

4 Tips to Thrive During Recession

*"Extreme weakness (in the Institute for Supply Management's index of manufacturing activity), and the very rapid deterioration, should essentially end discussion about whether the economy is in recession."
(Financial Times, 10 October 2008)*

*"Collapse of the US housing market has upended the economy, frozen credit markets, and saddled financial firms with (billions in)... write-downs and losses."
(The Washington Post, 10 October 2008)*

Most experts agree: times are tough! Yet amid all the bad news, our clients tell us that some organizations are doing well – maintaining revenues, outperforming the competition, continuing to build for the future, and seemingly, weathering this 'perfect economic storm'. Likely, these are the organizations that created – and are executing – a Recession Plan*. That's the approach they've taken in anticipation of a downturn to prepare for and thrive during recession. Executing well will help these organizations to accelerate out of the recession.

So what can you do – right now – to help your company thrive during this downturn? We've identified four levers to battle the storm and execute effectively during these very turbulent times.

- Hold firm
- Streamline
- Invest
- Anticipate

Hold Firm

Extraordinarily high volatility in the stock markets makes us all nervous. And nervous investors amid enormous uncertainty often breed panic. The same is true in business. Review your strategies and prioritize. Move managers with recession experience into key areas of your business. Don't panic. 'Hold firm' does not mean toss your business plan. Adapt your regular operations meetings to encompass strategic and operating questions – are you putting time, money, and people into the right things?

Streamline

Continue to seek ways to streamline operations, improve efficiency, and take additional cost out of your business. Think 'CUSTOMER'. Now is the time to retain them and, as competitors flounder, to be in the right position to win new business. Reduce complaints, rationalize product launches, extend winning products, organize and prioritize the sales force's efforts on profitable customers. Elsewhere, focus on the business processes that flow back from dealing with the customer; clarify decision rights, push authority and accountability down into the organization, and ensure information gets to the right people to solve issues collaboratively – and quickly. That way, you enhance efficiency, manage costs, and still deliver what your customers expect.

Invest

In people, ideas, and new opportunities, tools, and processes that will strengthen your position post-recession. Perhaps counterintuitive – but when others are heading to the bunker, your organization can act early and nimbly as the situation evolves. Ask others how your vendors, customers, and competitors are weathering the storm. Take this opportunity to build stronger relationships with all of your stakeholders. And invest in your own people to build the flexibility to adapt to changes in the size and shape of your business. In turn, that helps to bolster morale and support the tough decisions required to deal with market pressures. Investing in the workforce supports efficiency and cost management while also building good will for the future.

Anticipate

Rethink your dashboard. Consider the critical few metrics that tell you customers are well-served and operations are performing adequately. Fine tune those few measures to be hyper-sensitive to both internal issues and the market so that you can act with more definition and speed to address opportunities or threats. Be sure those 3-5 metrics both monitor progress and anticipate changes, particularly those that tell you a recovery is coming.

M. Beacon Enterprises can help.

Thriving during recession requires achieving the right balance between these four levers. We can help you anticipate by working with your senior team to identify specific actions in each of these areas that your team can execute now.

Contact [M. Beacon Enterprises](#) for an independent review of your situation – and to thrive during recession:

Tara J. Rethore
President, M. Beacon Enterprises, LLC
703.625.9124
TRethore@MBeaconEnterprises.com



*See *Are you ready for recession?* by Tara Rethore and Marian Bradshaw-Knapton, December 2007.