

## Resilience

By John Walley

At times of great stress and pressure, concerns that in normal circumstances sit at the edges of consideration suddenly take centre stage. Largely we find our disaster plans to be a disaster and we fall back to the commitment to somehow keep walking despite the obstacles. This keeping on keeping on is the essence of resilience.

At times of disaster, at a personal level, at the firm level, at the level of community, of nation and from a global perspective reflections on resilience are natural. In early 2008 The Economist ran an article, The Fragility of Perfection <http://www.economist.com/node/11294568> that examined this issue in terms of global supply chains. It is worth a read. It has taken less than a week for a parts shortage to stop a General Motors truck plant in Shreveport, Louisiana – we live in a small highly interdependent world.

Most of Christchurch really felt the 22<sup>nd</sup> February earthquake. The retail in the central business district was and is being hit very hard; there is no access, no customers, no revenue; tourism and professional services likewise have little access, and fewer customers mean lower revenues. Manufacturing plants are mostly spread around suburban areas with most having customers outside Christchurch and New Zealand.

As a sector manufacturing has demonstrated natural resilience; individual firms particularly in Bromley and Woolston have suffered and some will close but generally the sectors' resilience in the face of this sort of event is clear.

Most have not missed a shipment; even those cordoned out of their business for two weeks are now catching up and supporting others in their respective supply chains.

The expectation is that it will largely be business as usual for those firms not affected badly by the quake before the end of April; there are reports of heroic efforts to keep going and these will come out in due course.

Building replacement will take much longer. Relocation will encounter consent issues, and the infrastructure to support and approve activity must be made clear and simple to ease this transition. Individual resilience is insufficient we need to think about what it means for firms, communities and New Zealand. Two significant events deal with the mind-set that "we have had the big one" - if we can suffer two such events why not another?

So what does resilience mean?

- Priorities – infrastructure, focus


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on the "must haves".

- More focus on the "what ifs", preparation for another disaster.
- Clear statements on constraints – building codes and zoning standards for new and existing buildings.
- Diversity in type, time and space – avoiding placing the eggs all in one basket.

In the short term co-operation between firms can make a big difference, I would like to remind everyone that our MEAssist function is available for anyone that requires assistance or anyone with spare factory space, expertise or anything else they feel may be useful. To use this function email [mea@mea.org.nz](mailto:mea@mea.org.nz) or phone (0800) 353 2540.



John Walley



## Sales Drop After Earthquake but Forecasts Hold Up

The latest New Zealand Manufacturers and Exporters Association (NZMEA) Survey of Business Conditions completed during March 2011, shows total sales in February 2011 decreased 13% (export sales decreased by 26% with domestic sales decreasing 5%) on February 2010.

The NZMEA survey sample this month covered NZ\$383m in annualised sales, with an export content of 32%.

Net confidence fell to -13, from the -11 result reported last month.

The current performance index (a combination of profitability and cash flow) is at 97.5, down from 100 in January, the change index (capacity utilisation, staff levels, orders and inventories) went down to 101 from 102 in the last survey, and the forecast index (investment, sales, profitability and staff) is at 101.25, down on February's result of 104.5. Anything less than 100 indicates a contraction.

Constraints reported were 75% markets, 13% skilled staff and 13% production capacity.

Staff numbers for February decreased year on year by 1%.

"Sales have dropped as expected due to the impact of the earthquake in late February," says NZMEA Chief Executive John Walley. "The good news is that confidence has not plummeted and the forecast index is still in positive territory."

"This indicates that for those who have not had a plant completely destroyed or been cordoned off from their business most expect to be able to fill their orders. The feedback we are getting from members is that most will be able to catch up and supply all of their back orders, but it has taken considerably more than normal efforts to do so."

"We will see less disruption in the March figures. April will see a more 'normal' post-earthquake picture of sales and production."

"There has been some talk of concerned overseas customers who are unsure about the ability of Christchurch firms to fill orders. The message is that Christchurch manufacturers are working hard and their customers are seeing pretty much delivery as usual."

