



THE ENGINE BUSINESS NEWS

Leading Holistic Business Advisors & Specialists

Business Insights Quarter 3 -7/2024



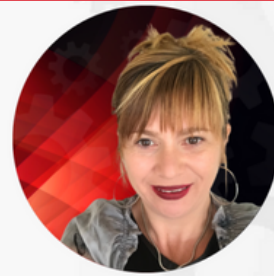
Christine Rankin

Business Advisor - Leadership Expert



Peter Cooke

Business Advisor - CX Expert



Catherine Cooke (nee Sherwood)

Founder and Leading Business Advisor

No growth without change ...

It's been said that change begins at the end of your comfort zone.
But change can also mean entering a growth zone.

As the year draws to a close, it's crucial to stay focused and finish strong, setting the tone for the year ahead. Partnering with an expert specialist will help you gain momentum, achieve your goals, and start the new year with confidence. We want to share conversations we usually have at this time of the year with prospective business owners looking to work with us.

Catherine: Hi Richard, as we approach the end of the year, have you given any thought to how you're planning to wrap things up for your business this year?

Richard - Business Owner: I've been thinking about it, but with everything going on & being deep in the trenches, it's easy to lose focus.

Catherine: I get it, unless you have someone to keep you on task and accountable it's easy to be dragged in the trenches. But the way you finish the year can really make or break your momentum heading into the next. Even if the year didn't start off perfectly, ending it strong can set a powerful tone for your business's future.

Richard - Business Owner: That's true. But how do I stay on track when things are winding down?

Catherine: It's all about staying **laser-focused** on your goals and maintaining a **strong mindset**. The effort you put in now can create the momentum you need to hit the ground running next year. It also gives you the best chance to meet or even exceed your goals, setting a new standard for what your business can achieve.

Richard - Business Owner: That sounds like the push we need, but it's easier said than done.

Catherine: That's where a business expert specialist, such as The Engine comes in. Working with someone who can provide **tailored capability, action plans and keep you accountable** can make all the difference. You can gain ground much quicker and ensure you're ending the year with the momentum you need to propel you into the next. No change = no change Richard. In fact we know those businesses who don't do anything will be in the same place they are now, this time next year.

Richard - Business Owner: I can't do another year like this - I'm ready.

Catherine: Great! Let's get you co-funding, engaged and make sure you finish this year on a better note, setting you up to propel success in the new year.

Book your 30 min Free Triage & Funding with one of our
Advisors. Call 09 869 3990 or email
businessadvice@theengine.biz to get started.

© The Engine Limited

Coaching Franchisees or Consultants



In our newsletter last month, we highlighted an inspiring initiative undertaken by Chris Boon from Adelphi Insurance Brokers. Chris is committed to the growth and development of his team, both self-employed and employed advisors. To ensure their professional development and business success, Chris has invested in coaching programmes that aim to sharpen their skills and elevate their performance.

This strategic focus on empowering individuals through coaching is yielding remarkable results, not just for the advisors but also for the broader business. The impact of this approach has been so profound that we wanted to spotlight others in the business community, including Rudy Kokx from Coffee News.



Rudy recognised the value of investing in people and decided to follow a similar path. By implementing coaching for his Franchisees, Rudy has witnessed transformative outcomes, particularly for one Franchisee, Christopher Candy who recently made a significant move: buying another area of the Franchise and planning to split one Franchise into two due to the new area's rapid growth.

This success story is a testament to the power of coaching and the ripple effect it can have on business growth. When individuals are supported in their professional journey, they are more likely to take bold steps, seize new opportunities, and push their businesses to the next level. We understand that consistent development is key to achieving sustained success. Our sessions are not just about maintaining the status quo; they are designed to push individuals to strive for excellence and explore new horizons.

Read the next column about what the trailblazing Christopher Candy, owner of 3 Franchise Areas for Coffee News as well as full-time employee on the leadership team for another major company had to say:

I recently had the pleasure of receiving coaching from Catherine at The Engine, and I am thrilled to share my experience. As a Coffee News franchisee, I found Catherine's expertise to be incredibly valuable. Her deep understanding of business operations, combined with her practical approach, makes her an exceptional coach for both newcomers and seasoned business owners alike.

For those who are new to the business world, Catherine's coaching is nothing short of essential. She breaks down complex concepts into manageable steps, providing clear and actionable guidance that demystifies the process of running a successful business. Her approachable manner and patient teaching style make it easy to grasp new ideas and implement them effectively.

