

## New Government Needs to Walk the Talk on Rebalancing - by John Walley

Policies to help the traded sector were one of the themes of the election campaign with a contrast in approach between the two major parties clearly evident. National argued that more of the same and reducing debt would be sufficient to ease the pressure on the exchange rate, while Labour promoted a more interventionist strategy through changes to the Reserve Bank Act and the introduction of a Capital Gains Tax.

Now that National has once again formed a Government a pragmatic view must be taken; the key measure of policy success is real growth in the tradable sector, not the rhetoric of economic rebalancing. Countries around the world are making changes to address the competitiveness of their export sectors and we must be a part of the race. If that means new policy settings then new policy settings must follow.

Growth in the tradable sector requires greater certainty that will lead to higher investment. The graph below demonstrates the decline in the tradable sector since 2005. The long term trend of tradable sector growth is the best indicator of economic rebalancing.

Exchange rate volatility is the principle driver of uncertainty. Reducing Government debt will help but addressing private, asset based debt is an even bigger and more important issue. For that new tools must be given to the Reserve Bank to reduce the volume of debt and to prevent another asset bubble fuelling more domestic consumption and inflation. Balancing taxation to include capital gains and offering fiscal incentives to productive sector firms are also priorities.

The same policy framework that encouraged asset bubbles and stalled growth in export sectors from 2005 onwards still exists and it is vital that this changes. It is worth noting that New Zealand's trade balance has turned negative again in the past few months and global growth is expected to soften as difficulties in Europe and the USA reflect into the Asian economies.

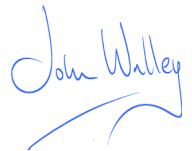
As the world hit the early stage of the crisis we were fortunate to have all time record commodity prices that staved off a meltdown in the rural sector, as the second round affects hit markets through Europe and the USA expect life to get even tougher; note the recent significant downgrades of growth forecasts in the UK.

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The same old, same old approach has not done much for the real economy; if Government promises on closing the deficit and real economy growth are to mean anything, now is time to deliver.

Real economy growth will be the indicator of economic success through the term of this Government.



### Tradable & Non-tradable Activity



Source: Statistics New Zealand, The Treasury



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## Risks Outweigh Opportunities for Manufacturers

The latest New Zealand Manufacturers and Exporters Association (NZMEA) Survey of Business Conditions completed during November 2011, shows total sales in October 2011 decreased 6.33% (export sales increased by 0.68% with domestic sales decreasing 9.84%) on October 2010.

The NZMEA survey sample for October covered NZ\$507m in annualised sales, with an export content of 36%.

Net confidence rose to -10, up from the -36 result reported last month.

The current performance index (a combination of profitability and cash flow) is at 103, up from 100 in September, the change index (capacity utilisation, staff levels, orders and inventories) went up to 100 from 98 in the last survey, and the forecast index (investment, sales, profitability and staff) is at 104.25, up on September's result of 101.5. Anything less than 100 indicates a contraction.

Constraints reported were 70% markets, 20% production capacity and 10% skilled staff.

Staff numbers for October decreased year on year by 4.88%.

"Domestic sales have continued their decline this month while export sales have been flat. A rise in all three indexes suggests things may get brighter, but we may be looking towards the second half of next year before any significant growth in sales is evident," says NZMEA Chief Executive John Walley.

"The big concern from this survey is the reduction in staff numbers. Firms reducing staff numbers clearly aren't expecting sales to pick up anytime soon. Confidence has also remained negative for the ninth month out of ten this year."

"Comments from manufacturers continue to centre on the exchange rate with firms bemoaning its high level and struggling to predict currency movements."

"Tough market conditions were reported and the gas pipeline problem also restricted sales for those affected. The Canterbury earthquakes are also having a lasting impact with some firms seeing increased sales due to construction projects starting next year while others still have issues with damaged buildings or inadequate rental sites."

