

# The business end

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## EMPLOYMENT

### BACK FROM THE SACK

Leaving an executive role – for whatever reason – means entering a new job-search phase and that can take longer than you think. **Report: Andrew Heathcote**

● On June 11 last year, Mark McInnes received a knock on the door. A human resources manager had been sent to tell McInnes, who was chief executive of David Jones at the time, that an employee had complained about his conduct at company events and was considering legal action. Within a week, McInnes was gone.

Like all workers, chief executives are not immune to the danger of getting sacked. In fact, company bosses are normally more exposed to the risk of being told to go than most other people.

Not all cases will involve allegations of misconduct. A new growth phase or change in company strategy can lead to a successful chief executive being removed through no fault of their own.

The problem facing chief executives is that often they will find it harder than most workers to get a new job. Few employers want to hire a former chief executive in a less senior position and

**Fireworks: Most exits will not be as dramatic as Mark McInnes's**

few chief executive roles are ever available at once, particularly in specialist industries.

The managing director of outplacement firm Directioneering, Jannine Fraser, says it is not uncommon for a senior executive to be looking for a new role for up to 18 months. A typical period is between three and five months.

"Most people underestimate the amount of time it takes," she says.

Managing a long lay-off can be a tough experience and put significant strain on a person's confidence, family life and future career prospects.

Chief executives who have spent most of their careers in the one company find it particularly challenging when they are told to leave. For this reason, Fraser says chief executives will commonly resign after being in an executive role for between three and seven years.

Most exits by a chief executive will not be as dramatic or high-profile as that of McInnes, who took on the chief executive position at Premier Investments about 10 months after he left David Jones.

"One of the advantages for CEOs is that they have an opportunity to control the messages that go to the market about their exit," Fraser says.

"It is critical for an exiting chief executive to have significant input into this message."

Fraser advises recently departed chief executives to call close contacts directly to inform them of what has happened.

The temptation to take an extended holiday immediately after being dismissed can be too much for some people. Fraser says while it is important to ensure you have a clear head before you start looking for work, it is important not to disappear for too long.

"The thing to be avoided is a sudden retreat," she says. "Disappearing from the Australian market very quickly leaves a level of speculation. You are missing a powerful opportunity to seed word of



**The best time to network is when you are in a job, not when you are desperate.**

333 Management's  
Simon Thornton

mouth about what you are targeting next."

It is better, according to Fraser, to keep long holidays between January and March, when the job market is slow.

Taking small breaks while looking for work can be important to help ensure someone does not become burnt out by the process. "Most will take the school holidays off," Fraser says.

Company turnaround specialist and managing director at 333 Management Simon Thornton, agrees.

"Take up golf," is advice he commonly gives executives who find themselves between roles. "You can't spend eight hours a day hunting for a job. If you do, it will drive you mad."

Thornton says it can be a good idea to announce to friends and acquaintances that you are taking a year off, even if a job hunt is going on in the background.

"It takes the pressure off," he says. "It can feel like everyone is watching you. People don't want to go out after a while because they know they will be asked how the job search is going."

Some people will neglect personal contacts while employed by a company because of the time demands on modern-day chief executives. Thornton says it is important to stay in touch with a variety of contacts while still in a role as there are dangers in only calling people once you need a new job.

"You don't want to come off as a desperate lover," he says. "The best time to network is when you are in a job, not when you are desperate."

Recruitment firms, for many people, are an inevitable consequence of a job search process. Fraser's advice is to be honest with recruiters about who is likely to be supportive as a referee and who will not. "Recruiters don't like surprises," she says.

Ensuring that recruiters and potential employers are not making inaccurate assumptions is also important, says Fraser.

"Sometimes the market will assume that someone in their late 50s doesn't want another big role," she says.

"It can surprise a CEO to learn that their past doesn't by itself make it obvious about what they want to do in the future."

Candidates should not expect a search firm to lead the process.

"What doesn't work well is when an executive relies too heavily on a search firm to do their work for them," she says.

Gerry Davis, a partner at Johnson Executive Search who specialises in placing chief executives, says losing a job can be extremely traumatic.

"The grieving process can take quite a while," he says.

"You need to keep active and maintain your relevance. The last thing you want to do is to retreat into a cave and lick your wounds."

Davis advises former executives to work on rebuilding their networks if they are not current.

"CEOs are often so focused on servicing customers and stakeholders that they haven't given a lot of thought to the next stage of their career," he says.

"You have to spend some time on self-examination."

Understanding the role you want to move into is crucial but executives should consider a wide range of options. Taking a board role or a job at a not-for-profit company can be attractive in the short or long term, Davis says. This can also help in ensuring a candidate is not typecast by their former role.

"CEOs, perhaps more than anyone else, are closely identified with the company they led," he says.

"So they will often be typecast by their industry segment or size of company. It can take time for someone to understand their core competencies and how to best leverage them across new challenges."

Fraser says another common mistake made by out of work executives is to abort a search once they are being considered for a new position.

The lengthy practice of hiring a chief executive means that several months can be wasted if a job falls through in the final stages of a recruitment process.

Thornton says that chief executives should avoid trying to rush the process.

"You'll get a job when you're cooked," he says. "You have to go through the process. You can't short-circuit it."

Displaying patience can be difficult but is well worth it, according to Fraser. She suggests that 60 per cent of all chief executives who change jobs end up with a pay rise and that 90 per cent of executives go back into roles at the same or a higher level of seniority.

"It can take a lot of courage to say no to a job," Fraser says.

"You ideally want to be choosing from between two or three opportunities. You don't want to end up jumping from job to job because you took the first one that became available." **BRW**

MANAGEMENT + LEADERSHIP

## D'ANGELO FISHER



Contact Leo D'Angelo Fisher:  
ldangelofisher@brw.fairfax.com.au

### Poor customer service on the line

Why are "service" providers so incapable of providing their customers with even a semblance of service when it comes to telephone inquiries? That's assuming a customer can get through to a real person, or the right person.

Companies with a genuine desire to do the right thing by their customers would never consider putting them through the frustration of having to navigate their way through several menu options only to find that there is not a menu item that corresponds with their inquiry.

Automated customer service lines have nothing to do with customer convenience. The convenience is all one way and it's not in the customer's direction. What customers really want when making a call about a problem is to have someone who can either deal with that problem, or who can direct the call to somebody who can. Instead, customers' patience and goodwill are tested by unnavigable automated systems whose sole benefit is to save companies money. Although it's hard to imagine that it could be much money.

Would it really be an imposition on company bottom lines to employ real people to answer customers' calls?

Not that real people will always solve the problem. Why is it so difficult to get a straight answer from call centre staff? Or the same answer, for those who must endure the nightmare of having to make successive calls to get a problem resolved. There are obvious reasons: poor training, lax internal communication, shoddy documentation and inadequate information for customer service staff. All

of which usually boil down to cost-cutting coming before the customer. The reliance on overseas call centres is another example of costs having primacy over customers. Why else would companies use them? As a BigPond customer, the frequent necessity to seek technical or other assistance over the telephone fills me with dread.

There have been occasions when I literally cannot understand the person at the other end of the phone, which somewhat defeats the purpose of the exercise. And I hate being put in the position of having to tell someone in a faraway call centre who is simply trying to do their job "I - cannot - understand - what - you're - saying!"

What I really cannot understand is how companies can treat their customers with such disrespect. Customers are entitled to expect that their service provider won't be cutting corners at their expense.



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