

CLIENT / CONTACT BULLETIN 8-04

Just in case it matters to you:

- “A SLOWDOWN IN THE U.S. ECONOMY FOR 2008 NOW APPEARS UNESCAPABLE and the probability of a serious recession cannot be ignored. At this point the best possible scenario would be one in which a mild reduction in GDP growth, in conjunction with a cheaper but not-collapsed dollar, brings about a sufficient correction in the U.S. current account deficit, without investors running away from dollar assets en masse. The fundamental policy challenge will be to avoid a more traumatic adjustment... There’s only so much that can be done with monetary policy without risking serious undesirable consequences, such as fueling inflationary expectations or creating severe moral hazard. Furthermore, calls to loosen fiscal policy in order to reduce the likelihood of a recession should be resisted. That course of action would worsen, not improve, the already weak national savings rate in the U.S. – which is at the root of the ongoing tribulations.” [FORBES – Jan 7, 08]
- THE TOP PRIORITIES FOR A C.E.O. are generally deemed to be “sustained and steady top-line and profit growth, consistent execution of strategy by top management, and customer loyalty & retention.” The top priorities for a Board of directors or advisors are generally deemed as “strategic planning & oversight, financial oversight & internal controls, and company performance & evaluation.” Optimally, these different priorities get implemented without conflict, but “when it comes to boards versus senior management, you’d expect, and want, some amount of disconnect; because they have different jobs, they are two different funnels that meet in the boardroom.” DCG consults in the area of minimizing that disconnect. [CFO – Dec 07]
- FRUSTRATED WITH ‘INTERACTIVE VOICE RECOGNITION’ (IVR) SYSTEMS which force you to (attempt to) communicate with a computer before eventually, if ever, getting to a live person? Check out <http://gethuman.com> which provides phone listings to most business, government & organizations along with specific instructions for each number that allows quick bypass from the annoying process to reach a live human operator. Other helpful suggestions include: pressing 0 or 0* or 0# repeatedly, mumbling or hollering, saying ‘agent’ or ‘representative,’ clicking for connection to ‘sales,’ ‘collections,’ or ‘cancellations’ who always answer promptly, clicking the ‘spanish’ option which typically and more quickly routes to a bi-lingual operator, or simply ignoring the prompts so the IVR assumes you have a rotary phone and transfers to a live operator..
- YAWNING MAY BE IMPOLITE, BUT IT’S HEALTHY. “Yawning drives away drowsiness by activating certain muscles to increase heart rate,” and also heightens effectiveness since the “unusually large volume of air taken into the lungs sends a wave of cool blood to the brain.” It turns out that yawning is also contagious – around half the participants in a SUNY-Albany study “yawned while watching videotapes of others doing so... which apparently triggers an empathy reflex that keeps a group alert and on the lookout for predators.” [US NEWS & WORLD REPORT – Dec 31, 07]
- THE HIGHEST EMPLOYEE TURNOVER RATE happens in America, based on a recent Global Strategic Rewards Study. However, “efforts to retain top-performing employees may be undercut by misunderstandings of priorities.” From employees’ view, number one reason for leaving is ‘stress level’ – which doesn’t even make the top five on employer listings. Meanwhile, employers rank ‘relationship to supervisor’ among their top five reasons, but workers don’t. Other reasons ranked on both listings are ‘career development’, ‘promotion opportunity’, ‘base pay’ and ‘work-life balance’. [JRNL OF ACCOUNTANCY – Jan 08]
- “AS ANY PARENT KNOWS, YOUTHS ARE MORE LIKELY TO SHOW A LACK OF MATURITY and an underdeveloped sense of responsibility than adults, which often results in impetuous and ill-considered actions and decisions... without fully understanding or analyzing their consequences.” According to Supreme Court Justice Anthony Kennedy, “juveniles are also more vulnerable or susceptible to negative influences and outside pressures including peer pressure, causing them to have less control over their environment.” Brain scans show that circuitry in the frontal lobes – “which weigh how much priority to give incoming messages like ‘Do this now’ versus ‘Wait! What about the consequences’ – doesn’t mature until age 25, so juveniles are more likely to take risks. “The teenage brain is like a car with a good accelerator but a weak brake. With powerful impulses under poor control, the likely result is a crash.” [CNN.COM – Dec 28, 07]
- THOUGHT FOR THE WEEK: ***“Why is there never time to do it right, but somehow always time to do it over?”***