

HR Insider

Performance Management

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“By law, unfair dismissal claims may now include dismissals related to poor performance.”

The introduction of the 2009 Fair Work Act has allowed for the expansion of unfair dismissal rights for all employees. By law, unfair dismissal claims may now include dismissals related to poor performance.

Such dismissals may be deemed “harsh, unjust or unreasonable” where there was a lack of:

- A process for setting performance expectations and reviewing staff performance
- A clear warning to notify the employee that their performance was unsatisfactory before the dismissal
- Time to improve the employee’s performance
- Training to support the employee’s improvement (where appropriate)
- Documentation of discussions, warning and agreed action steps to improve performance

As a result, there is now a greater need for appropriate and ongoing performance management sys-

tems that constantly audits employee performance in order to assist employers in counselling or dismissing an employee for unsatisfactory performance.

As onerous as this may sound in the first instance, organisations that actually embrace and implement such practices will not only comply with the new legislation, but also accelerate the participation, engagement and performance of their employees.

“Lack of recognition is currently the largest influencing factor in the amount of effort employees put in at work...”

In fact, recent studies show that the most important factor when calculating job satisfaction for both Australians and New Zealanders is recognition and positive feedback. Lack of recognition is currently the largest influencing factor in the amount of effort employees put in at work, with other significant factors being pay, boredom and criticism from their managers.

Compared to last year where Australians listed honesty and trustworthiness as the most important qualities in a boss, this year’s studies citing positive feedback and individual recognition to be more important highlights a shift from last year’s job security concerns to this year’s career orientated motivation.

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Effective ongoing performance management is thus vital in Australian businesses today. Besides being compliant to the new law, the benefits of effective performance management can be enjoyed on three levels: the employee, the manager, and the business overall.

Benefits for the employee include:

- Greater awareness of how their role fits within the organisation

(Continued on page 2)



Training and Development

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(Continued from page 1)

and how it adds value to the organisation's strategies, objectives, and bottom line

- The opportunity to improve their skills and job performance through an agreed action plan for personal development
- A chance to present their own ideas for increasing their own productivity and effectiveness, and that of the organisation
- Increased engagement and job satisfaction

Benefits for the manager include:

- Clear understanding of the individual and group performance goals
- Knowledge of how well each employee is contributing to the accomplishment of team goals

- Increased stability within the team with increased morale and productivity
- The development of capable replacements for higher level positions in the future

Benefits for the business overall include:

- A reduction in the rate of employee turnover
- Improved business productivity
- Increased pool of potential employees for future positions

Consequently, it is imperative that businesses not only encourage consistent and ongoing performance management, but also provide their managers with the necessary training to do so effectively.

For cost-effective training solutions on performance management tailored for your business, call Flora or Eva on 02 9956 7655.



WORK LIFE BALANCE

HR BENCHMARKING SURVEY

This survey provides information on current Work Life Balance policies and trends within Australian Industry. Over 20 Australian companies participated in the survey from the a range of industries.

The report is comprehensive, consisting of five sections covering:

- Work Hours
- Leave Policies
- Training and Study
- Corporate Culture
- Other Benefits

Differences in trends were observed since we last conducted this survey in 2006. If you are interested in purchasing this survey or would like further information about the range of FMCG Reward surveys, then please contact FMCG Reward on (02) 9956 7655 or email flora@newtonconsulting.com.au

Social Media in the Workplace

“75% of Australian adults use social media tools at least once a month...”

Whatever the business, chances are that a large percentage of your employees are members of at least one internet social networking website. Some 75% of Australian adults use social media tools at least once a month, and more than 5 million Australians have a Facebook account. Interestingly, the fastest growing demographic of Facebook users are those over 30 years of age. With this advancement of modern technology, employers are now faced with new issues and concerns about the control of these sites at work and the way their employees use them.

How can social networking sites present issues for employers and workplaces?

Putting the potential networking and social benefits aside, perhaps the most obvious concern for employers, particularly those of white collar environments, is the loss of productivity due to time spent uploading, chatting on and looking at social networking sites. However, there are potentially more serious issues than this.

The sharing of inappropriate or confidential information and the misuse of the intellectual property of a busi-



ness can expose employers to significant legal issues. This behaviour can include the abuse of company logos or other images uploaded on to social media sites, or the broadcasting of commercially sensitive information when venting grievances about a company in websites that are in the public domain. Social networking technology may also even allow people to impersonate other people.

