

Future-proof your business

Managing risk and opportunities

Date: Thursday 6 October 2016

Session summary

This seminar gave a strategic overview of key areas including employee benefit and reward, business terms and conditions, protecting IP and preventing bribery.

Employee benefits & engagement

- Pay and reward need to be aligned to business objectives to ensure they are driving and rewarding the right behaviours.
- Careful construction of employee agreements/contracts is essential as large numbers of disputes arise from poorly drafted documentation. Simplicity is normally key.
- Salary sacrifice has been popular but is complex and large changes are proposed.
- The cost of labour has increased, particularly over the last year. Some employers have looked to reduce costs in other areas such as lowering benefits whereas others look at employee

engagement to drive increased performance.

- Supporting effective employee engagement is a key way businesses are motivating their workforces – communication and clarity of objectives is essential.

Protecting IP

- IP can be very valuable to some businesses and should not be overlooked. Consider what IP your business has and how you might need to protect it.
- Consider ways in which you might be able to exploit your IP (e.g. through licence agreements).
- Don't be afraid to enforce any IP rights that you have but don't go overboard.

Terms & Conditions

- If you have terms and conditions you need to ensure that they are effectively incorporated into a contractual arrangement.
- Printing terms and conditions on the back of invoices is not enough, they should be brought to the customer's attention as early as possible.
- Ensure all staff involved in contracting are made aware of how contracts are formed and procedures are put in place to ensure that your terms and conditions always apply.

Bribery and corruption update

1. A bribe is a '*Financial or other incentive, given, offered or promised with the intention of inducing another person to improperly perform a relevant function or activity.*'
2. Main offences are giving/offering a bribe, agreeing/accepting a bribe and bribing foreign officials.
3. Failing to have adequate procedures in place to prevent bribery is a Corporate Offence.
4. Businesses need to have clear policies in place and top level commitment to prevent bribery with effective risk assessments and perform due diligence of agents and contractors etc.

Key learning points

1. Effective preparation and regular reviews of strategies and legal documentation reduces the risk of disputes and should ensure value for money.
2. Simplifying the complexity of reward strategies is often a significant benefit – there is no point rewarding an employee for something they didn't know an employer wanted.
3. Look holistically at company benefit and reward structures – not every employee is motivated by better pay and benefits.
4. Don't assume your terms and conditions will always apply – implement appropriate procedures to ensure that they do.
5. The value of IP should not be overlooked – consider whether your business needs to protect its IP and how any IP you have can be exploited.

