

Just in case it matters to you:

- “THE DISTRIBUTION OF SALARIES AT MOST COMPANIES gives top managers a huge premium for their supposedly great strategic thinking, while people who deal with customers and operations are paid much less, on average... But if employees are disengaged and don’t take care of customers, it doesn’t matter how good your strategy is – your customers will still go somewhere else. There’s so much competition today that no customer has to put up with abuse.” Programs to ensure that compensation is fair and that customer-service staffs are properly incentivized should be a priority for effective management. DCG has consulted in this area for many years and can help. [INC MAGAZINE – May 08]
- “DEMOGRAPHY IS NOT DESTINY.” While the first of some 78M baby boomers have now filed for social security, projections indicate that substantially fewer “will be either rich enough or young enough” to retire at age 65. “Falling stock and housing prices plus skyrocketing health-care and energy costs” are actually *increasing* the senior workforce. Since the last business cycle peak in 2000, workers in the 65-69 age groups have grown by 25% and for age group 60-64 by 15%. “Social forces are also keeping workers on the job. With divorce rates up, more boomers are depending on one income. Many have children just entering college... What’s more, boomers make up the first generation to fund retirement partly from finite pools of savings instead of wholly from guaranteed-for-life pensions, which makes them fundamentally more cautious.” This shortfall in retirees will also take its toll on “companies from cruise lines to retirement communities and financial consultants who have been planning... to profit grandly by selling goods and services to tens of millions of relatively young boomers with bulging nest eggs and decades of free time ahead.” [BUSINESSWEEK – May 26, 08]
- WHY HAVE OIL PRICES RISEN FOUR TIMES IN THE PAST FIVE YEARS and commodity prices for some foods, metals and lumber doubled even more quickly? “The proximate cause is a global economic boom that has been stronger, longer and more broad-based than any in modern history... High prices send a real message about scarcity in a globalizing world and are a clear warning that big adjustments will be needed as Asia and other emerging nations begin to consume a larger share of the global pie.” Meanwhile, American politicians seem still in denial about the long-term seriousness of this problem. One example: “Rather than acknowledge that high fuel prices are the best way to inspire energy conservation and innovation, huge subsidies are granted to farmers to grow grains for biofuel production. Never mind that this is hugely inefficient in terms of water and land usage... and that it has contributed to a doubling of prices for wheat and other grains and led to food riots in dozens of countries... Today’s soaring commodity prices scream a fundamental truth of modern life that many politicians don’t want us to hear: the world’s natural resources are finite and, as billions of people in Asia and elsewhere escape poverty, Western consumers will have to share them.” [THE NATIONAL – UAE – May 19, 08]
- UNIVERSITIES NOW OFFER COURSES IN ‘CULINOLOGY’– CHEMISTRY PLUS COOKING – to service an industry projected to reach more than \$100B by 2010. Chefs are “behaving more like mad scientists, flash-freezing hot chocolate, ink-jet-printing sushi, packing yogurt with skin-firming collagen marshmallows, chewing gum that’s allegedly breast enhancing” and other delicacies in a market described as “equal parts biotech, organics and okra.” [FAST COMPANY – Jun 08]
- THOUGHTS FOR THE WEEK:
“The only difference between reality and fiction is that fiction has to be credible.” – Mark Twain

*Is it a lazy person who just ‘accepts’ a situation? Is it a wimpy person who by-passes confrontation?
Or is it simple wisdom to avoid useless aggravation?
Is patience a virtue which many know? Or do they get frustrated when something moves slow?
Would a wiser course of action be to just let it go?
I think so.*

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