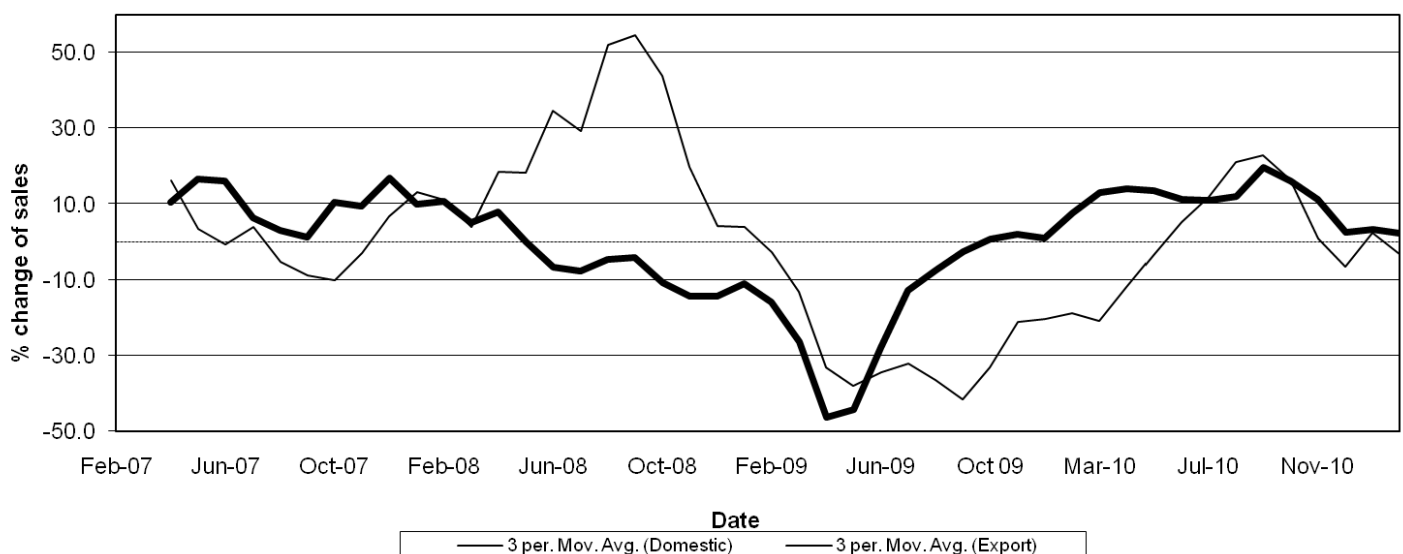
"As in previous months a low cross rate against the Australian dollar will continue to help while the high cross rates against the US Dollar and Euro are hindering the recovery."

"As the cost of rebuild continues to escalate better policy settings for exporters are needed more than ever. Yes we have had an earthquake or two but global recessions, disasters elsewhere and absent tourists, leave a big hole to be filled."

*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 )



## The Aftershock - Christchurch After 22 February 2011

Our thoughts are with everyone in Christchurch and in particular with those who may have lost loved ones, homes and businesses.

The devastating events of the earthquake on 22 February 2011 have caused considerable anxiety at all levels of life. In the current state of emergency, these are uncertain times for Christchurch manufacturers and exporters. Unfortunately many businesses will have faced these issues following the earthquake on 4 September 2010 and will now be under increased stress.

For those outside Canterbury, it is a timely reminder that the unexpected can strike at any time and it is important to put contingency plans in place to enable your business to deal with a disaster situation.

### Salary/Wages

We appreciate that many businesses may face significant damage and will have great difficulty trading at present. Communication is vital at this time and we recommend keeping employees up to date with information so they have a clear understanding of the situation.

First and foremost in many employees' minds will be what (if any) payments they are entitled to if they are unable to work.

In the first instance, we recommend reviewing employment agreements and policies (if possible) to assess whether an earthquake/force majeure situation is covered. If so, the terms of the employment agreement and or policy should be followed.

For the majority of employers, their policies and employment agreements will be silent on this issue. In these circumstances, the general rule is that if an employee is ready, willing and able to work, they are entitled to be paid, even if the employer is unable to provide work or a safe place of work. Therefore, as a matter of good faith, salary and wage payments should continue as normal. This does not apply to casual employees.