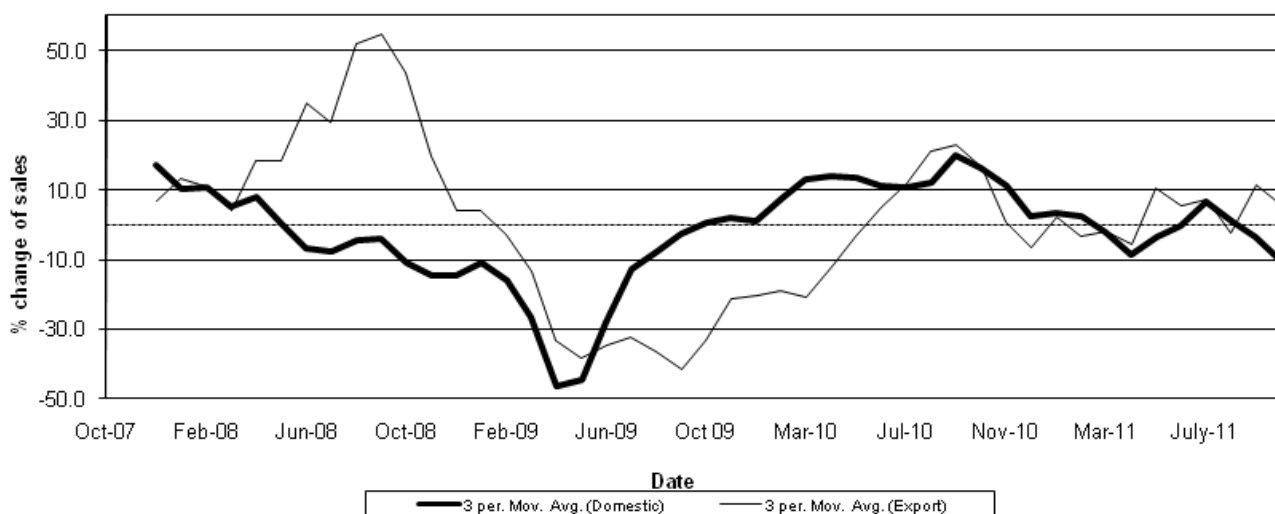
"Europe remains a major problem for firms looking to invest; the possibility of European difficulties causing another global recession, and the resulting lower sales levels, is hitting investment intentions."

"A new term in Government brings the expectation of some policy changes to assist the tradable sector. Some previously untapped policy ground such as the Reserve Bank Act, taxing capital gains and the superannuation entitlement age surfaced during the election campaign – hopefully we will start to see some cross party support on these issues."

*The New Zealand Manufacturers and Exporters Association survey gathers results from members around New Zealand. It provides a monthly snapshot of manufacturers and exporters' sales and sentiment.*

### Sales

(3 month moving average of % change year to year )



## Diploma in Competitive Manufacturing

Last year the NZMEA and Improve (NZ) Ltd offered the first public Diploma in Competitive Manufacturing in both Christchurch and Auckland with considerable success. Participants from various manufacturing companies reported significant improvements to their organisation as a result of ideas and processes they were able to apply as part of the course. It will be run again next year in Auckland, Tauranga and Christchurch.

### About the course

The Competitive Manufacturing Diploma is a programme specifically designed to assist manufacturing businesses to achieve real bottom line results and set the platform for positive cultural change.

The program utilises the proven Lean Manufacturing principles and methodologies to generate continuous and sustainable improvements for business.

The Competitive Manufacturing programme covers three key areas:

1. Designing your competitive manufacturing strategy.
2. The tools and techniques to implement strategy and drive improvement.
3. Leading a cultural change programme.

The learning and coaching process is aimed at achieving:

- Reduction in inventories and production costs.
- Enhancement of yield and quality.
- Reduction in changeovers/delays.
- Increase rate of productivity improvement through employee participation.
- Enhance morale and motivation of staff.

- Increased response rate to market.
- Set targets to boost, restore and significantly enhance the competitiveness of the organisation.

### Feedback

Kathryn Sandford,

Business Development Manager of Improve (NZ) Ltd, reported that the overall the feedback from this years' course has been very positive:

Mike Hayes, Operations Manager at Dulux Powder Coatings found the resources and course material excellent and described the course as "money and time well spent".

Alister McKenzie from Aldwin Paige commented that the course material was good and he enjoyed mixing with a range of people from different industries to see how the principles applied to their different businesses.

### 2012 Programme

David Norris, Executive Officer at the NZMEA said, "The programme will be delivered again next year starting in February. It will be structured in a modular format comprising of a one day session per month."

"We look forward to offering an improved programme next year based on the feedback we received from the course this year."

*If you require further information please contact us on email: [nzmea@nzmea.org.nz](mailto:nzmea@nzmea.org.nz) or phone 0800 353 2540. To register for this programme visit [www.nzmea.org.nz](http://www.nzmea.org.nz), and select training and events.*

New Zealand Manufacturers and Exporters Association staff have moved into new offices. The new address is:

1st floor  
181 Blenheim Road  
Riccarton  
Christchurch

The new office has some small meeting rooms which will allow some training programmes to be run there, but it lacks the larger rooms of the old building so larger events will continue to be held elsewhere.

