



Surviving Tough Times, Things We've Learned

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Dimensions of EXCELLENCE™ is based on the four dimensions of performance and organizational excellence. These are the foundation for our development programs oriented to achieving performance and organizational excellence in sales, marketing, and customer service.

These white papers provide concepts and ideas based on the application of these principles of these programs and our work with our clients. We welcome your comments and observations on these topics.

The past year has created new professional and personal challenges. Almost every business faces tough new realities. Focusing their strategies and sharpening execution are the top priorities of most of the executives we work with .

I thought it useful share a few of the things we have learned with our clients or observed in the performances of other companies over the past year:

Down markets bring all past “sins” to the forefront. The robust economy of the past few years masked many poor strategies, bad decisions, and weak execution. In some cases, the companies seemed to grow almost in spite of their strategies. A bad economy and down markets immediately show the impact of bad decisions and poor execution. This economy does not forgive bad strategies. It is less important to assess blame for these failures than it is to quickly understand and correct the situation.

Time to face reality. Wishful thinking or denial are the fastest routes to failure. It's critical to face the facts, regardless of how bad they are. Sound decisionmaking requires us to have the real facts and data, using them as the basis for decision-making and recovery. Get the data, understand it, and face the music.

Stopping things is more important than starting new recovery initiatives. Stopping programs that do not directly contribute to the organization's goals is critical, but it is one of the most difficult things to do. In developing “recovery strategies,” many implement program after program, desperately seeking anything that works. Churning through programs and initiatives merely waste resources and time. In many cases, organizations have cut many people, but try to continue the work done before the cutbacks. This is impossible. The most effective strategy is to do less, stopping all but the few critical programs that produce proven results.

Focus, focus, focus. In tough times, doing the right things with the right customers at the right time is the only way to survive. Focus on the markets and customers where you produce the greatest value and return. Real value must be produced in order to motivate customers to buy. Anything that diverts the organization from its principle focus must be stopped. Remember, too, that most organizations can only effectively address a few things. Stop everything beyond the core 2-3 initiatives.

Keep it simple, go back to the basics. In implementing sales, marketing, and customer service strategies, go back to the fundamentals, execute them with perfection. For marketers: What are we offering? To whom? What distinctive value does it create? How do we communicate that simply, clearly, and in a compelling manner? For sales professionals: Are sales activity levels sufficient to produce the results we need? Do we have the most effective and efficient channels to reach the customers? Are we calling on customers that have a real need to buy and are funded? Are we making it easy for them to do business with us and buy from us? For customer service: Are we responding quickly and accurately to our customers? Are we helping them solve their problems? Are we making it easy for them to do business with us?

Give things a chance. Too often, we see organizations thrashing, making change after change, seeking the quick turnaround and the magical results. The reality is that things won't turnaround quickly. Develop a plan, commit to it, make it work, and give it a chance. Make sure your plan provides early indicators to make sure it is on track, and make sure you correct the plan when it starts going off target. However, don't abandon the plan before you

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have really given it a chance to work.

Speed counts. This sounds contradictory to some of the points made earlier, but moving quickly is critical. We have to clearly assess the situation that confronts us, develop clear and simple strategies to address the situation, execute them, measure them, and correct them. All this needs to be done at warp speed.

Leaders emerge in down times. It's easy to manage when times are good. People get caught up in the momentum of growth and success. They are more willing to tolerate bad management. Tough times bring out the real leaders; those that inspire others even though things look bad; those that will step up to the tough decision, but do so with fairness and compassion; those that "stick it out," not just looking for the "quick payoff." The key is to watch who emerges as a leader, regardless of where they sit in the organization and engage them in leading the recovery.

Leadership is critical. People want strong leadership, not cheerleading. We are constantly amazed by the resilience of people facing tough circumstances. This comes only when they trust their leaders and feel the communication is honest, direct and open. Strong leaders have the confidence to communicate good and bad news to the people in the organization. They have the confidence they can develop and implement the strategies that will lead to success. They have the confidence to engage the organization in solving the problems and moving forward. They spend no time assessing blame, focusing only on solving the problem.

Cut once and cut deep. Cut very deep when you must, but do it once. Don't get caught in incremental destructionism with round after round of reductions. This death spiral demoralizes everyone, diverts focus, resources and energy. It slows the recovery process. Jack Welch observes in his latest book: "I have never seen an organization fail because they cut too deeply." Cutting deeply also forces the organization to re-examine everything they do, focusing on those things that can be accomplished with the resources available, rather than trying to continue everything, but with fewer people.

The light at the end of the tunnel. Leaders must have an absolute determination to do what needs to be done to achieve the objectives the company has set. Tough decisions need to be made in the face of tremendous uncertainty. There can be no wavering in their determination to survive and grow. This cannot be a blind confidence, but rather a ferocious focus on reality and commitment to guiding the organization through recovery.

Managing through tough times is difficult work. Those organizations that handle the adversity of tough times well, not only will survive, but are also laying the groundwork for strong recovery when markets and the economy grow again.

Partners In EXCELLENCE works with its clients in assuring their organizations perform at the highest levels in these tough times. For tools and white papers on various specific aspects of managing in tough times, visit our web site at www.excellenc.com. For more discussion and insight on the items discussed in this article, please call at 216-371-9846 or contact us at info@excellenc.com.