If an employee is not able to work for family or personal reasons, and the employer is able to provide work in a safe working environment, the employee would not be entitled to payment as a matter of course. They may however be entitled to other leave.

### Sick Leave

Eligible employees who are sick or injured, or care for someone who is sick or injured are entitled to paid sick leave under the Holidays Act 2003. This includes employees on stress leave.

### Annual Leave

Employers can also require employees to take annual leave on 14 days' notice. This time frame can be reduced with agreement. This may be appropriate for businesses anticipating medium term disruption where the skilled workforce will be required in the near future. Employees will either need to have accrued leave entitlements or agree to take annual leave in advance.

### Meeting Obligations to Employees

There are two main options for employers to meet their financial obligations to employees - through insurance, and government support.

In the first instance, we recommend reviewing insurance policies to assess the extent of business interruption cover. This may require assistance from your insurance broker.

If business interruption insurance payments are delayed, eligible employers can access government support. However, they will be required to repay it when the insurance payment is received.

### Government Earthquake Support Package

The Government has announced a two part six week assistance package for employers.

The Earthquake Support Subsidy is to help employers pay wages. Eligible employers are entitled to a payment of \$500.00 (gross) per week for each full-time employee and \$300.00 (gross) per week for each part time employee to be paid to their employees.

The Earthquake Support Subsidy is wider than the September 2010 assistance package and employers are eligible if they are:

- a New Zealand owned business;
- a Christchurch City Council area based employer or self employed, sole trader or contractor; and
- are unable to access the workplace due to damage, cordon or an essential service is unavailable; or
- who can operate but are experiencing a significant loss of trade.

The Earthquake Job Loss Cover is to support employees whose employers believe their business is no longer viable. Full-time employees will receive \$400.00 (net) per week. Part-time employees will receive \$240.00 (net) per week.

Both types of payments will be backdated to 22 February 2011.

Continued on Page 4.

## The Aftershock - Christchurch After 22 February 2011

*Continued from Page 3.*

### Returning to Work - Health and Safety

Safety is the primary consideration. Under the Health and Safety in Employment Act 1992, employers are required to take all practicable steps to provide a safe place of work. Depending on the state of the workplace, this may require professional engineering and geotechnical advice to ensure that the building is fit for purpose.

Where equipment has been damaged, or moved this may also require specialist advice on the ongoing safety of the equipment.

It may also be appropriate to reassess policies and emergency evacuation procedures. Employees (and visitors) need to be aware of what to actually do in an earthquake - for example, where is a safe place to go. We recommend that you use the Civil Defence Guidelines.

Employers will also need to be mindful that many employees may be suffering from stress. A stressed or tired employee is in itself a workplace hazard. It is going to be difficult for employers to assess this risk, especially if the employee is not willing to disclose their true feelings or issues to their employer.

Again, communication with employees is important. Employers may also wish to consider offering an employee assistance programme and counselling services.

### Business Relocation

In the short term, it is unknown how long it will take to repair damaged buildings/premises. For many, it will be necessary to look for alternative premises.

Employment agreements are required to state a place of work and most employment agreements maintain a discretion for the employer to change the specified place of work. Given the extent of destruction throughout the city, some businesses may need to relocate a reasonable distance. This will require consultation with employees.

If an employee refuses to relocate, provided the employer is providing a safe place of work, it will come down to what is reasonable in the circumstances. Traditionally, the courts have looked at distance in assessing the reasonableness of a requirement to relocate an employee's place of work. If an employee refuses to relocate a reasonable distance, the employment agreement will be frustrated and they should be treated as if they have resigned from their employment.

### Redundancy

Redundancies as a result of the destruction of business premises have already been announced. Many others may also be considering this option. Although there has been a natural disaster, employees maintain their right to bring a personal grievance for unfair dismissal and employers are still required to follow a fair redundancy consultation process.

### The Future

Looking ahead, we recommend you:

1. Get comprehensive business interruption insurance.
2. Check your current insurance policy to see exactly what it covers.
3. Have a list of all employees' cell phone numbers (and their spouses, partners if necessary).
4. Communicate in a clear and timely manner. Use social media, such as Facebook.
5. Recognise that employees (and their families) will be stressed, and offer counselling.
6. Get expert advice on the safety of the workplace and equipment.
7. Organise a function to get employees together, so they can see others are "okay".
8. Undertake another health and safety assessment of your workplace and equipment.
9. Allow employees time to readjust to the post disaster work environment - things will be different.