The old building, Mancan House, is due to be demolished due to structural damage. The NZMEA will look to build a new building with both offices and a conference centre when the rebuilding regulations are clarified in Christchurch.

All contact details including phone numbers and PO Boxes have remained the same.

## Employment Disaster Issues

The Christchurch earthquakes and more recently the Rena grounding and oil and container spillages have highlighted unexpected consequences for employers and employees.

Both disasters have resulted in the establishment of damage and control zones which have directly impacted on, limited, or prevented business operation within the affected areas. Businesses have had their premises and equipment destroyed or damaged so severely that they can no longer be used. Manufacturing and service based businesses have had to cease operation. Some commercial fishers and aquatic based tourist activities such as dolphin watching have had operations halted.

Unless otherwise specifically provided for contractually in employment agreements, employers have a legal obligation to provide paid work for their employees. Where jobs are no longer required or are superfluous to requirements as a result of a disaster or similar unforeseen event beyond the control of the employer, employers must engage in a consultation process with potentially affected staff before redundancy can be determined. This means an ongoing salary or wage payment obligation while consultation is undertaken, decisions are made, and the requisite notice is given. This can cause additional negative financial consequences for the business if the business has no means of producing income in the meantime.

This consequence has led to employment lawyers advising employers to consider revising employment agreements to include the following types of clauses:

- A “no work, no pay” clause, which is already common in certain sectors such as the building industry and other trades. Such a clause makes it clear that if an employer cannot offer work for reasons beyond its control, no wages are payable for the period of time that work is unavailable. The clause may even contemplate that that an employer may not even be able to give any notice of a no work, no pay situation arising.
- A “days/hours of work” clause which provides for the employer to increase or reduce the ordinary hours of work either on a temporary basis, or permanently, following consultation with the employee.
- A “force majeure” clause, which provides for the ending of contractual obligations owed by the parties to an employment agreement if an unexpected serious event occurs which impacts permanently on the employment relationship (such as fire, flood, storm, earthquake, explosion, terrorism and the like).

Employers are encouraged to carry out a review of their existing employment agreements to check for flexibility and commercial robustness, particularly in the event of a disaster.

*This article was provided by Employment & Environment Law. If you require further information relating to this topic please contact us on email: [nzmea@nzmea.org.nz](mailto:nzmea@nzmea.org.nz) or phone us on 0800 353 2540.*



*We wish all our members a very happy holiday season and a successful 2012. Thank you for your support over the past year.*

*From everyone at the NZMEA: David N, David M, John, Maggie, Peter, Tonia and Trudy.*

During the NZMEA's office close down from 23 December to 16 January if you wish to contact us during this time please call 0800 353 2540.

## Business Succession: “When I Leave My Business, It Will Most Likely be in a Box

We have all heard business owners justify their inability to retire and exit their business with similar statements, often referring to their inability to sell their business or that it could not operate without their critical knowledge.

What are the options or strategies that a business owner can adopt in order to prepare for their own succession and phasing out?

The first is the sound precaution of developing a Key Person Risk and Succession Plan to prepare the business for their planned or unexpected departure, or that of any other key person.

### What could such a plan achieve?

The plan would identify the key tasks and activities for which there is no one trained or able to undertake them if the owner was not present, and would enable a plan to correct that to be instigated. It also cover:

- An annual review of the owners major tasks without backups (and those of other key people if desired) with progress of the understudies in being trained to cover them, ensuring planned progress is being achieved.
- The incorporation of these plans into a company policy that is linked into senior staff retention and development priorities, and so assist with their retention in the business especially in the advent of the owner’s departure.
- Identification of those key tasks and activities for which there is no internal backup possible or yet to be developed, and how it is planned to mitigate them in the event of the owners sudden departure e.g. by the use of external contractors and specialists.

### Why worry about the succession of the owner?

People grow their businesses not just for the challenge presented in doing so but also to leave a legacy, something worthwhile behind once they have departed for what ever reason, or to financially benefit from its sale to realise their retirement dreams.

