

# STELLARIS

THE OFFICIAL NEWSLETTER OF STELLARIS LTD



**MEETING FACILITATION**



**COACHING AND  
MENTORING OF KEY STAFF  
AND BOARD MEMBERS**



**TRAINING WORKSHOPS  
FOR TRUSTEES AND  
DIRECTORS**



**POLICY DEVELOPMENT**

**STELLARIS IS YOUR ONE STOP  
SHOP FOR ALL THINGS GOVERNANCE**

## STRATEGIC STARTER OF THE MONTH

**WHAT IF YOU BELIEVE SOMETHING TO BE ABSOLUTELY TRUE...ISN'T?**

### SCIENCE ISN'T WHAT YOU THINK IT IS

At school I wasn't that good at science. I took physics through to Sixth Form and studied Algebra and Calculus at university but gave up Biology and Chemistry after School Cert. I have always believed that my surprisingly high marks in School Cert for Science had more to do with the scaling system than it did with me actually knowing stuff. In those days you couldn't get your paper back so I will never know.

Why this reminiscing?

Because despite not being a scientist I am interested in science. I subscribe to a quantum physics page on Facebook (<https://www.facebook.com/groups/quantumphysicsnews/>) just because it is so fascinating to read how at very, very fundamental levels our physical world doesn't make sense. I love questions.

Thank goodness there are engineers who do understand this stuff. Thank goodness there are biologists who specialise in stuff that keeps us well. Thank goodness there are chemists who have worked out how to stop our houses from rotting. In short, thank goodness for science.

Let's be clear: science is not stagnant. It is forever testing the boundaries of knowledge and testing established "facts". When one is asked to 'believe in the science' it should be to believe in the rigour of the process - not necessarily the outcome. Science demands that the outcome be continually questioned.

My first degree was called a Bachelor of Social Science. In our first-year economics papers we learned that there is a "law" of supply and demand. The law stated that when prices went up providers wanted to supply more and purchasers wanted to buy less. The law said that when there was an over supply providers would want to dump some of the excess product or service and so prices would fall.

This would bring buyers back into the market and an equilibrium would be found where at a particular price exactly the right amount of goods was produced to match the amount demanded by customers.

However real life does not mirror this perfect world. It turns out that some people like to pay more for certain clothing because they know others can't afford to buy the same thing, or they can't be bothered seeking out the cheapest groceries so go to the same supermarket every week.

This is where the "science" part of the degree kicked in. The established theory was questioned, tested, and reviewed to see if it was true, in what circumstances it was true and whether it was still useful.

Quantum physicists discovered that at really small, fundamental levels the world seems to obey a totally different set of "Laws" than the world the rest of us live in. Einstein who was quite a good scientist never really got his head around quantum physics.

Which gets me to the point I really want to make.

- Do you ever check the "Laws" of your world?
- Are there different "Laws" in the world of your customers?

A colleague of mine on the Blind/Low Vision New Zealand Board recently spent MIQ in a hotel. She regaled us in good humour about her experiences as a blind person e.g. being told to read the hotel information sheet in her room or discovering by accident (literally) that the glass top on the coffee table was not attached to the frame which made coffee cups placed on the table edge a risky business.

At the DHB we have had to try to understand a world where Maori have been 30% less likely to engage with the vaccination roll out. Is it surprising when your community has been told for the last two generations that the Crown is not to be trusted to suddenly find a population that doesn't trust the Crown when it tells you to get jabbed?

Strategy is partly about learning to understand a world other than the one you inhabit. It could be the future world, or the world of another demographic (young, old, religious, geographic etc). It means questioning your own world view.

What if something you absolutely believed to be true was not in fact true?

That would certainly change your strategy. Just ask Kodak who thought photographic film would always be the medium of choice.

## **ACTION**

In 2022 be a scientist.

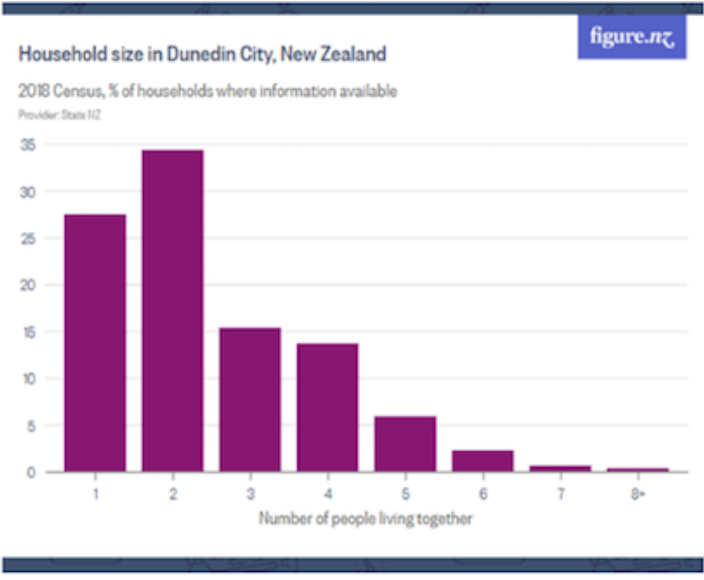
Question what you "know".

