

## Speaker Topics

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### **TOPIC 3 - 'Reposition' your Organisation's Support Functions for Enhanced Performance**

One of the most difficult challenges that business leaders face is to ensure that central support functions are accountable for business performance.

In using the word 'accountable' the point is not that central support functions are solely accountable for business performance, but rather that these functions are just as accountable for business performance as operations and sales. It is a fact that for most organisations, the accountability that support functions have for business performance is not readily evident in the organisation's management accounts or performance management system. Central functions are often established as cost centres that 'support' whilst not directly impacting business performance. The all too frequent implication is that support functions exist and grow somewhat detached from the obligation to enhance business performance. The consequences of not being accountable for business performance include over-resourcing, under-resourcing, wastage, delayed upgrade of systems, ad-hoc central function initiatives, and ill-advised central function CAPEX projects.

John emphasises that this alignment is a significant 'reposition' opportunity. John presents guiding principles to help management better align the performance of central support functions with overall business performance. He suggests that a good starting point is to do away with the term 'support function'. Further to this he focuses on the need to revisit the business planning process and the management accounts in order to ensure that each central function is made to be accountable for planned efficiencies over time. John points to the importance of fully considering the cost base for each central function by focusing on both expenses and a depreciation element for long-term initiatives. This helps central functions focus on both short-term efficiencies and long-term capacity building to enable future growth. John draws attention to the benefit of 'tracking' indirect costs and indirect revenue where these can be linked to the performance of a particular central function.

Aligning central functions with business performance in both the short-term and the long-term is a complex challenge for business leaders. John calls for leaders to ensure the challenge is not in the 'too hard basket' but rather to recognise and action this '**reposition' opportunity**'

#### ***Who will benefit?***

*Business Leaders, Directors, CEOs, Divisional Heads, Functional Heads, Management Teams.*

#### ***Business Impact?***

*The speaker topic enables the audience to assess the 'reposition opportunity' for their business or for the component of a business for which they are responsible. Realising the 'reposition opportunity' requires management commitment together with a well defined initiative that is implemented well.*