“...the internet has facilitated new breeds of bullying, harassment and even stalking that can be difficult to

Inappropriate behaviour by employees towards other employees or even clients may also be an issue. It is now well known that the internet has facilitated new breeds of bullying, harassment and even stalking that can be difficult to monitor. When this is occurring on company time, using company technology, being perpetrated by or happening to employees, it can become a challenging human resources issue for employers due to the legal risks which arise.

Finally, social media websites may also create legal issues in the area of recruitment. With personal information so freely available and the capacity of companies to actively recruit and advertise on social networking sites, the perception that recruitment decisions may have been influenced by information obtained from such sites and breaches of privacy legislation creates potential for discrimination complaints arising out of the selection processes. The threat of employees being headhunted and “poached” by other companies through these websites should also not be discounted.

How can these potential issues be avoided?

Although these activities can be difficult to police, employers need to be proactive in regulating social networking in the workplace in order to minimise negative consequences



associated with the use of these social networking sites, such as damage to reputation and the potential for discrimination claims to arise. An all-out ban on such sites is one option available to employers however this may not always be ideal due to the likelihood of frustrating and lowering the morale of good workers. A zero-tolerance approach also ignores the professional networking opportunities afforded by such sites and can deny employers themselves the opportunity to access the wealth of information that is available on social media websites.

At a minimum however, employers should have in place a comprehensive and documented Social Media Policy to inform employees of their obligations with respect to the use of the company's technology, IP and confidential information. These policies should be reviewed, updated and communicated to staff regularly to keep pace with technological change and to mitigate the risk to the company for any misconduct on behalf of employees on the internet.

It is critical to the success of this approach that such a Social Media Policy is informed by the corporate culture of the individual company for which it is being prepared. Each organisation will have different thresholds as to the acceptable boundaries of social media use, and such thresholds need to be carefully considered and incorporated into the management of social media in the workplace.

NCG Happenings

Kerrie McDonell

Gosh—August Already!!!

Briefly this is what is going on:

FMCG Careers and NCG Careers

Some of the key roles we are recruiting to include:

- Restaurant Managers and Assistant Managers — FMCG
- Food Technologist (6 month contract) – FMCG
- Production Supervisor - FMCG
- Regional Sales Manager—Mining

If you know of anyone who may be interested in any of these roles please ask them to contact Kerrie McDonell or Flora Nguyen on (02) 9956 7655.

Transition:

Our outplacement division is currently looking after a number of experienced retail managers. If you are looking for someone in this area please give Eva a call.

If you need any outplacement assistance for a one-off situation or for larger groups please feel free to give me a call. Our individual programs start from \$500.

Reward:

A busy time in Reward with a number of specialised surveys being requested.

We have also just released our next HR Benchmarking Module – **Work Life Balance**. The report is comprehensive, consisting of five sections covering:

- Work Hours
- Leave Policies
- Training and Study
- Corporate Culture
- Other Benefits

To purchase the survey give us a call.

eq+:

This is a really exciting time for our Psychometric Assessment Division. We have launched a number of on-line tools, some of which include:

- Critical Reasoning – assessing Verbal and Numeric reasoning
- Customer Contact – ideally suited for Call Centre Staff
- Clerical Checking
- Values and Motives
- Sales Preference



TRANSITION

Cost-Effective Tailored Outplacement Solutions

Transition is the leading provider of professional and highly cost effective outplacement and career transition solutions tailored to meet your individual or group outplacement needs.

Our services include:

- Planning & logistics assistance
- Management support
- On-site assistance on the day
- Individual programs
- Group workshops
- Survivor counselling
- Team rebuilding

Transition partners small and large businesses alike.

To find out more about how we can assist you, contact Kerrie McDonell on (02) 9956 7655 or visit www.newtonconsulting.com.au/transition

Cheating on Psychometric Tests

Lynette Jensen

There has been an interesting discussion lately on a Psychometrics Linked In Group. The discussion was begun by Prue Laurence, Director at Psylutions, a workplace psychology consultancy in Melbourne where they are currently conducting a survey about cheating in workplace psychometric tests and people's attitudes to psych testing.

“There’s a common perception that every employer is looking for extravert personalities, and put simply, that’s just wrong.”

Cheating on psych tests is a subject that comes up a lot, and I have fairly recently written about it myself.