- Perhaps the business might not be saleable or the business may not realise its true value if all the information on running the business is in the head of the owner.
- A potential purchaser of the business may be seeking a passive investment and not have the knowledge, ability or desire to take a leading management role like the current owner has.
- The business may lose key customers or staff and risk a sudden collapse in the event of a sudden demise of the owner who was the key to their retention.
- The owner may not receive sufficient proceeds from the business sale to maintain their lifestyle during the years of retirement if a succession plan is not in place to realise the true worth of the business.

### What are the difficulties for the succession of an owner?

- Firstly, key knowledge on the management of the business is often retained by the owner. The management methods, procedures and policies are not streamlined, defined, nor expressed in a form a successor could pick up and run with quickly.
- Secondly, the function of a board is intertwined with that of general management, and is not easily instantly separated when seeking a replacement manager who will not fulfill the board’s governance role.
- Key relationships in the business are all held by the owner whose sudden departure could leave a vacuum for competitors to take advantage of.
- Critical business information and industry knowledge are often only held by the owner, which is not easily nor quickly transferred to a purchaser.

### Withdrawal from a business options include:

- Complete withdrawal of the owner suddenly either by forced retirement from a serious illness or death, or desire to take up another full time activity or option.
- A phased out withdrawal from the business by utilising a board of directors for governance and the appointment of a replacement manager. The owner may still retain effective control without requiring full time involvement in daily operations.
- A slow reduction of the owners management role with a planned hand over to a replacement manager, while developing a board to retain control over the direction of the business.
- Interim use of a management advisory board to obtain external advice on the succession process and an opportunity to evaluate further options for sale or phasing out.

It may take an owner some time to adjust to the partial or total loss of their ‘baby’ but a planned approach is to be preferred rather than an emergency rushed solution in the event of a sudden departure.

Options including a staff buyout or the introduction into management of a future partner or owner can be investigated and if appropriate, facilitated if a plan is in place. A Key Person Risk and Succession Plan incorporated into an appropriate Company Policy, is likely to de-stress the whole exiting process for an owner and realise their dream for the continuance of the business. Staying in the business until they ‘leave in a box’ is not the only option for an owner who does appropriate planning.

*This article was provided Livingstone Business Consultants Limited. If you require further information relating to this topic please contact us on email: nzmea@nzmea.org.nz or phone us on 0800 353 2540.*

## Forums / Workshops

Workshops are open to all members of your staff, members and non-members of the NZMEA. For more information and to register on-line visit: [www.nzmea.org.nz](http://www.nzmea.org.nz), select **Events/Training** for the full list of events. Or you can contact us on 0800 353 2540 or email: [nzmea@nzmea.org.nz](mailto:nzmea@nzmea.org.nz).

### Lean Manufacturing/Manufacturing Excellence Workshops

**Starts Wednesday, 8 February, Christchurch**

**Starts Thursday, 9 February, Auckland**

**Starts Wednesday 22 February, Tauranga**

A three day course where you will gain leadership and management skills to help you shape an organisation. The workshop will be delivered one day a month for three months and will cover the following:

#### Day 1: Leading Change

Participants are required to deliver projects of improvement or change through all stakeholders. The unit also emphasises that the costs of changes need to be properly estimated before implementation and measured while implementing.

#### Day 2: Tools and Techniques to Implement Strategy and Drive Improvement - Analyse and Map Value Stream

On the background of strategic and cultural context, the participants analyse the flow of their products through the supply chain. This unit helps in finding the points in the supply chain where inventories are unduly built. The forthcoming tools and techniques are then targeted at the opportunities found in this exercise.

#### Day 3: Designing Your Competitive Manufacturing Strategy - Develop a Balanced Scorecard

The overall vision, mission and strategy of your organisation are developed or (if already existing) analysed for improvements needed. The initiatives are so developed that they lead to the desired strategic objectives in order to attain the vision.

#### Programme Structure

Theory and learning is only of value when applied and shared. Action in Learning is the key focus of the course. The learning and the coaching process is aimed at:

- Developing the knowledge and skills of participants to be change agents and lead the implementation of a competitive manufacturing strategy in their organisation.
- Enabling participants to effectively manage change to improve efficiency and profitability within their organisations.
- Providing comprehensive professional development training and recognition to people exercising major leadership and accountability for change management functions in an organisation using lean principles and other competitive manufacturing processes.

#### The Lean Implementation Workshop is aimed at those involved in:

- Developing or managing LEAN thinking.
- Setting strategy.
- Applying the values, tools and techniques that support a continuous improvement culture.