Even for those with more experience, Catherine offers a wealth of insights that serve as a great refresher. She helps to refine and improve existing practices, ensuring that you stay ahead in an ever-evolving business landscape. Her ability to pinpoint areas for improvement and provide targeted advice is truly impressive.

Moreover, Catherine's coaching sessions are not just about imparting knowledge; they are also highly motivational. She instills a sense of confidence and enthusiasm, empowering you to tackle challenges head-on and achieve your business goals. Her support goes beyond mere instruction – she genuinely cares about your success and is dedicated to helping you thrive.

In summary, if you're looking for top-notch business coaching, Catherine at The Engine is the perfect choice. Her skill, knowledge, and dedication make her an invaluable asset for anyone looking to excel in their business endeavors. Whether you're just starting out or looking to enhance your existing skills, Catherine's coaching will provide you with the tools and confidence you need to succeed.

Christopher Candy
Coffee News:
Hawkes Bay/Napier
Dannevirke,
Palmerston North &
Feilding



Do you want to be part of this amazing Coffee News NZ Franchise? There are areas available throughout New Zealand. Also an awesome opportunity to purchase 3 Franchises for the North Shore is available too. Reach out to us at The Engine to find out more.

If you're ready to take your business to the next level, our team is here to help guide you every step of the way.

Family Disputes in business



Life is short. Don't waste years in conflict.

Running a family business can be incredibly rewarding, but it can also be a minefield of potential conflicts. When you're working with people you've known your whole life, the lines between personal and professional can blur, making it challenging to keep things running smoothly. From disagreements over strategy to issues with succession planning, family disputes in business are not uncommon. But the good news is that with the right approach—and the right experts—these challenges can be managed and even turned into strengths.

What Can Go Wrong in Family Businesses?

Family dynamics are complex, and when you add the pressures of running a business, it can create a perfect storm for disputes. Here are some common issues that we at The Engine have seen arise:

1. Differences in Vision: Imagine a father and daughter working together in a family-owned restaurant. The father, who founded the business, may want to keep things as they are, valuing tradition and consistency. Meanwhile, the daughter might see opportunities for modernisation, such as incorporating new technology or expanding the menu. These differing visions can lead to tension, with each party feeling that their perspective is the right one.

2. Succession Planning Disputes: Who takes over when the current leader steps down? This is a question that can cause significant rifts in family businesses. Take the example of a small manufacturing company where the founder has three children. If there isn't a clear succession plan in place, sibling rivalry can quickly escalate, with each child feeling they are the best choice to lead the company. Without clear communication and a fair process, these disputes can lead to long-term damage to both the family and the business.

3. Unequal Contribution and Compensation: In many family businesses, not all members contribute equally. Perhaps one sibling is more involved in the day-to-day operations, while another only plays a minor role. However, if profits are shared equally, this can breed resentment. Over time, feelings of unfairness can fester, leading to serious disputes that affect both personal relationships and business performance.

Why It's Important to Use Experts Like The Engine

Dealing with family disputes in business isn't something you have to face alone. In fact, trying to resolve these issues internally can sometimes make things worse, as emotions are often running high. This is where experts like The Engine come in.

1. Objective Perspective: One of the biggest benefits of involving an external expert like us is we bring an objective perspective. We aren't emotionally invested in the family dynamics, so we can see the situation more clearly and provide unbiased advice. This can be invaluable in defusing tension and finding a solution that works for everyone.

2. Experience in Conflict Resolution: The Engine specialises in helping businesses navigate challenges like these. We've seen it all—family disputes, succession planning issues, and more. This experience means we know what works and what doesn't. We can guide you through the process of resolving conflicts, ensuring that both the family and the business emerge stronger.

3. Structured Processes: Family disputes often stem from a lack of clear processes and communication. The Engine can help put these structures in place, whether it's through formal succession planning, regular family meetings, or clear role definitions. By creating a framework for decision-making and conflict resolution, they help prevent disputes from arising in the first place.

4. Protecting Relationships and the Business: Ultimately, the goal of involving experts like us (The Engine) is to protect both the family relationships and the business. We help you navigate the tricky balance of personal and professional, ensuring that disputes don't cause irreparable damage. We turn potential points of conflict into opportunities for growth and collaboration.

Conclusion

With The Engine, you can navigate these challenges with confidence, ensuring that your family business remains strong for generations to come.