In general, I would say that there's very little point in even attempting to cheat, not because I make a moral judgement, but because potential employees just don't know what an employer might be looking for. There's a common perception that every employer is looking for extravert personalities, and put simply, that's just wrong. There's also a perception that extraverts are somehow "better" than introverts and that's just silly.

But Prue's call for subjects to do her survey has engendered a discussion that has begun to develop the idea of cheating in a much deeper way, and to consider the phenomenon of psych tests and the way they can be used and abused from a different perspective.

One of the commenters, a UK Director of a Human Resources and Business consultancy, related the story of a group of young graduates gathering together to com-

plete online unsupervised ability tests for their friends. He says, "... There seems to be no shame in this (they see it) as a fair way of outwitting the tedious, repetitious and time-consuming automated selection processes so many businesses put in the way of bright graduates applying for jobs."

I think this is really sad. Psychometric tests, or any other form of employee selection should never be used to get in the way of anyone applying for jobs, or getting them. All our staff selection processes, including psych tests, should be used to get the clearest picture possible of not only who will be the best person for the job, but also whether the job is the best fit for the applicant. It's a two-way street, and all our selection processes should be applied well, carefully and humanely, in order to achieve the best decision possible, and the best outcome for everyone.

The idea of a conveyor belt, one-size-fits-all, psychometric testing (most especially ability testing!) also really concerns me. You would hope that ability tests would be carefully conducted, and the idea that we are becoming a society where we are so concerned with churning through processes for expedience, rather than doing things well and carefully, is frankly repugnant. If tests are conducted coldly and blithely, then can we be surprised that people might treat them blithely? Psych tests most certainly can be used for screening, but that doesn't mean we should forget that candidates are



“I say it’s a call to arms! It doesn’t have to be this way, and shouldn’t be.”

people, or that we should do it cruelly, coldly, or cynically.

But another comment in the discussion is even more concerning. The Director of a Leadership and Human Resources and Development consultancy in the USA says, "Have you ever applied for a job online lately? ... No feedback, no contact, no personal touch ... No real opportunity to tell your story...".

Further, he says that he has built and used tests for many years, but finds himself "...embarrassed by what passes for professional practice these days" And tellingly, he says, " We say people are our most valuable resource but then treat them like cattle being led to the slaughter."

I say it's a call to arms! It doesn't have to be this way, and shouldn't be.

All of us who are involved in Human Resources, staff selection and development, recruiting, and test development and delivery need to be constantly aware that we are in the business of dealing with people's lives. If we don't treat people well and fairly, then we can't expect them to treat our processes well and fairly.

You don't need to cheat on psych tests. Lets make sure we deliver psych tests and our other processes so well, that we're not cheating on candidates.

For all of us, our job and work life is one of the most important things we have in life. We need to keep remembering that.

Psychometric Services

PSYCHOMETRIC SERVICES OFFERED BY



eq+ delivers leading edge services for organisations across Australia and New Zealand. Our services, delivered by our team include:

Psychometric Testing – on-line or supervised – as part of the recruitment process or internal selection. eq+ can assist you in assessing and selecting the right candidates for your organisation. We have a range of measures available to you which can measure verbal, numerical and abstract reasoning, personality, leadership, subordinate style, and emotional intelligence, amongst others. Our reports are concise, yet provide a highly in-depth analysis of your candidates with insight into their strengths and weakness, as well as suggestions on how to manage the candidate.

Career Counselling

We can provide one-on-one career advice and assistance. Career counseling can address an individual's strengths, interests and values, within the labour market and look at the pros and cons of moving forward within the same industry or potentially moving into a different role or department. Career counselling may also include setting short term and long term goals both for career and other aspects of ones life.

Personal Counselling

Our Registered Psychologists can provide solution focused counseling using evidence based treatment such as Cognitive Behaviour Therapy and other focused psychological strategies.

Management Coaching

Management coaching can extend to a range of areas including; leadership enhancement, executive team building, communication, presentation styles and skills development. This focus on particular areas of an employee can lead to empowering each employee and aligning each more closely to the business requirements.

In-house Training

We can assist in the design and facilitation of training across the following areas:

- Recruitment and Selection Skills
- Coaching and Counselling
- Customer Service
- Performance Management

Call Kerrie or Eva if you would like any further information on (02) 9956 7655

Company News

China's Bright Food Group is in advanced talks to buy Australian branded food business Manassen Foods from CHAMP Private Equity. If successful, the deal would mark Bright Food's first major overseas acquisition after missing out on some large deals in its past few attempts.