Be wary of those who tell you that something is "Proven beyond doubt".

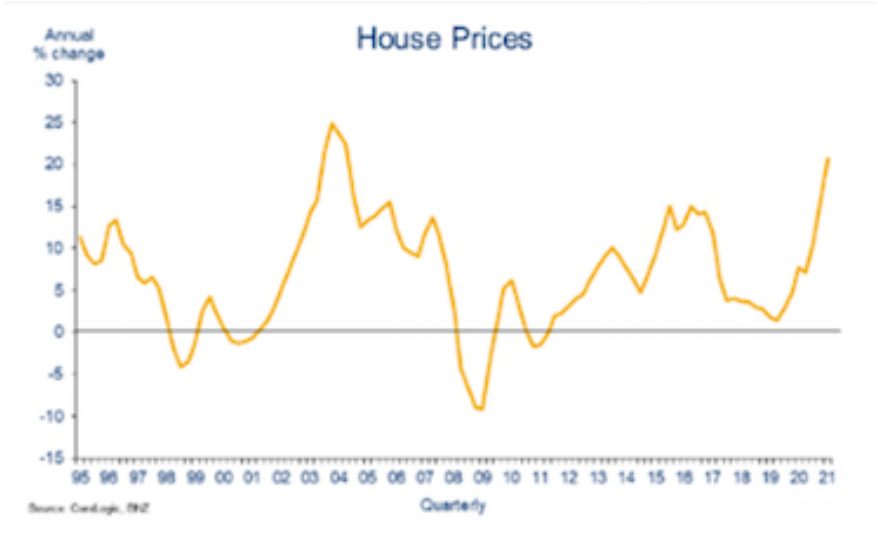
Be especially wary of someone who says, "Trust the Science" but really mean "Don't question me". They don't believe in Science at all.

Above all, have fun exploring new worlds.

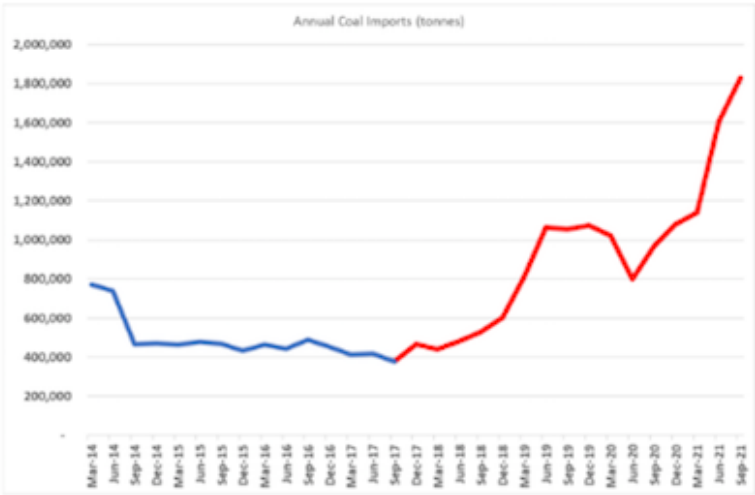
**STELLARIS IS YOUR ONE STOP  
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Myth: Dunedin is full of students flatting together



Myth: House prices never fall



Myth: Labour/Green Governments are good for the environment

# Let's Talk Statistics

I have included a random range of statistics. Please let me know other statistics you would like to follow.

