



DAMIEN COLE GROUP

ABN: 23 008 957 739

16 Hyne Road,
South Guildford 6055
Western Australia
Fax: (08) 9277 1800

9277 1500

ALL HOURS

27/11/2003

Our People Policy

Who:

No company can grow faster than its ability to get enough of the **right people** to implement growth.

The ultimate throttle of growth is not markets, competition, technology, or products.

It is the ability to get and retain enough of the right people.

Our focus is to get the right people “on the bus” first of all. Next we get the wrong people “off the bus,” and then the right people “in the right seats” - then we figure out where to drive it.

The Culture

This company probably sounds like a tough place to work – and it can be. If you don’t have what it takes, you probably won’t last long.

The culture of **discipline** starts with disciplined people. We do not try to discipline the wrong people, into the right behaviours, we get self disciplined people on the bus, and the undisciplined off – quite simple.

It is not a ruthless culture but a rigorous culture. The distinction is crucial.

To be ruthless implies firing people in difficult times without any thoughtful consideration.

To be rigorous, means consistently applying exacting standards at all times, at all levels. In a rigorous culture, the best people need not worry about their positions and can concentrate fully on their work.

The only way to deliver rewards to people who are achieving, is **not** to burden them with the people who **aren’t** achieving.

The best people do **not** need to be managed – guided, taught, led yes! But **not** managed.



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Page 2

We've all experienced or observed the following scenario. We have a wrong person on the bus and we know it. Yet we wait, we delay, we try alternatives, we give a third and fourth chance, we hope that the situation will improve, we invest time in trying to properly manage the person, we build little systems to compensate for their shortcomings, and so forth. But the situation doesn't improve.

When we go home, we find our energy diverted by thinking (or talking to our spouses) about that person. Worse, all the time and energy we spend on that one person siphons energy away from developing and working with all the right people. We continue to stumble along until the person leaves on their own (to our great sense of relief) or we finally act (also to our great sense of relief).

Meanwhile, our best people wonder, "What took you so long?"

Letting the wrong people hang around is unfair to all the right people, as they inevitably find themselves compensating for the inadequacies of the wrong people. Worse, it can drive away the best people. Strong performers are intrinsically motivated by performance, and when they see their efforts impeded by carrying extra weight, they eventually become frustrated.

Waiting too long before acting is equally unfair to the people who need to get off the bus. For every minute you allow a person to continue holding a seat, when you know that person will not make it in the end, you're stealing a portion of their life, time that they could spend finding a better place where they could flourish.

To allow this to continue is ruthless. To deal with it up front is rigorous.

After 36 years, as an employer, I am keen to extract the maximum learning, from the tuition I have paid for, with the many mistakes I have made.

I also believe in business, and in life, we must be dedicated to teaching, what we have learned by those mistakes.



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Page 3

Compensation:

If we have the right people on the bus, they will do everything in their power to build the company, not because of what they will “get” for it, but because they simply cannot imagine settling for anything less.

Their moral code requires building excellence for its own sake, and we are no more likely to influence that, with a compensation package, than we are likely to affect the way they breathe.

The right people will do the right things and deliver the best results they are capable of, regardless of the incentive system.

We cannot turn lazy people into hard workers. But we can create an environment where hard working people thrive, and lazy people either jump or are thrown off the bus. The right people want to be part of building excellence.

The purpose of compensation is not to motivate the “right” performance and behaviour from the wrong people, but to get and keep the right people in the first place.

Given all of this, I have worked out that expending energy trying to motivate people, is largely a waste of time.

Selection

Whether someone is the “right person” has more to do with character traits, and innate capabilities, than with specific knowledge, background or skills.

Among the competencies, that have always distinguished those, who in the long run succeed, from those who don’t, is integrity.

We openly announce our selection criteria and largely follow along these in order of priority.

- Integrity
- Motivation
- Capabilities or capacity
- Understanding
- Knowledge
- Experience

Our contractors and other associated people also need to be the “right people” as well as our direct employees. We will not accept any less from an indirect employee/contractor than we will from a direct employee.