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



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## To "Lean" or Not to "Lean"

Anyway, what is "LEAN"? Lean is a term we use when talking about increasing productivity, about "leaning out" processes, finding where no value is added to the customer (waste) and to find ways to get rid of that "waste". Lean is a term coined by consultants to replicate what was happening at Toyota, in other words, how to codify what Toyota are doing in a way that could be repeated by others.

The Toyota Production System has been studied all around the world and is typified as being "at the pinnacle" of production excellence. A whole consulting industry has been founded on "Lean" and the implementation of the Toyota concepts.

What bothers me about Lean is the way it is implemented and the often poor results that come from the effort put in. Why do I say this? Because what I see is a lot of "5S" rather than "Lean". 5S is about "a place for everything and everything in its place". In other words cleanup the joint, but many of us know how to do that now, we just don't give it the time. I also see the right things being done but the old rules and policies still exist and in the end nothing really changed.

You see in manufacturing we are obsessed with reducing costs and to do this we like to batch/aggregate anything we can to save a setup, a pick up/put down. We are also obsessed with meeting customer demands but to do this we must not batch/aggregate.

Now we are stuffed. When we focus on saving costs we let our customer down and when we focus on meeting customer demands we spend more money than we would like. Then we implement "Lean" to resolve this but we are still conflicted. We have not found a way to reduce costs and meet customer demands, all we have done is attack some "wastage" costs. This core problem exists whenever we are not sales constrained but when we are internally constrained.

Lean implementations seldom address this issue. We reduce some wastes, sure, but we don't make a difference where it really counts and we leave the BIG money on the table. It is vital that businesses who implement Lean know what they are really doing and why.

What would it look like if we could have less cost and meet customer expectations more? Well, Lean implemented correctly actually gets us to the big money but it typically takes too long. So how do we do it quickly, and I mean very quickly. Like, in three months or less.

It is all about FOCUS. If we focus on those parts of the business that can be leveraged for maximum effect then the impact will fall straight to the bottom line, less any additional costs we incur in doing so.

Lean is a "Pull" methodology. Only make what the customer(s) need. No more and no less. This sets the scene for scheduling. NO unnecessary batching and aggregation, in order to save cost.

1. Identify the "rate limiting process", the constraint or choose where you want it to be.

2. Decide how to exploit the constraint. Schedule the constraint by due dates. Don't let the constraint run out of work.
3. Subordinate all other decisions to the decision above. This step is missed by every business because we chase efficiencies (Lean) at non constraints where excess capacity already exists. Yet it is the most powerful step.
4. Then elevate the constraint, find ways to get more of it.
5. Look out for inertia. Go back to Step 1. The constraint has moved. No, not every week or month (see Step 1).

Now here is the gem. The bizarre. It's never normally done this way.

Lead time is a function of sitting time before the order is made, the processing time, the sitting time while waiting for processing, the sitting time while waiting to be moved, the transport time once made.

Reducing the processing time does almost nothing for the overall lead time, yet this is what most of us focus on. Try this, just starve the factory of works orders until half of the WIP has disappeared, and then your internal lead time will have probably halved. I have said this flippantly, but this is a massive step. If this is not done, many process improvements do not generate any measurable gain. This can't normally be done in a few days. Imagine a 30 - 50% WIP reduction in a few days.

- Now implement the above steps.
- Now you can see the wood for the trees.
- Now you can see the impact of process improvements.
- Now you can see what needs to be fixed, and what interacts with what.
- Now you can focus on reducing the impact of "variation".
- Focus on what should be at the constraint, but isn't.
- Focus on how the constraint should be running, but isn't.
- Focus on what is coming out of the constraint, to meet due dates, but isn't.

Then focus on reducing the "isn'ts", using the formal Lean tools, 6 Sigma or just plain common sense, but now you know what to do. And you have banked a lot of cash before you get to this point.