Bare Minimum Monday .. Quiet Quitting

Small business productivity fell 6.1pc in 2023 - which industries, regions were hardest hit



By Cameron Smith

Online Business Editor - NZ Herald - 13 Jun, 2024 05:00 AM ⓘ 5 mins to read

Save Share



The NZ Herald reported:

New Zealand's national small and medium-sized business productivity fell 6.1 per cent in 2023 when compared with the previous year, according to new data from Xero.

The Small business productivity: Industry and regional trends report found all industries experienced a decline in productivity last year versus 2022, with agriculture (-12.1 per cent) and hospitality (-9.2 per cent) suffering the largest falls.

Falls in annual productivity for retail trade (-7.8 per cent), real estate services (-7.7 per cent), construction (-7.4 per cent), manufacturing (-5.9 per cent), professional services (-5.9 per cent) and other services (-1.9 per cent) also contributed to the national decline.

"The reason for this decline in New Zealand is likely reflecting both the combination of a softer sales performance and still strong employment, and the impact of small businesses needing to provide training to new staff during a period of low unemployment and skill shortages," said Bridget Snelling, Xero country manager NZ.

As business advisors, we're constantly attuned to the shifting landscape of workplace culture. Recently, we've observed an emerging trend that's quietly gaining traction—bare minimum Monday and quiet quitting. While these concepts may seem like buzzwords, they're indicative of deeper issues within the workplace, especially for small business owners who are often so deep in the trenches that these subtle changes can easily go unnoticed.

A recent success story is when a business we work with had an employee asked in front of her peers to have bare minimum Monday & quiet quitting added to the below the line behaviour for one of the company's values. Game-changing!

What Are Bare Minimum Monday and Quiet Quitting?

Bare minimum Monday is a trend where employees, particularly at the start of the week, engage in only the most essential tasks, avoiding anything beyond the bare necessities. It's a way to ease into the workweek but can sometimes be a sign of a larger issue: disengagement.

Quiet quitting, on the other hand, is a term that describes employees who do not formally resign but mentally and emotionally check out from their roles. They do just enough to meet their job requirements but lack enthusiasm or a willingness to go above and beyond.



Moving Forward

Bare minimum Monday and quiet quitting are more than just trends—they're red flags that shouldn't be ignored. At The Engine, we're here to support business owners in not only recognising these signs but also in taking the necessary steps to cultivate a more engaged, motivated, and resilient team.

If you're noticing these signs in your business, **let's start a conversation**. Together, we can create a strategy that not only addresses these challenges but also strengthens your business from the inside out.

Contact us: businessadvice@theengine.biz

Succession Planning

Does your company have a living document for succession planning?

Is it refreshed to take into consideration changes in market conditions or strategy?

Succession planning involves creating an action plan and processes for the passing on of leadership roles to either employees or an external hire to ensure business continuity.

Succession planning is often used for the passing on of company ownership, usually to an internal employee and this process is a medium to long term strategy.

However, the succession plan needs to also include short-term emergency solutions in the case of the business owner being unable to work due to a sudden event or emergency.

5 Steps to Successful Succession

Step 1: Engage the Stakeholders

Engagement of a board in establishing criteria for succession planning creates buy-in and alignment from a panel who will select the next leader. They lead this process to ensure a dashboard for objectively measuring successful candidates. Ongoing review will be the difference in managing a crisis effectively.

Step 2: Internal Successors

Your living document should detail the competencies and experiences required for your next leader. External assessment is essential and quite often dark horses emerge when you look deeper than the first layer. It may become clear there are no internal candidates that fit the succession criteria. This is an obvious risk for the Company and a plan for recruitment and development needs to be put into play.



Step 3: Set up the stimuli

Practice makes perfect in anything we do and that is the same in executing a succession plan. Either internally (and providing them with the best platform in-depth knowledge in running a business) or through The Engine's profiled leaders seeking transitioning or new business opportunities. Establishing an emergency plan, wherein reins are required to be taken over will assess the viability of your successor in such conditions.

Step 4: On-board the successor

There's a saying that a 'ready now' candidate is a fool's errand. All successors have learning to do and mistakes to recover from. When identifying and naming a successor, crucial support must be provided.

Step 5: Board

The Board must play an important role in succession planning. Honest jury-style external evaluation and a system to develop a rich talent pipeline are two of the areas where board members can make a difference.



