

No Pain No Gain: How to outgrow your competition in a recession

Many companies suffer in a recession, but others continue to grow and emerge stronger. Managers need to focus on getting ready for the next up-turn. This article looks at three ways you can outgrow your competition.

Take Control of your Mindset

Mindset refers to the thought processes characteristic of an individual or group. So an upbeat, solution-oriented and enthusiastic manager will be surrounded by a similarly positive team. How would you describe the mindset in your company today? Are you letting doom-and-gloom pollute your team? Energize your team through these dark times by creating an upbeat mindset.

Top management must take the initiative to set the tone. A recent survey from Hewitt found that top performers are expected to pull their company through tough times. So bring them together for a roundtable discussion on what needs to happen to emerge stronger. Appoint advocates to deliver your positive message throughout the company.

Companies with a negative mindset lower their work intensity and stop looking for opportunities. Challenge your top performers to be agents of change and reward them for finding new opportunities. At the same time, a manager needs to embrace reality and realistically explain what sacrifices need to be made. Some companies are using across-the-board pay cuts to prevent layoffs. Set clear expectations of your people in the areas of sales and service so these opportunities can be attained.

Twin pillars of success: service and selling

A McGraw Hill survey through five decades of economic recessions found that the

companies who remained aggressive in sales and marketing during the downturn increased sales by 275% in the first year following recession, compared to 19% for those that cutback or stopped marketing.

Two words should be on your lips every day: service and selling. Now is the time to launch a "customer first" program. Get your front line sales and service teams together and work out how to support your clients even more.

Have your service team make personal calls to clients to engage with them and find solutions to their most pressing concerns. Measure your sales activity for sales visits, proposals made and business won. Make it fun, turn it into a game, use a scoreboard and celebrate success – however small.

Also, take a medium term view by upgrading your service. Have your service team follow up with phone calls rather than emails. Get smarter with your marketing budgets. Switch from big ticket general advertising to targeted niche advertising or lower cost direct mail. Get personal with your clients. Have your team send handwritten "thank you" cards to clients. This will help you stay in your client's mind and strengthen relationships.

Use the 60:30:10 rule advocated by sales expert, Bill Todd. Todd recommends

your sales efforts are split 60% on existing customers, 30% on qualified new accounts and 10% on prospecting. Don't ignore your current or past clients by spending too much time on looking for new business.

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Collaborate with your people

Now is the time to collaborate with your team. People tend to unite in the face of adversity, so use this opportunity to create a solid team. As a manager, you play a key role in helping collaboration become a part of your organization's culture. The issues you place your attention on, what you reward and the people you hire will all contribute to the success of collaboration. Bring your people together as a part of the solution. Increase the frequency of town-hall style meetings to share challenges and solutions. Publish a weekly bulletin on milestones reached in moving the company forward – accounts won or held, examples of cost saving and how the team are working together. In the online world, create a private group using Facebook or Ning and tap into the creativity of your younger staff. Encourage creative solutions and reward them with public recognition.

Tough times can bring out the worst or the best in people. Don't leave it to chance. Take action today to guide your people's mindset, establish the two strong pillars of success by increasing sales and service activity and tap into your people's knowledge through open collaborative efforts. 



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