## Dr Alan Bollard, Governor of the Reserve Bank of New Zealand

All members are invited to an informal meeting with Dr Alan Bollard, Governor of the Reserve Bank. This annual event is your opportunity to share and exchange views with the Reserve Bank. To register visit [www.nzmea.org.nz/events.aspx](http://www.nzmea.org.nz/events.aspx). This meeting is "off the record" to encourage open and frank discussion.

#### Christchurch

**Date:** Friday 27 January 2012.

**RSVP:** By Friday 20 January 2012.

**Time:** 2.45pm - 5.00pm.

**Cost:** No charge.

**Venue:** George Hotel, 50 Park Terrace

#### Auckland

**Date:** Wednesday 15 February 2012.

**RSVP:** By Wednesday 8 February 2012.

**Time:** 5:00pm - 7.00pm.

**Cost:** No charge.

**Venue:** KPMG Boardroom, Ground Floor,  
18 Viaduct Harbour Avenue

## Workshops/Programmes

Workshops are open to all members of your staff, members and non-members of the NZMEA. For more information and to register on-line visit: [www.nzmea.org.nz](http://www.nzmea.org.nz), select **Events/Training** for the full list of events. Or you can contact us on 0800 353 2540 or email: [nzmea@nzmea.org.nz](mailto:nzmea@nzmea.org.nz).

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### National Diploma in Competitive Manufacturing

10 full days over 10 months

Starts Wednesday, 8 February, Christchurch

Starts Thursday, 9 February, Auckland

Starts Wednesday 22 February, Tauranga

This programme utilises the proven Lean Manufacturing principles and methodologies to generate continuous and sustainable improvements for business. Whether it's lead time improvements, cost reductions, identifying waste, quality and customer service improvements, improved communication between management and employees or inventory reductions, businesses experience significant results from implementing competitive manufacturing in the workplace.

#### The Competitive Manufacturing programme covers three key areas:

- Designing your competitive manufacturing strategy.
- The tools and techniques to implement strategy and drive improvement.
- Leading a cultural change programme.

#### The learning and coaching process is aimed at achieving:

- Reduction in inventories and production costs.
- Enhancement of yield and quality.
- Reduction in changeovers/delays.
- Increased rate of productivity improvement through employee participation.
- Enhance morale and motivation of staff.
- Increased response rate to market.
- Set targets to boost, restore and significantly enhance the competitiveness of the organisation.

**Who should attend:** This diploma is aimed at senior, middle managers and team leaders who are or will be responsible for creating and leading the implementation of a competitive manufacturing strategy in their organisation.



## NZTE Capability Development Vouchers

The New Zealand Manufacturers and Exporters Association is an approved training provider for the NZTE Capability Development Voucher Scheme.

This enables eligible companies to receive up to 50% of the course fee in the form of a voucher from NZTE on approved courses.

NZTE Capability Development Vouchers are available through your local Regional Business Partner and can be used to help you access services that build your management capabilities.

To be eligible for the vouchers your business needs to:

- Have fewer than 50 employees.
- Be registered for GST in New Zealand.
- Be operating in a commercial environment.
- Be privately owned or a Maori Trust.
- Demonstrate a desire to innovate and grow.

Currently, our one day Lean workshops and the CPIM supply chain courses are registered under the scheme.

*For more information contact NZMEA on 0800 353 2540 or email [nzmea@nzmea.org.nz](mailto:nzmea@nzmea.org.nz).*

## Maintenance Programme Offers Higher Skills for Apprentices

For many maintenance tradesmen the only formal training they receive is in the first four years of their career while they are signed in to their apprenticeship.

In response to industry demand for more skills and in-depth training for apprentices, a new programme 'Maintenance Apprenticeship Plus' has been launched.

The primary aim of this new programme is to offer students the additional knowledge required to become more pro-active in their approach to maintenance.

Skills4Work Maintenance Excellence programme manager, Phil Hurford said while the current ITO system of training apprentices is a valid method for teaching skills that can be learned at the workplace, it fails to teach the concept of maintenance and its benefits.

"The new Maintenance Apprenticeship Plus programme will address this by introducing subjects such as lean maintenance, reliability engineering and the steps to take a structured approach to maintenance," Phil said.

If organisations want to reach international maintenance best practice then a structured approach is needed to maintenance training, and this new programme offers that by teaching additional skills to students with all the learning leading to unit standard outcomes.

Phil believes this has huge advantages for industry and future tradesmen, as students will not only have a full understanding of good maintenance as a result of this programme but also a recognition of that with NZQA credits trade qualification.