The wins:

- Fast wins in 3 months or less
- Throughput up 20%
- Inventory down 30 - 50%
- Expenses about the same
- Lead time down by 30 - 50%

The point:

All methodologies get us to the same point, eventually, but, most of us want fast impact, a large impact. and relative simplicity.

*This article was provided by Viago. If you require further information relating to this topic please contact us on email: mea@mea.org.nz or phone 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.mea.org.nz](http://www.mea.org.nz), select **Events/Training** for the full list of events. Or you can contact us on 0800 353 2540 or email: [mea@mea.org.nz](mailto:mea@mea.org.nz). For the month of April, all Christchurch Forums are at no charge.

### **Workshop: Key Account Selling/Strategic Development Tuesday 10 May, 8:30am - Christchurch**

This workshop is designed to help move salespeople from tactical sales calls to long-term strategic selling. It enhances the sales force's ability to identify opportunities, set long-range goals, develop strategies, and execute action plans for key accounts.

Participants receive a workbook/reference guide as well as a strategic toolbox of diagnostic and planning tools to help them systematically identify opportunities and plan and execute account strategies.

Some of the topics covered will be:

- Analyse major accounts to identify strategic opportunities.
- Establish sales, strategic, and "value" goals for accounts
- Implement an alignment strategy to strategically position themselves as a preferred supplier.
- Allocate resources according to account potential.
- Access vertical and horizontal decision-makers and influencers.
- Interface with top-level executives.
- Employ strategies such as negotiating, team selling and consultative selling.
- Develop and execute a strategic action plan for every major account.

**Who should attend:** This workshop is designed for experienced sales representatives and business development managers working with major accounts.

### **Forum: Intellectual Property Perspectives from a Non-Patent Attorney Thursday, 12 May, 4:00pm - Auckland**

The Forum focus will be on teaching companies and individuals how to create value from ideas and new technology by commercialising it rather than spending money protecting Intellectual Property (IP) but not using it; giving a road map to convert innovation to growth.

Commercialising intellectual property (in short converting ideas and innovation into wealth) is a fundamental driver of business growth and success. Spending a large portion of new project funding protecting intellectual property without a strategy and the capability to commercialise that IP does not make business success.

This Forum will cover such topics as:

- Really understanding what "intellectual property" actually is – more than just patents and trademarks.
- The three fundamental models of commercialisation: manufacture & distribute, license and sale.
- What it takes to successfully commercialise a new technology.

This is not your standard "talk about IP" - the speaker, is a successful CEO, not a patent attorney.

**Who should attend:** Owners, CEOs and senior managers, and anyone wanting to understand intellectual property issues.



## **IN REMEMBRANCE: Andrea Crannitch, 1952 - 2011**

It is with much sadness we advise that Andrea passed away on March 19<sup>th</sup>. Andrea joined the Mancan House team as Conference Centre Manager in 1991 and has become the face of the conference centre over the last 20 years.

Andrea's drive has been a huge part in the Conference Centre's success over the past two decades and it has been a family affair with Tom Crannitch as Chef and many members of their family and friends helping out when required. This has created a homely and hospitable environment in the Conference Centre that is often commented upon by clients.

Andrea's passion for her work, humorous quips and caring spirit will be greatly missed. Her stoic resistance and good grace during her fight with cancer has also been an inspiration.

The Council and staff of Mancan House Conference Centre and the NZMEA would like to extend their condolences to Andrea's friends and family, and particularly Tom.

## 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.mea.org.nz](http://www.mea.org.nz), select **Events/Training** for the full list of events. Or you can contact us on 0800 353 2540 or email: [mea@mea.org.nz](mailto:mea@mea.org.nz).

### **Workshop: Develop Quick Changeover Procedures in a Competitive Manufacturing Organisation** Wednesday 4 May, 9:45am, Auckland

Many companies spend more time changing over between products than actually making them – does this sound like your operations? Find out how to reduce your changeover times by 50% or more.

This workshop covers the knowledge and skills needed to develop/improve quick changeovers in a manufacturing environment. Speed and Safety are built into this process ensuring a rapid changeover that is right first time, everytime.

Participants will learn how to apply a structured development and/or improvement of changeover procedures. To do this they will critically analyse the existing changeovers and by applying quick changeover principles, develop improved changeover procedures.