Manassen Foods, which was acquired by CHAMP in 2006, owns Sunbeam and Angus Park dried fruits and Margaret River Dairy. The deal value could not be immediately ascertained, but Food Holdings Pty, the parent of Manassen Foods, had earnings before interest, tax, depreciation and amortisation of \$50.4 million for the 12 months ended June 2010.

Business Spectator
July 2011



Agro Farma, the US company behind popular new yoghurt brand Chobani, has acquired Australia's Bead Foods, maker of Gippsland Dairy and Rowena choc-tops. The deal, announced yesterday for an undisclosed sum, "marks a major milestone for Agro Farma as we expand our global reach into key international markets," says Hamdi Ulukaya, CEO and founder of Agro Farma.

"Our goal is to grow the yogurt category in Australia," Ulukaya said. Bead Foods CEO David Mann said the company looked forward to being a part of Agro Farma, a company he described as "a strong organisation that shares our passion for authenticity and craftsmanship".

Just-Food
July 2011



Cadbury Dairy Milk Australia is celebrating this week, having reached a milestone 100,000 fans on its Facebook fanpage. This has put the Cadbury Dairy Milk Facebook page in the top 10 Australian food/beverage branded Facebook pages generated for Australian consumers, according to SocialBakers.com, a social media statistics website. To celebrate the occasion, Cadbury has announced a competition for its facebook fans, offering a chance at ten Cadbury Dairy Milk "Thank You!" packs, valued at \$50.

Cadbury Dairy Milk has fully embraced social media and has run a series of successful campaigns on both Facebook and Twitter that has seen the brand averaging over 1,000,000 impressions per month. "The facebook page regularly sees updates with over 1000 'Likes' and has an impressive level of fan activity and interaction for an Australian branded page according to facebook Insights, where the month of May saw the monthly active user rate reach 44%," said a release from the company.

AusFoodNews
July 2011



McCormick & Co. has reduced its full-year earnings forecast by US\$0.06 per share despite posting sales and profit growth in the second quarter of its financial year. For the quarter ended 31 May, net profit rose 11.2% to reach US\$73.6m, while sales increased 11% to \$883.7m.

The company said that it grew volume and product mix of its consumer business through new product introductions, brand marketing support and new distribution in a the US, Canada, France and China. McCormick expects that pricing actions and cost savings will offset increased material costs, despite increasing beyond its initial projection, and achieve \$45m in cost savings from its Comprehensive Continuous Improvement programme.

Just-Food
July 2011



The ACCC has granted permission for Cargill Beef Australia and Teys Bros to move forward with proposed joint venture. Brad Teys, CEO of Teys Bros, said, "we are pleased to be one more step closer in joining our business with Cargill. The new joint venture will give us the scale and flexibility to better service our domestic and export customers to grow our business. This will also help us to expand the number of foreign markets we are currently selling Australian beef."

"Both Teys and Cargill are committed to keeping the plants that are operating today open after the merger. The combined business will make us more competitive in serving both our Australian and export customers," explained Mr. Teys.

FoodIngredientsFirst
July 2011



Australian cheese manufacturer Bega Cheese has officially announced the launch of its initial public offering (IPO), with trading in the company's shares to start on August 29th. Bega plans to raise A\$35m through selling a 15% stake in the company. It will offer 18.3m shares at A\$2.00 per share, valuing the company at A\$254m.

Bega intends to use the proceeds from the IPO to reduce existing financing facilities as well as acquiring the 30% of Victorian dairy products business TMI that it does not already own. Bega and TMI have signed an agreement to be executed following the IPO and TMI shareholders will be able to convert their shares to Bega stock. However, certain details of the merger, including the number of shares to be issued in exchange for TMI shares, are yet to be finalised.

Just-Food
July 2011



Company News

Australian Pork Ltd's annual Australian Ham Week, once again celebrated the winners of the nationwide quest to name the country's very best Australian ham and allowed consumers to take advantage of its Australian PorkMark trademarked label to identify wholly Australian pork products.

The hot pink, 'fail-safe' identification sticker allows consumers to easily identify products made from 100 per cent Australian pork, produced in line with Australian health and safety practices. To date, there are over 318 butchers and smallgoods producers licensed to carry the Australian PorkMark on their product.

AusFoodNews
July 2011



Japanese beverage giant Asahi, which purchased Schweppes in 2009, has entered into a binding agreement to purchase 100% of shares in P&N, which it will then divide, selling the company's carbonated soft drinks and cordials arm on to Tru Blu Beverages, while retaining P&N's water and juice businesses. The split comes as an attempt to appease the ACCC, which opposed the takeover in March on the grounds of reduced competition.