		Previous		Latest	Comments
<b>Inflation rate</b> <a href="https://www.stats.govt.nz/indicators/consumers-price-index-cpi">https://www.stats.govt.nz/indicators/consumers-price-index-cpi</a>	June 2021	3.3	Sept 2021	4.9	Govt Budget expected inflation of 2.5% for the year. Reserve bank raising OCR rates.
<b>Business lending rate (ANZ)</b> <a href="https://www.interest.co.nz/borrowing/business-base-rates">https://www.interest.co.nz/borrowing/business-base-rates</a>	Nov 2021	8.87	Jan 2022	8.87	Stable
<b>Companies Removed from Companies register</b> <a href="https://companies-register.companiesoffice.govt.nz/news-and-notice/">https://companies-register.companiesoffice.govt.nz/news-and-notice/</a>	Dec 2019	2435	Dec 2021	2598	Trending slightly ahead of 2019 all year.
<b>Bankruptcies per month</b> <a href="https://www.insolvency.govt.nz/support/about/statistics/insolvency-procedure-statistics/monthly-bankruptcy-figures/">https://www.insolvency.govt.nz/support/about/statistics/insolvency-procedure-statistics/monthly-bankruptcy-figures/</a>	Nov 2020	64	Nov 2021	35	Much lower than the peaks pre-covid (131 in Aug 2019).
<b>Business Confidence ANZ</b>	Nov 2021	-16.4	Dec 2021	-23.2	Business confidence has fallen consistently from + 7 in May. In Dec 2019 business confidence was -19 so this is back to BAU. But why given all the positive economic news?
<b>GDP Growth pa</b> <a href="https://www.stats.govt.nz/information-releases/gross-domestic-product-september-2021-quarter">https://www.stats.govt.nz/information-releases/gross-domestic-product-september-2021-quarter</a>	June 2021	5.1	Dec 2021	4.9	Solid given Auckland's lockdown
<b>Number of Paid jobs</b> <a href="https://www.stats.govt.nz/topics/labour-market">https://www.stats.govt.nz/topics/labour-market</a>	Nov 2020	2240560	Nov 2021	2334150	4.1% growth in jobs -lower than GDP growth
<b>Unemployment rate</b> <a href="https://www.stats.govt.nz/indicators/unemployment-rate">https://www.stats.govt.nz/indicators/unemployment-rate</a>	June 2021	4.0	Sept 2021	3.4	Incredibly tight job market
<b>Workforce Participation rate</b> <a href="https://www.stats.govt.nz/topics/labour-market">https://www.stats.govt.nz/topics/labour-market</a>	June 2021	67.6	Sept 2021	71.1	More people working as % of available workforce
<b>Median weekly earnings</b> <a href="https://www.stats.govt.nz/topics/labour-market">https://www.stats.govt.nz/topics/labour-market</a>	Nov 2020	1055.25	Nov 2021	\$1115.50	\$60 a week better off 5.7% which is a real increase of 0.8%
<b>Tourist Arrivals -Visitors visa + Australians</b> <a href="https://www.immigration.govt.nz/documents/statistics/statistics-arrivals-by-month">https://www.immigration.govt.nz/documents/statistics/statistics-arrivals-by-month</a>	Sept 2021	2308 + 128	Oct 2021	2243 + 368	Effect Covid lockdowns
<b>Work Visas</b> <a href="https://www.immigration.govt.nz/documents/statistics/statistics-arrivals-by-month">https://www.immigration.govt.nz/documents/statistics/statistics-arrivals-by-month</a>	June 2021	943	Oct 2021	285	Fallen every month since June despite pleas from industry (20,142 work visas in August 2019).
<b>Govt debt to GDP</b> <a href="https://tradingeconomics.com/new-zealand/government-debt-to-gdp">https://tradingeconomics.com/new-zealand/government-debt-to-gdp</a>	Jan 2021	34%	June 2021	30.1%	Better than predicted but still must be repaid one day.
<b>Household debt as % of household income</b> <a href="https://www.rbnz.govt.nz/statistics/key-graphs/key-graph-household-debt">https://www.rbnz.govt.nz/statistics/key-graphs/key-graph-household-debt</a>	March 2021	167	June 2021	168.6	Reserve Bank has missed their usual update timetable.
<b>Credit Card Debt % annual change</b> <a href="https://www.rbnz.govt.nz/statistics/c12">https://www.rbnz.govt.nz/statistics/c12</a>	Oct 2021	0.9% \$5696 m	Nov 2021	0.6% \$6052 m	After a year of credit card debt reducing on a per year basis it is starting to increase again.



# RONNING AROUND

Christmas and summer.

Time to read the books I got for Christmas. Quite an eclectic lot this year: Jimmy Carr's *Before and Laughter* is an autobiographical cum self help book, Robert Jones *Four Novellas* will be a fun read I am sure.

The George Orwell Collection including 1984, Animal Farm and The Road to Wigan Pier may be scarier than necessary. New Zealand as it Might Have Been is a series of counterfactual essays by various academics describing "What if..." e.g. Germany won World War I or if Governor Grey had not ordered the invasion of the Waikato in 1863. And finally a good old fashioned thriller by Daniel Silva: The Cellist to keep my imagination alive.

I hope all my readers have had the opportunity to take a break. A fresh clear mind will help as you take on the new year.

Remember to give me a call if you want help or advice on getting your strategic planning underway this year.

## MEETING FACILITATION



Whether it's a strategic planning session, a discussion group or an annual team building day - give us a call!

## TRAINING WORKSHOPS FOR TRUSTEES AND DIRECTORS



We offer a range of workshops covering Understanding financials, Meeting procedure, Strategic planning, Expectations of an employer, Health and safety, Creating a strategic plan and more. We adjust the level of the training to suit the level of your board members.

## COACHING AND MENTORING OF KEY STAFF AND BOARD MEMBERS



It could be helping a CEO understand the Boards needs or talking through approaches to leadership challenges or even helping the Chair of the Board design a regular agenda.

## POLICY DEVELOPMENT



We will help you create fit for purpose policies for your organisation.

## CONTACT US

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