

# Value Adding



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Welcome to the seventh edition of AnD Consulting's quick and easy-to-read newsletter.

In **Learnable Moments** Des Ryan continues to explore the inter-relationships involved in value-adding. Kate Ramsay supports this with a story of righteousness. The **Did You Know?** column contains information about how tax savings may reduce the cost of a Learning Sabbatical in Bali and also announces a Learning Scholarship at AnD's learning centre in Bali.

In **Value Adding in Industry** you can read how the CEO of the Adelaide Festival Centre Trust and the staff of the Festival Centre value their customers.

## LEARNABLE MOMENTS

In the last edition of Learnable Moments, we looked at the idea that we are living in an environment of complexity. To survive and prosper in this environment, businesses must constantly value add to their products and services.

Learning Conversations are a tool to help business people in this environment. (See diagram on following page). They enable people to formulate their opinions and live with the ambiguity of not knowing the 'right' answers. They help people value themselves and see the statements of others as opinions, and that, when people disagree with these opinions, as they will, they accept themselves and are willing to 'have a go' at creating and implementing a 'best choice'.

Value-adding, therefore, is the result of a provider and customer using learning conversations to arrive at outcomes which they can action and in which both feel/think that they have won. This relationship is known as a partnership.

However, our behaviour involved in value-adding with the other is our 'best choice' at the time and as we know these 'best choices' are sometimes inadequate.

## An example:

One evening, while still living in Adelaide, Des decided to try out a meal at a newly renovated and upgraded pub in the heart of the city. The menu was described on one of those blackboards filled with elaborate pictures of tasty morsels. Included in the entree list was a prawn dish which Des decided he would like as a main course. When told the prawn dish was only available as an entree all six foot eight inches of Des enquired with astonishment, "Do you know who I am?" The publican scrutinised Des with care and shook his head. Des' response was "I am the customer!"

This was the publican's 'best choice'. We'll never know whether he 'got it' but we do know that Des never returned to that pub.

## DID YOU KNOW?

### (i) Tax deductibility of a Learning Sabbatical

Our first resident learner calculated that her Learning Sabbatical at Tanah Umum, AnD's learning centre in Bali, was free. Because of the Australian tax laws, the dollars she spent on her coaching were recouped by the deductibility of her travel and accommodation expenses - her value added was a Learning Sabbatical!

Speak to your accountant in the country in which you pay tax to find out if this applies to you too.

### (ii) Learning Scholarship

The scholarship is a Learning Sabbatical at Tanah Umum.

You might be the lucky person to enjoy this all expenses paid journey to Bali. The topic is, 'Me as learner'. Describe in 250 words how you see yourself and what you are doing as a learner. The winner will be contacted and their name published in Value-Adding #9.

## VALUE ADDING IN INDUSTRY

"There's been a lot written about leadership but I've learned that most of all it is about taking the time to spend with people so they know you are interested in what they're doing." "It seems to me to be a pretty simple formula," said Bill Cossey, Chief Executive Officer to the 350 people at the Adelaide Festival Centre Trust, in his interview with Value Adding.

The Adelaide Festival Centre is a public facility to which 650,000 customers, from all over Australia, come every year. It is made up of a number of different businesses with different specialities, different customer sets and different challenges. For example, the centre manages BASS, the ticketing service for South Australia, a convention and functions area and a car park and has set construction facilities (which built the Miss Saigon set for Cameron Mackintosh).

The Festival Centre staff aim to value their customers, be they venue hirers, entertainers or the public, in two ways.

The first way is by providing expected value in the form of top quality venues and equipment so that performances to the public meet the highest possible standards. "The centre's reputation with entertainers is such that some prefer to use it for several shows rather than using an outdoor facility for one big show," Bill explained. "For example, Joe Cocker recently did three shows at the Festival Centre in preference to a single show at a larger venue at which he could have made more money."

The second way is through the added value of providing quality interactions with their

customers. "For example, people tell us that dealing with the people at BASS is a world apart from dealing with other ticket system providers," Bill said.

And the Festival Centre staff are always looking at ways to add new value by doing different things. "For example, the Playhouse staff recently decided to form a cross functional team to look at ways to provide companies coming in for a season with a better service," Bill explained. "One of the things they have decided to do is those who will be working on the night before opening night with a company hold a reception. Over drinks they introduce themselves to the members of the company to begin building relationships which will be sustained throughout the company's season."

"If this is how the staff of the Festival Centre value their customers, how does Bill Cossey value his?" asked Value Adding.

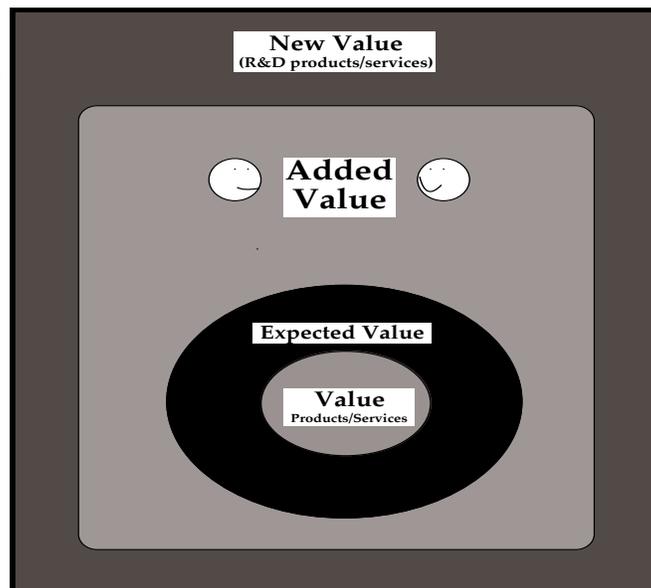
"Since my arrival early in '95, I have spent time getting an understanding of what we do, what drives performance and what our customers regard as important," he said. "I have made an effort to learn people's names, to participate in discussions, to be available and to get

involved in meetings which a CEO might not normally attend. This gives me an opportunity to identify barriers in the organisation which we can then explore for better ways to be doing things." "I also write 'good news' stories in the fortnightly staff newsletter and go out of my way to praise people who have gone the extra mile," said Bill in describing his 'simple formula' of value-adding leadership.

## Value

(Quality)

Customer Satisfaction



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