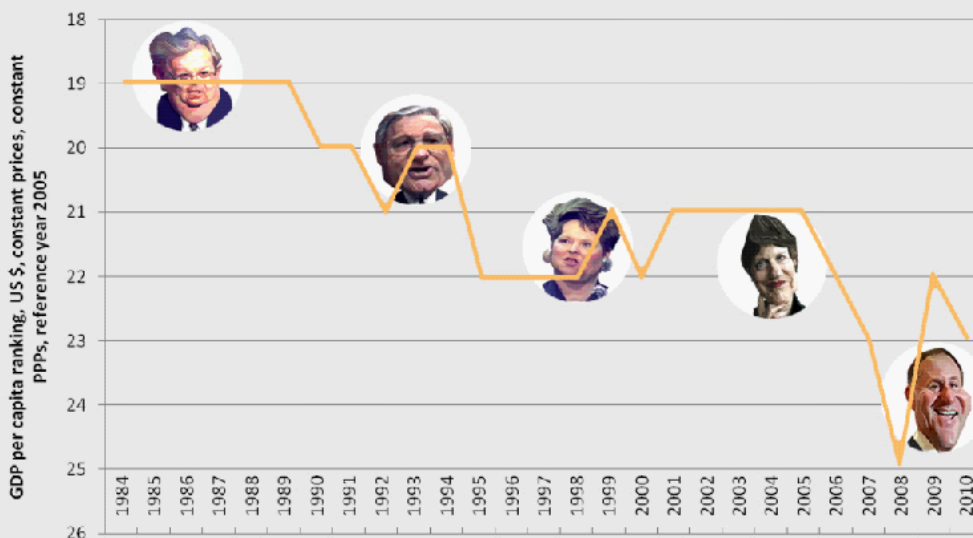
"Besides, employers will see increased reliability, less downtime and greater productivity through a better skilled workforce, resulting in benefits for everyone involved."

Supplementing the mainly workplace based mechanical and electrical apprenticeships, the programme, the first intake for which commences in March 2012, runs alongside the national trade qualification for future maintenance technicians.

"This programme will embed crucial skills in our apprentices and eventually help to up-skill the workforce of New Zealand."

*This article was provided by Skills4Work. If you require further information relating to this topic please contact us on email: [nzmea@nzmea.org.nz](mailto:nzmea@nzmea.org.nz) or phone us on 0800 353 2540.*

## Time to change our economic direction?



CHANGENZ.CO.NZ



In post-22 February Canterbury there have been many manifestations of leadership; at government, business, community and individual levels. Perhaps none of us will forget the visible presence of Mayor Bob Parker in the city, nor of Sam Johnson and his Student Volunteer Army team around the liquefacted suburbs, nor of Roger Sutton explaining how his team was fixing our local power supply. But there have been many, many more acts of leadership since our earthquakes began, and they have slipped by, largely unnoticed.

So, what is it about leadership that makes some of it memorable and some of it not? It is not that some leaders are more media savvy or photogenic than others. It is about the nature of leadership itself.

To work that through we firstly need to be clear about the distinction between leaders and leadership. Often leaders are perceived to be those at the top of the organisation tree – the board, chief executive and senior management team. There is no particular problem in defining leaders that way, provided we understand that leadership is a set of behaviours enacted by individuals right throughout the organisation and community, irrespective of their 'level' or 'label' in the formal hierarchy. 'Leaders' is about 'who', 'leadership' is about 'what' and 'how'.

In the current idiom, leadership comes in two flavours - transactional leadership and transformational leadership. Transactional leadership is about taking personal responsibility and getting the job done. In the modern workplace every one of us is expected to exercise transactional leadership as we engage with colleagues, customers and other stakeholders in our enterprise. Transactional leadership builds and preserves relationships to make sure that the wheels keep turning, that commitments are honoured, and that the organisation survives to fight another day.

## What Makes Leadership, Leadership?

Transformational leadership is a grander exercise entirely. It changes us and our organisations forever. It articulates the vision of a new future, energises us to excel, and accelerates our organisations to higher performance levels. Individually, transformational leadership engages and excites us; that is why we remember those acts of transformational leadership that have taken place since 22 February. It is not Parker, Johnson and Sutton as leaders that we remember, but their transformational leadership actions that make us feel that good things are being done.