The company outlined plans to use the new P&N assets to strengthen its Schweppes product portfolio and streamline its supply chain management. "Under Asahi's

long-term vision, Asahi aims to increase its sales to JPY 2–2.5 trillion, increase its share of overseas sales to 20–30% and join the ranks of the top global food companies in scale, while becoming a trusted company with global quality by 2015," Asahi said in a statement.

AusFoodNews
July 2011



Coca-Cola Amatil has launched its new bottle preform and closure facility at Eastern Creek in Victoria, a \$57 million investment in its beverage manufacturing capability. CCA said the Eastern Creek facility is the final stage in CCA's vertical integration of its manufacturing facilities in Australia and New Zealand. Currently, CCA is investing \$450 million in bottle self-manufacture, enabling the company to make its own bottles on production lines within its facilities.

Terry Davis, CCA's Group Managing Director, says "This facility enables us to bring in-house all the intellectual property associated with innovation in design and light-weighting which was previously not exclusive to CCA. It also enables us to help reduce our carbon footprint because we are making bottles with approximately 20% less PET resin and reducing our need to transport pre-forms, closures and empty bottles from suppliers.

AusFoodNews



2011 HR Executive Groups



The Newton Consulting Group HR Executive Group network was established in Sydney in April 1994. Today, there are two groups with over 150 members.

The intent of the Group is to provide a confidential forum wherein senior human resource practitioners can share and debate issues, ideas and concerns of relevance to them, and establish a network of valuable HR contacts.

Below is a list of the dates for our 2011 Sydney and Melbourne meetings.

Not a member of the HR

Don't miss out on joining us for delicious drinks and nibbles – a great way to spend a working afternoon!

We would love to see you all for a not only informative but also interesting chat, so if you want to know more then please give Kerrie a call on **(02) 9956 7655** or email kerrrie@newtonconsulting.com.au

Sydney Meetings

Cabana Bar, St Leonards

- 3 August
- 5 October
- 7 December

Melbourne Meetings

AIM Centre, St Kilda

- 20 September
- 22 November



Restaurant Review



Saké Restaurant & Bar
12 Argyle Street
The Rocks Sydney
NSW 2000
Tel: 02 9259 5656

Mon - Sun Lunch
12.00 - 3.00pm

Mon - Thurs Dinner
6.00 - 10.30pm

Fri Dinner
6.00 - 12.00am

Sat Dinner
5.30 - 11.30pm

Sun Dinner
5.00 - 10.00pm



Nestled in the historic Argyle Precinct at The Rocks, *Saké* is well known for its contemporary Japanese cuisine plated for perfection.

After a friendly greeting by the door, we were shown to our table for the evening, a lively spot right in front of the working chefs who wielded their magic all night to present the most stunning artworks for their guests and audience.

We ordered the Chinese-inspired steamed prawn dumplings with spicy ponzu (\$17) to kick the night off, along with glasses of "Wax-On Wax-Off" (\$16), a sweet cocktail served on the rocks. Wrapped in delicate pastry, the dumplings simply melted away in our mouths, leaving our tastebuds eager for more.

Being so close to the chefs did not help. Our mouths watered and our eyes bulged as we watched them skilfully plate each

dish – an array of fresh ingredients and vivid colours. Our sushi could not have arrived any earlier – "Spiker Maki" (\$18), fried soft-shell crab, cucumber and mayonnaise with spicy tobiko and chives, and the cleverly named "S express" (\$22), scallops, spicy mayonnaise, and cucumber, wrapped in seared salmon and served with sweet sauce. Certainly living up to expectations, I could not help but ask for the dessert menu.

After going with the waitress' recommendation we ordered the bento box of desserts (\$22), literally – a collection of miniature desserts featuring a chocolate cup cake, yuzu sorbet, nashi pear gyoza (fried dumplings) with passion fruit dipping sauce, and matcha apple mousse sticks.

At the end of an eye-opening meal, we decided we would be more adventurous on our next visit and actually order a few glasses of what the restaurant is actually named after – *Saké*.



REMINDERS FOR YOUR DIARY

AUGUST

3 Sydney HR Executive Group

SEPTEMBER

20 Melbourne HR Executive Group

OCTOBER

5 Sydney HR Executive Group



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