**Who should attend:** Production and Operation Managers / Supervisors, Engineering and Maintenance personnel and Continuous Improvement Champions.

### **Workshop: Optimise Cost of a Product in a Competitive Manufacturing Organisation** Wednesday 4 May, 9:45am - Christchurch

Every manufacturer is interested in lowering their cost of production, but do they really know how to do it?

This workshop reviews the total cost of manufacturing and identifies methods to reduce all related costs associated with a particular product.

Participants are introduced to the concepts to Target Costing, and Design for Manufacturing and Assembly – DFMA. The Kano model for customer satisfaction is also discussed.

**Who should attend:** Engineers and Product Designers, Estimators, Production and Operation Managers and Continuous Improvement Champions.

For further details on this programme and to register online visit [www.mea.org.nz](http://www.mea.org.nz) and go to Events/Training.

## ADVANCE NOTICE SUPPLY CHAIN MANAGEMENT: CPIM 2011

### **Certified Production and Inventory Management Programme (CPIM)**

Please see dates and further information below:

<b>Module 1</b>	<b>Basics of Supply Chain Management (BSCM)</b> Term 3: 27 October, 3, 10, 17 & 24 November
<b>Module 2</b>	<b>Master Planning of Resources (MPR)</b> Term 2: 25 May, 1, 15 & 29 June
<b>Module 3</b>	<b>Detailed Scheduling &amp; Planning (DSP)</b> Term 3: 17 & 31 October 7, 14 & 21 November
<b>Module 4</b>	<b>Execution &amp; Control of Operations (ECO)</b> Term 2: 19 & 26 May, 2, 9 & 30 June
<b>Module 5</b>	<b>Strategic Management of Resources (SMR)</b> Term 2: 23 & 30 May, 13, 20 & 27 June Term 3: 4 & 18 October, 1, 15 & 22 November

If you would like to discuss or register for any of the above modules please contact:

Karla Clapham on (03) 353 2543 or email [karlaclapham@mea.org.nz](mailto:karlaclapham@mea.org.nz)

## Employment Law Changes Are Here

Changes to the Holidays Act 2003 and the Employment Relations Act 2000 have now been passed by Parliament. A wide range of legislative amendments have been introduced with most of the changes coming into effect on 1 April 2011.

The main changes to the Employment Relations Act 2000 include:

- Extending 90 day trial periods to all employers.
- Changes to personal grievance provisions, by changing the test for justification.
- New rules around union access to the workplace.
- Clarification around employer communication with employee's during bargaining.
- Changes to mediation and Authority processes.
- Strict requirements regarding retaining copies of employment agreements.

The main changes to the Holidays Act 2003 include:

- The ability for employees to cash in a maximum of one week of annual holidays.
- Introducing the formula of 'average daily pay'
- Medical certificate requirements.

A full practical guide to the Employment Relations and Holidays Act can be found on the NZMEA's website - [www.mea.org.nz/member-services/HR support](http://www.mea.org.nz/member-services/HR-support).

The NZMEA appreciates the support of Brannigans for this paper.

*If you have any employment relations you can access our HR advisory service. please contact us on email: [mea@mea.org.nz](mailto:mea@mea.org.nz) or you can phone 0800 353 2540.*

