

Use the Recession to Create Long Term Value

A recession isn't such a bad thing. It allows the economy to adjust and create stability and it allows businesses to do the same. Rather than worry, cut corners, and worry some more – use this time to adjust and create long term value in your company. An attitude of working for the future rather than just surviving will create excitement and joy in your work, it will help you survive and thrive over the long term.

Four Things To Do Now

1. Economize, but do it wisely.

- If you have to lay off people, lay off the lowest performers first. That sends a message to everyone else that you value high performance and you aren't going to sacrifice the greater good to save a few bucks.
- Recycle ruthlessly – I don't mean take it to the recycle facility, I mean use it again and again. The ways to recycle, reuse, and repurpose are endless. Engage employees in reusing and repurposing. Put their ideas into action. You will be amazed at how much money you save.
- The 80/20 rule applies to almost everything and economizing is no exception. You will get the most economy on a few things and other ideas will not be worth the effort. Do *something*, not everything.
- There are some things that should not be put on the chopping block.
 - Your people must know that you value them, they must be challenged, and they must be invested in. I see a lot of ineffective training. Make sure you are getting value for your money. Find better ways to implement what is learned in training, but spend on the continued development of your people.
 - Public Relations is another area in which to spend and increase effort. Your visibility in a tough market contributes to credibility. Your customers and potential customers see you as stable and more importantly, not worried but looking for a bright future.
 - Technology – Your economic engine runs on enabling technology. When good times return, the evolution of technology will be miles ahead if you don't keep up, resulting in lagging sales and decreased market share while you catch up – if you ever do.

2. Create Loyal Customers. Loyal customers will keep you in business in tough times and make you soar in good times.

- Over deliver – always a good idea but even more important now. Superb quality and extra effort relays a feeling of stability and reliability in uncertain times. It makes your customers feel good and they remember that you made them feel that way.
- Get creative. Creativity is different from problem solving. When solving a problem, the thought process is often about how to get around or eliminate a circumstance. The creative thought process is about how to build on what's there, design something that has never been. It is a generative process. Which process gives you more energy? Which process is likely to create long term value?
- Meet your customers' needs no matter what. I know of companies that are giving away their products and services to meet the needs of their customers who can't afford it right now. They are being strategic about who, what, and how much but their focus is on the long term value of a good customer. Whatever it takes, meet the needs of your customer.

3. **Clean up your infrastructure.** When things are busy, we work around clunky systems and processes. Over time it costs us and we can use the slower times to clean things up.
 - Communication is a perennial issue for us all.
 - Take the time now to create templates for written communiqués and standards for electronic ones or clean up the ones you have.
 - Hunt down “shorts” in the system. Where there are regular gaps on communications, find them and fix them.
 - If it’s broke – fix it. When things make the job harder people get frustrated and it’s costly. Find where people are doing “work arounds” in your systems and processes and find a better way.
4. **Increase employee engagement.** People want to work where they can make a difference.
 - Over-communicate. When people are nervous, be as transparent as possible.
 - Tell them the truth.
 - Let them know how they can contribute. Let them know that you care.
 - Innovation usually comes from those closest to the work. Make sure they are engaged in ideation, research, identifying trends, and looking at not just the best ideas but all of them. From some of the worst ideas comes data that will produce the best idea of all.
 - Prototype ideas in real time. Have those who must execute the ideas design the prototype.

Long term value is born of keeping your cool when others are losing theirs. Focusing on the right things now will pay you handsomely in the future and make the current pain a lot more bearable.

***About Betsey Upchurch:** Betsey (Elizabeth) Upchurch is the Managing Partner at Bristlecone Learning LLC and has more than 25 years of experience in organizational development and training. She designs creative and engaging solutions that address the root causes of issues and problems within organizations. Melding experiential technology with online and virtual environments adds a cutting edge dimension to her work.*