



Just in case it matters to you:

- **MANAGERS TOO OFTEN MAKE INSTINCTIVE DECISIONS ABOUT PEOPLE** based on distorted or lopsided information, falling prey to the 'halo effect': "overvaluing certain attributes while undervaluing others." This phenomenon is based on the propensity of human beings to be greatly influenced by first impressions – "if we see a person first in a good light, it is difficult to subsequently darken that light... Moreover, we assume that because people are good at doing A they will be good at doing B, C and D (or the reverse, because they're bad at A, they'll be bad at the rest." The practical implication is that when business is going well, "we infer that it has a brilliant strategy, a visionary CEO, motivated people and a vibrant culture. When performance falters, we're quick to say the strategy was misguided, CEO became arrogant, people were complacent, the culture stodgy," and so forth. Instinctive decisions aren't always optimal. DCG can help. [ECONOMIST.COM – Oct 14, 09]
- **THERE ARE SOME 450 CITIES OF MORE THAN A MILLION PEOPLE**, serving as "the economic, governmental, cultural and technological power plants of a global urban age." A hundred years ago, only 13% of the world's population lived in city centers; *today, we add "the equivalent of seven New Yorks to the planet every year"*; by 2050, it's projected that city-dweller population will rise to 70%. The challenges we face from "unprecedented urbanization is both an emblem of our economic and societal progress...and a huge strain on the planet's infrastructure...include educating the young, keeping citizens safe and healthy, attracting and facilitating commerce...relieving congestion and pollution...and providing critical services from residential and commercial development to water to public safety." Fun times ahead. [CFO - Oct 10, 09]
- **DISENCHANTMENT OF AMERICAN WORKERS WITH THEIR JOBS IS ON THE RISE.** Recent surveys found major slumps in percentage of workers who profess loyalty to, or trust in, their employers, and over half described their jobs as "stagnant, with nothing interesting to do and little hope of promotion... with half of these planning to look for another job as soon as the economy improves. This is taking a toll on both short-term productivity and long-term competitiveness." The problem is exacerbated by mixed-messages about loyalty and commitment when companies "demand extraordinary dedication...with perks intended to make the office feel like a second home, while reserving the right to trim the workforce at first sign of trouble. Most employees understand that their companies do not feel much responsibility to protect jobs, but nevertheless find it wrenching to leave a post that has consumed so much of their lives." Eventually the situation may reverse "from the fact that low birth rates, an impending surge in retirements, and caps on immigration could reduce the number of people of working age by 20 to 40%." But for now, misery abounds unnecessarily in many, many companies. DCG can help. [THE ECONOMIST- Oct 10, 09]
- **POLITICAL CORRECTNESS FOLLIES UPDATE:** The Canadian government "sure is good at protecting invented rights of near parodic absurdity," ignoring the "right to make a living." (1) A restaurant owner got sued for asking a pot-smoker to stop. Since the patron was disabled with a doctor's prescription for pot, the Human Rights Commission fined the owner and required a "sign saying he welcomed marijuana users" until another government agency threatened to pull the liquor license "if he sold booze to someone who was high." (2) A bed-and-breakfast owner "with severe allergies, refused to rent a room to a blind man with seeing-eye dog, since animals in his home would make him ill." The Human Rights Commission put him out of business. And (3), a gym owner may lose his business for denying use of the women's shower to a "pre-op transsexual...who made female clients uncomfortable." Just a premonition of where American PC may be headed. [THE WEEK – Oct 16, 09]
- **THOUGHTS FOR THE WEEK: *Caution speeders: Radar Detectors are legal in California passenger vehicles (and most other states), but be aware that CHP now uses 'sideways' radar – monitoring speed as you travel past a parked CHP car or cycle – which doesn't register on Radar Detectors until too late to slow down.***

And caution in all driving: last year, traffic accidents caused by 'driver distraction' – including phone, texting, putting on makeup, and simply gazing away from the road – resulted in over 500,000 injuries and nearly 6,000 fatalities.

"The problem with socialism is that eventually you run out of other people's money." - Margaret Thatcher

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