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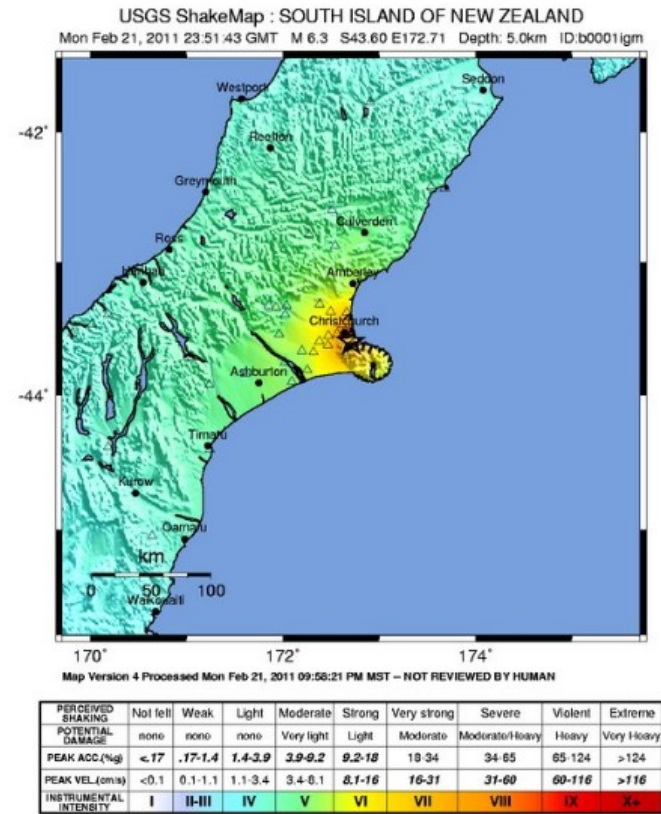
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# The Canterbury Quake: Round 2

I was going to write an article in this month's newsletter outlining how good analysis can go a long way to eliminating failures in the field. But, after February 22, one thing that really hit home is that, sometimes, there is only so much you can do! Whilst many of the buildings that collapsed in our city were older and maybe didn't comply to modern building codes, that doesn't appear to be the case across the board. It hit home for me the reality of designing to an appropriate standard and how sometimes, even with the best laid plans, things can still turn to custard!

According to one seismic engineer, the force of the quake was "statistically unlikely" to occur more than once in 1000 years, with a PGA (Peak Ground Acceleration) greater than many modern buildings were designed to withstand. By comparison, the September 2010 quake - in which damage was predominately to pre-1970s buildings - exerted 65% of the design loading on buildings. For a great explanation of the difference in earthquake intensity compared to the "big one" of six months ago, follow this link: [http://en.wikipedia.org/wiki/2011\\_Christchurch\\_earthquake](http://en.wikipedia.org/wiki/2011_Christchurch_earthquake).



Source: <http://earthquake.usgs.gov/earthquakes/shakemap/glob al/shake/b0001igm/>

Now there are a number of other factors that fit into the mix such as ground conditions, depth of the quake and, of course, the amplitude and energy of the quake (hence the Richter scale), but I understand that this quake, would have flattened most cities around the world and it was only NZ's strict building codes that meant more of the city didn't disintegrate. The interesting point for me here is that design is always a compromise: strength vs. cost vs. likelihood of failure, and sometimes there's very little that can be done to completely eliminate all risk even with the best intentions.

I still truly believe that good, thorough analysis, goes a very long way to alleviating the uncertainty that comes with design, but at the end of the day there are sometimes forces and events way beyond our control, and beyond the scope of even the best design standards.

New Zealanders are full of ingenuity, backbone and stamina, and I have no doubt that we will be no different in terms of coming up with extremely smart and innovative ways to rebuild this city and make it yet stronger again to withstand the elements.

Lastly, and certainly not least, as well as to those that have lost so much here in Christchurch, our hearts go out to those in Japan. It's sometimes very hard to imagine what people go through when this sort of disaster hits half way round the world as we seem so far removed. This time round, I don't think there's any misunderstanding of what they must be going through, although with the events subsequent to the quake, theirs is on a whole other scale yet again. Our thoughts are with you.

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

As I understand it, the Earthquake on 22 February 2011 measured over 180%g in the Christchurch area (1.8 times the acceleration of gravity) and up to 220%g at Heathcote Valley Primary School (scarily enough!). This exceeds the design strength of most buildings and 124%g is regarded as "Extreme" shaking (higher than "Violent") (see image above).

## Leadership or Management

This question is often asked; 'Which is more important, leadership or management?' It isn't an easy question to answer well without first being clear on what the words mean and the context in which they are being used.

In the context of the modern organisation, management is about how tasks, processes and resources are organised and used – we talk about inventory management, production management, project management, human resource management, crisis management, risk management, sales management, and the like.

The roots of management in a business context go back to the late 19<sup>th</sup> century, United States industrial growth and Frederick William Taylor, who coined 'scientific management' as the method for achieving efficient industrial processes.

