarantee superannuation, to ensure the combination of the two does not exceed the annual superannuation concessional contributions cap/s, which are as follows:
- The concessional contributions cap is \$25,000 per annum for 2009-2010 financial year and later financial years
- A transitional concessional contributions cap of \$50,000 per annum applies for those aged 50 and over for the 2009-2010, 2010-2011 and 2011-2012 financial years.
- Where super contributions exceed annual limits, the amount that exceeds the relevant cap is taxed at an effective tax rate of 46.5 per cent. For example, the excess contributions tax of 31.5 per cent plus the 15 per cent tax that is paid by the super fund itself
- In simple terms, once the cap is exceeded the employee no longer receives the benefit of a low tax rate of 15 per cent and in fact would probably pay more than their usual tax rate, making salary sacrifice to superannuation unfavourable.

Remember that the following items are included in the calculation of the cap in each financial year;

- Your 9 per cent employer contributions for superannuation guarantee purposes
- Salary sacrifice contributions made by all employers in respect of an employee from before-tax income
- Personal super contributions made by a self-employed person.

Whilst technically it is the employees' responsibility to be aware they do not exceed the cap and thus bear the penalty, a good employer also recognises the benefit of helping their employees understand and benefit from superannuation. If in doubt, recommend your employee sees their financial adviser and speak to your business accountant.

SEPTEMBER 2010

Climate change

Every office that uses electricity has an impact on climate change. So what can your company do to create a 'greener' office, reduce your carbon footprint and save money? More ...

The CitySwitch Green Office program is a growing national partnership between businesses and local government, working to become environmental leaders. CitySwitch claims up to 50 per cent of total energy used in office buildings is influenced by tenant behaviour.

These suggestions from CitySwitch are simple and easy to implement;

- activate sleep mode on equipment where applicable
- upgrade lighting controls, including occupancy sensors and timers
- install energy efficient lighting and office equipment
- change to flat screen monitors
- educate staff on the benefits of energy efficiency
- purchase GreenPower from renewable sources.

To find out more, visit www.cityswitch.net.au

The Green Office Guide, a joint publication from our federal, state and territory governments, champions simple changes that can significantly reduce energy and consumable costs.

For example, the guide claims that over seven years, use of an energy-efficient photocopier, designed to work well with recycled paper and refillable toner cartridges; double-sided photocopying whenever possible; setting your photocopier to power save when not in use and the creation of an effective paper recycling system in the office, could achieve the following;

- a reduction in electricity use by up to 80 per cent
- paper and toner bills halved
- a 75 per cent reduction in greenhouse gas emissions from electricity, paper and toner
- fifty trees in the ground that would have been chopped down to make paper
- staff involvement in environmental change
- increased productivity through improved staff morale
- enhanced company profits.

Finally, before you print, think about whether you really need a printed copy of any document - can it be emailed and saved electronically instead?

OCTOBER 2010

Software & IT

Is your small business considering or part way through implementation of a specialist or industry software package? Be wary of the required resources, inevitable pitfalls and downright holes in the ground. More ...

Many small businesses simply don't have the resources to successfully implement new software and migrate data and processes, even though they know it means greater efficiency.

In addition, many software vendors may not make clear the implementation cost and associated effort, for fear of not making a sale.

You can be well prepared by taking the following steps;

- Have top level buy in and leadership to positively and firmly lead change
- Build an overt company culture that strives for excellence, not just implementation
- Allocate appropriate business and IT resources
- Carefully document the business need and processes, nominate priority areas and log key milestones that are business critical
- Prepare well for software vendor presentations with questions and scenarios. Speak to several software vendors and especially to their customers
- Carefully read the service agreements early in discussions and be aware of add on costs. Where possible, negotiate license free periods for implementation downtime
- There can never be enough training for implementers, system admin staff and end users
- Ensure you understand ongoing support function
- Treat the whole exercise as a significant change management process for your business and involve staff to ensure you have buy-in
- Have a project plan and be prepared to change it often as implementation unfolds.

Even when you are prepared, it is very likely that implementation cost, time and effort will be significantly underestimated.