Transactional leadership is important for organisation survival but it is insufficient for sustaining organisation success. That comes from transformational leadership. Can you imagine the excitement and success in an organisation where every member enacts both transactional and transformational leadership? Surely the goal of all leadership development programmes should be to achieve that?

Sadly, that is not the case. Investments in situational leadership and in leaderful teams, to name several of the more common leadership development frameworks, provide only transactional leadership skills. It is only transformational leadership that transforms people and their organisations. And even transformational leadership programmes at the mid- and lower-organisation levels fail to fire if the organisation leaders are not themselves enacting transformational leadership. Transformation leadership is a top-down process.

It should be no surprise when commentators suggest that much of the investment in leadership does not achieve the desired step-change within organisations; there is simply too much focus on developing transactional leadership skills and insufficient attention given to enacting transformational leadership.

*This article was provided by Organisation Development Institute. If you require further information relating to this topic please contact us on email: [nzmea@nzmea.org.nz](mailto:nzmea@nzmea.org.nz) or phone us on 0800 353 2540.*



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## Business Planning Tips

A business plan will greatly enhance your business's chance of success, but before you write it, you need to plan it.

Remember, the purpose of your plan is not to impress the reader with the depth and extent of your knowledge but to focus on the key elements of the plan and make your case as succinct as possible. A ten page plan is almost always better than a fifty page epistle.

Good business plans will deliver;

- satisfaction to shareholders,
- Meet the expectations of customers (and distribution channels),
- systems that operate smoothly and efficiently,
- employees who are highly skilled and motivated,
- economic surplus and robust advantages.

Most directors, owners or investors have a mental checklist of five or six specific points that they look for in a plan.

My suggestions for building your plan to meet the mental "check list" points are:

1. Clarify the vision. Where is it that you desire to be? What is your end goal?
2. Next, focus on the building blocks of the plan. One of the more difficult aspects of writing a good business plan is effectively dealing with problems or weaknesses - and every business has them. Complete a S.W.O.T analysis; write down how you can leverage off your strengths, how you can minimise or eliminate your weaknesses, how can you exploit opportunities and mitigate threats. Match strengths with opportunities and convert weaknesses into strengths.
3. Identify any crucial issues in regards to your company, distribution channels, consumers of your products and services, and your competition. Complete a SWOT analysis on your competition considering their current and future position. Consider and decide how best to get your product or service to the market. Will it be via a distribution channel or direct? Complete financial projections based on what you will sell. Be prepared to back up your projections because you will be asked.
4. Investors today are very conscious of potential legal problems that may be lurking around the corner. If they like your plan they will conduct their own due diligence, but the time to address any potential legal problems is now.

5. Assess risks. Risks are different than weaknesses in that they deal with the future and are normally outside the realm of your business. What market forces could prevent your plan from being successful in the future? I use a simple matrix called P.E.S.T for this exercise. So possible risks in political, environmental, sociological or technological areas should be included and appropriate actions identified to mitigate.

6. Finally, having collated and considered the data collected it is time to put it in writing. This document serves to describe your business's future, what you plan to do, how you will do it and when. A good plan usually incorporates the following;

- i. Executive summary. The executive summary will follow the title page. The summary should tell the reader what you want.
- ii. Business description. Describe the business, its product and or service and the markets it will serve. It should state what will be sold, to whom and how the business will hold a competitive advantage.
- iii. Financial aspects. Highlight the important financial points of the business including sales, profits, cash flows and [return on investment](#).
- iv. Financial requirements. Clearly state any capital needed to expand. It should detail how the capital will be used, and the equity, if any, that will be provided for funding. If the loan for initial capital will be based on security instead of equity, you should also specify the source of collateral.
- v. Current business position. This will provide relevant information about [the company](#), its legal form of operation, when it was formed, the principal owners and key personnel.
- vi. Key success factors and milestones. Detail any developments within the company that are essential to the success of the business. Milestones including items like patents, prototypes, location of a facility, contracts that need to be in place or results from any test marketing that has been conducted.
- vii. Support your plan with a one page interactive spreadsheet based on the key result areas ( you have a greater chance to get, if you just measure what you want).