In the industrial past, the science of management has tended to undervalue the art of working with the people who build and operate the processes. People were seen as resources of the enterprise and not necessarily deserving of recognition as unique individuals. In the more recent world of service workers and knowledge workers, the importance of working with the human element is increasingly recognised. Human resources have become real people.

Leadership on the other hand has been around since Adam and Eve; the latter of whom motivated Adam to take a bite from the forbidden apple. The millennia are filled with both heroes and villains who have inspired others to win wars, scale mountains, conquer diseases, cross oceans, 'discover' new lands, build empires and subdue peoples. For good or evil, we are all taken to new levels under the influence of leadership.

In the modern organisation context, leadership is that human capability to engage, inspire and support others to go the extra mile, not just for the organisation, but for the leader, for each other, and for the customers. Following the leader is a deeply personal response to a deeply personal call.

Leadership in organisations has some critical tasks to achieve; creating vision and developing organisation strategy, painting the pictures and telling the stories that engage and inspire others, creating meaning and purpose. Being the leader is in all of us; we are all called to leadership in some dimension of our life. Increasingly, we are expected to lead at work irrespective of the role that we fill; networking, communicating, collaborating, innovating, changing – all of these human behaviours influence others and the organisation outcomes.

So, is it management first, or is it leadership first?

Think of any human enterprise - family, sport, hobby or community; they are all about motivation, then sweat, not the other way around. And it is also that way at work. Like all human enterprise, the workplace is a community where the combined actions of people achieve the tasks and processes. Leadership among the people makes managing the tasks possible.

Developing leadership capability within the modern organisation is how step changes in organisation performance happen. Leadership competencies including envisioning, strategising, creating, aligning, deciding, engaging and communicating are the building blocks for capable organisations. Development programmes in these domains, which start with the senior team and cascade downwards through the organisation, offer a sound model for creating an organisation community where the human potential is realised and the organisation performs.

The Organisation Development Institute recognises that people are the heart of the organisation and that it is leadership that keeps that heart beating. The Institute specialises in workshops and programmes that develop the human behaviours of leadership and the skills for managing tasks and processes.

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



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# MEAssist

To network with other Members or get assistance from our Associate Membership contact:  
meassist@mea.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

**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.

**Have your say:** By attending our regular meetings with officials, politicians and other leaders you can discuss issues with those who have influence in New Zealand.

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



# Events and Training

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

Monday	Tuesday	Wednesday	Thursday	Friday
				1 <b>April</b>
4 Workshop: Optimise Cost of Production in a Competitive Manufacturing Environment (Christchurch)	5	6 Workshop: Optimise Cost of Production in a Competitive Manufacturing Environment (Auckland)	7 Forum: Tax Update for Exporters (Auckland)	8 Furniture Trade Group Meeting
11	12	13 Workshop: Proactive Selling (Christchurch)	14 Forum: The Key to Avoiding Cartel Conduct (Auckland)  Forum: Legally Using Open Source Software (Christchurch)	15
18 NZMEA Council & CEO Forum (Christchurch)	19	20	21	22 Good Friday
25 Easter Monday / ANZAC Day	26 Forum: Building a Rapid and Effective Decision Making Process (Christchurch)	27	28	29
2 <b>May</b>	3	4 Workshop: Develop Quick Changeover Procedures (Auckland)  Workshop: Optimise Cost of Production in a Competitive Manufacturing Environment (Christchurch)	5	6
9	10 Workshop: Key Account Selling/Strategic Development (Christchurch)	11	12 Forum: Intellectual Property Perspectives (Auckland)	13
16 NZMEA Council & CEO Forum (Christchurch)	17	18	19 Programme: CPIM - Execution and Control of Operations Day 1 (Christchurch)	20
23 Programme: CPIM Strategic Management of Resources (Christchurch)	24	25 Programme: CPIM - Master Planning of Resources Day 1 (Christchurch)	26 Programme: CPIM - Execution and Control of Operations Day 2 (Christchurch)	27
30 2011 President's Function with Rt Hon. John Key (Auckland)	31			

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@mea.org.nz  
www.mea.org.nz  
www.realeconomy.co.nz  
www.johnwalley.co.nz