Remember that people issues are as important as technical and business process issues. Strong leadership, project management and patience are essential to ensure you don't fall short of the true business potential of the software or even worse, your business cannot function.

bizology can assist with development of core business processes, negotiation with software vendors, preparing and supporting the project plan to assist you achieve a successful implementation. info@bizology.com.au us now.

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All information or advice provided as part of this document is intended to be general in nature. You should not rely on it when making any decision.

NOVEMBER 2010

Sexual harassment

The recent high profile sexual harassment claim has brought this important issue very much under the spotlight for business, but the cost and trauma can be avoided. More...

Sexual harassment is very distressing and debilitating for an employee but is also a considerable human resource risk, in terms of business culture, productivity and the potential cost of legal action and awarded claims.

Sexual harassment is defined as any unwelcome and uninvited behaviour or comments of a sexual nature. Sexual harassment can take many different forms and may include physical contact, verbal comments, SMS, emails, jokes, propositions, the display of offensive material or other behavior that creates a hostile working environment. The behaviour may be implicit or explicit, a single incident or repeated over time.

Sexual harassment is illegal under both state and federal legislation. If the behaviour can be expected to make an employee uncomfortable, offended, humiliated, intimidated or frightened, then it is sexual harassment. It is the impact of behavior that is relevant, not the intent.

Regardless of whether a company has knowledge of the behaviour, it may be found liable if an employee sexually harasses another person, whether they are an employee or not. In the most recent case, it is clear that members of a Board may also be found to be liable. Brand damage may also occur if the claim becomes public.

The most important strategy is to create a workplace that is free of sexual harassment or other inappropriate behavior. This can be achieved by constant reinforcement and shared company values and culture, a strong code of conduct and driven and inspired leadership.

Proper and clear policies and procedures must also be in place and understood by all employees, management and Board members, as well as regular discussion and training about the issue and nomination and training of appropriate contact officers for any reporting or support.

Companies should encourage reporting of any behaviour that breaches policies. The reporting process works best when employees at different levels, of both genders and locations are nominated to be contact points so that employees can find someone they feel comfortable to talk with.

Sexual Harassment can be very traumatic and appropriate support should always be made available.

It is vital that the behaviour or complaint is dealt with swiftly and such behaviour is not condoned by lack of action. Policies and procedures must clearly indicate the steps to be taken if a complaint is made and what happens if an employee is found guilty of a breach.

DECEMBER 2010

Staff meeting down time?

Why should we have staff meetings? As a small business, we work closely together, so we all know what is going on, don't we? More ...

Small business owners often consider staff meetings too much downtime and too repetitive. You all work together, so it's all pretty obvious isn't it?

We think you should reconsider.

Staff or team meetings are an excellent and even essential way to ensure your team can see the bigger picture, stay on message, understand business goals (and where the goal posts are!), get feedback, raise new ideas and head off problems before they become entrenched.

Here are some good tips to make staff meetings work better for you and your team.

- Make them regular, at least monthly but weekly is good. A lot can happen in a week.
- Stick to it. Cancelling meetings sends a message that you don't think they are important. Find a time that suits most people and makes sense for your business. Some like to time meetings to prepare ahead, others to wrap up recent achievements.
- Expect people to attend and thank them for coming. Of course missing one for a good reason is OK, but don't let people get away with it very often or this makes meetings seem unimportant.
- Start on time. Have a definite end time for most meetings so people can manage their time.
- Have an agenda and stick to it, but be flexible too. A good agenda item for team involvement is to have people give a brief description of their recent achievements and challenges and their upcoming priorities. You might find out that your idea of what is important differs from your team.
- Encourage new agenda items. You could have a place in the kitchen or on your Intranet where people can put up items they wish to talk about. However, make it clear that this is not a place to complain about something they ought to raise with you or a manager.
- When new staff join your business, go around the table and have everyone briefly introduce themselves. We have seen colleagues who have worked together for a long time still learn interesting information about each other, and it's a great way to welcome a new team member.
- Create the mood. Make sure there are always some positives but also be sure the meeting is open and honest. Listen carefully to what staff members say.
- Use consistent language. This is your opportunity to make sure everyone is on the same page.

Staff meetings are a great opportunity for your team to make connections, ensure everyone knows business goals, see how the business is tracking and gain feedback. Make sure your staff meetings work for you, your team and your business. Go on, do it now...