*This article was provided by Vincent Nugent. if you require further information relating to this topic please contact us on email: [nzmea@nzmea.org.nz](mailto:nzmea@nzmea.org.nz) or phone us on 0800 353 2540*


# MEAssist

To network with other Members or get assistance from our Associate Membership contact:  
meassist@nzmea.org.nz or call 0800 353 2540

Our Associate Membership includes a wide range of specialists, consultants  
and service providers who can assist Association Members with:

<b>Management and Human Resources</b> Recruitment and Selection Operations Management Project Management Conflict Resolution & Mediation Employee and Immigrant Settlement Management, Leadership & Team Training Temporary Staff Employment Law Change Management Training Analysis ERP, MRP Solutions	<b>Manufacturing Efficiency</b> Lean Manufacturing Programmes Theory of Constraints Competitive and Agile Manufacturing Factory and Plant Efficiency & Utilisation Supply Chain Management & Certified in Production and Inventory Management (CPIM) Kanban, Production Planning & Scheduling Maintenance and Asset Management QC, QS and TQM Industrial Automation & Control
<b>Business Governance</b> Risk Management Business Sales & Valuation Strategic Development Business Coaching Company Boards Business and Technology Planning	<b>Marketing and PR</b> Advertising and Branding Market Research and Marketing Export Marketing Communications and PR Strategic Pricing
<b>Finance</b> Accounting, Payroll and Tax Debt Collection FOREX and Banking Investment Capital Insurance Services	<b>Product Design and Development</b> Research and Development Services Product and Prototype Development New Product Design Process Engineering Analysis, CAD and FEA
<b>Safety and Compliance</b> Security Advice, Internal & External Drug Testing and Policy Health and Safety Systems & Training Energy, Water & Waste Auditing	<b>Intellectual Property</b> Knowledge & Information Management Intellectual Property Risk Assessment and Commercialisation Intellectual Property Patent Registration
<b>Information Technology</b> IT Systems – Design & Implementation Website and Software Development Web Content Creation	<b>Import and Export</b> Certificates of Origin Customs, Logistics and International Freight Forwarding Services, Including Part Container Services International Travel

We facilitate relationships and transactions between manufacturers and exporters free of charge. Where the Association facilitates a transaction with Associate Members a standard charge, or referral fee applies. This is invoiced to the Associate Member providing the service. These fees vary between Associates and is constructed to be less than the usual marketing overhead recovery component of an Associate's pricing.



## Membership Benefits

**Certificates of Origin:** Contact the NZMEA if you need a Certificate of Origin. We are now also authorised issuers under the China and ASEAN Free Trade Agreements, at no charge to NZMEA members.

**Networking:** Probably the key activity of the NZMEA, your participation in any NZMEA event will build your network with people who have similar experiences or problems and some will have solutions.

**If you have any questions regarding our Membership Benefits please contact us:**  
 website: [www.nzmea.org.nz](http://www.nzmea.org.nz), phone: 0800 353 2540, email: [nzmea@nzmea.org.nz](mailto:nzmea@nzmea.org.nz)



# Events and Training

[www.nzmea.org.nz/events.aspx](http://www.nzmea.org.nz/events.aspx)

Monday	Tuesday	Wednesday	Thursday	Friday
			1 <b>December</b>	2
5	6	7 Workshop: Key Account Selling / Strategic Development (Auckland)	8	9
12 Workshop: Business Ethics (Christchurch)	13	14	15	16
19	20	21	22	23 NZMEA office closes 5pm (reopens 8am 16 January 2012)
26 Boxing Day	27 Public Holiday Observation (Christmas Day)	28	29	30
2 Public Holiday Observation (Day after New Years Day) <b>January</b>	3 Public Holiday Observation (New Years Day)	4	5	6
9	10	11	12	13
16 NZMEA Office Reopens	17	18	19	20
23	24	25	27	27 Special Session: NZMEA/ Reserve Bank with Dr Alan Bollard
30	31	1 <b>February</b>	2	3

New Zealand Manufacturers and Exporters Association

 253 Cambridge Terrace,  
Christchurch 8013,  
New Zealand

 HERA House  
17 – 19 Gladding Place  
Manukau City  
Auckland 2104

 PO Box 13152,  
Armagh,  
Christchurch 8141,  
New Zealand

 PO Box 76134  
Manukau City  
Auckland 2241,  
New Zealand

 Phone: +64 03 353 2540  
Fax: +64 03 353 2549  
Freecall: 0800 353 2540

 [mea@nzmea.org.nz](mailto:mea@nzmea.org.nz)  
[www.nzmea.org.nz](http://www.nzmea.org.nz)  
[www.realeconomy.co.nz](http://www.realeconomy.co.nz)  
[www.johnwalley.co.nz](http://www.johnwalley.co.nz)