The Engine Expert Insight Hub:

Payroll - Overstated Time Sheets | Lack of audit control



EXPERT ADVICE

Overpayment of wages can lead to complex financial and legal challenges for both employers and employees. Whether it's due to fraudulent timesheet reporting or administrative errors, these situations require careful handling to recover funds and navigate the legal landscape. In the following case studies, we explore two distinct scenarios where overpayment issues were identified and successfully managed by **The Engine**, resulting in significant financial recoveries and avoiding legal resolutions. These examples highlight the importance of timely intervention and expert guidance in addressing wage overpayment disputes.

Case Study 1: Employee Fraudulent Overstatement of Timesheets

Background: A mid-sized manufacturing company approached The Engine to conduct an audit after suspecting inconsistencies in their payroll system. During the audit, it was discovered that a long-term employee had been overstating their timesheets over a period of 2-3 years, resulting in significant overpayments.

Action Taken: The Engine carefully documented the discrepancies and gathered all necessary evidence. Upon presenting the findings to the company, The Engine was authorized to negotiate a recovery of the funds. A discussion was initiated with the employee regarding the overpayments, emphasizing the evidence collected and the potential legal consequences of the fraud.

Outcome: Through negotiation, The Engine managed to recover 50% of the overpaid amount, securing a total of \$35,000 for the client. The company decided against pursuing further legal action, given the partial recovery and the employee's agreement to resign voluntarily. The outcome was a significant success, as it not only recovered a substantial portion of the funds but also allowed the company to move forward without prolonged legal disputes.

Case Study 2: Overpayment During Maternity Leave

Background: A company mistakenly continued to pay an employee's regular wages on maternity leave, an error only noticed after her resignation. Unaware of the overpayments, the employee had the funds deposited into a shared account, which were withdrawn by her partner.

Challenges: The company demanded full repayment of \$28,000 but had also breached Employment Law by withholding the employee's holiday pay and using intimidating tactics, including threats of legal action and withholding references.

Action Taken: The Engine represented the employee, highlighting the company's legal breaches and her lack of awareness about the overpayments. The Engine cited laws on overpayment recovery, focusing on fairness and the employee's innocence.

Outcome: Through negotiations, The Engine secured a settlement where the employee repaid 50% of the overpaid amount, totaling \$14,000. This outcome avoided escalation to the Employment Relations Authority, where the company could have faced harsher penalties. The employee also received her withheld holiday pay and a reference, allowing her to move forward without further legal issues.

To safeguard your business against potential overpayment issues and ensure compliance with employment laws, engage The Engine at the earliest opportunity. Our expert team can audit your processes, identify blind spots, and assist with employment or dispute matters to give you the best chance of recovery. In the first case study, we successfully recovered a significant portion of the overpaid wages and helped the client avoid further legal complications. **Don't let unnoticed errors put your business at risk—work with The Engine to protect your interests and avoid costly legal breaches. Reach out to us today to secure your business's financial and legal**

Top Tips from The Engine's Specialist Provider Community

Disagreement is good, honestly

HRtoolkit

If we all agreed about everything then life would be boring, and there would be no innovation. But sometimes that disagreement descends into conflict, and that needs to be proactively managed before it causes damage to your business.

Why does conflict arise?

We can't all be best friends, and often our co-workers are people who we wouldn't necessarily choose to socialise with outside of work. However, in the workplace, we need to work together for 8 hours a day and learn to get along.

Conflict usually occurs because of a breakdown in communication, either due to someone getting the wrong end of the stick, or someone being pigheaded. Whatever the cause, it does need to be managed.

Why do I need to address it?

Left untended conflict will fester. Your customers will feel the vibes, and potentially leave, other staff will leave because they don't like the atmosphere, which can destroy companies. Yes, it is easy to say "I don't have time to deal with this" but this is usually an excuse to avoid dealing with something that may potentially cause a rift or unpleasant. The reality is, the longer you leave it the worse it will get, so the best time to deal with it is quickly, nip it in the bud before it grows into something nasty.

[Read Full Article](#)

View our full library of resources and tips from our Provider network for helpful information on a range of business topics.

[Full Resource Library](#)



UNLEASH YOUR BUSINESS POTENTIAL
New Zealand's Best
Holistic Business Advisors
and Specialist Provider Community

***Business advisory, consulting, education
& governance for growth-focused
business owners***



businessadvice@theengine.biz



09 869 3990