



BUSINESS

Saturday, March 14, 2009

Don't stop! Accelerate through the curve

By Ron Price

Navigating a recession is a lot like navigating a curve in the road. To handle it optimally, you slow down coming into the curve and speed up as you proceed through the curve. Inexperienced drivers fail to slow down soon enough and they end up "slamming on" the brakes as they enter the curve. As a consequence, they lose momentum and must come out of the curve without optimal acceleration.

Businesses that didn't anticipate the recession kept going full speed ahead, hoping the recession wouldn't affect them. As a result, several are now "slamming on the brakes" by cutting deep and costing themselves momentum on the other side of the cycle. Business leaders who anticipated and adjusted for the downturn will start pursuing new opportunities (accelerating through the curve) long before the rest of the world realizes the new opportunities that have emerged.

It would seem that the larger companies should have more expertise, insight and advantage when maneuvering through times of change. However, in most instances, the opposite is true. Large companies end up becoming hideouts for turf protectors, status-quo experts and, frankly, poor leaders. As a result, they are the worst when it comes to slamming on the brakes too late in the curve, initiating layoffs and budget reductions that weaken the organization's ability to identify and adapt to customers' needs, and then losing valuable momentum in the early stages of new growth.

The good news is that this creates new opportunities for small businesses to rise.

To take advantage of this opportunity, businesses need to think about three fundamentals in responding to customer needs: people, strategy and performance.

A business can be no better than its people. Jim Collins popularized the phrase, "Get the right people in the right seats on the bus, and get the wrong people off the bus."

Next, small businesses need to be nimble and dynamic in thinking about strategy. A great football team studies film of itself and its opponents. Then the team practices its plays over and over. The team recognizes that it isn't enough to know the plays - you have to execute them with precision.

Finally, a great team realizes that all of the preparation only gets you on the field - you still have to adjust throughout the game based on what you learn in real time. Small businesses need to figure out how to be thorough and flexible in developing, implementing and adjusting strategy in their "game."

A football team just needs to look at the scoreboard to know it is winning. When the team is ahead, it sticks with the strategy that has worked. When it is behind, it makes

adjustments. However, most small businesses don't have a clear scoreboard to watch. Those who figure out the most appropriate way to keep score and who then manage by their scoreboard have the greatest chance to win in today's economy. This equates to "performance" in the formula of people, strategy and performance.

There are great rewards for those who learn how to accelerate through the curve. Times of turmoil create new opportunities for small businesses, but only for those who are forward-looking enough to start pursuing the next straightaway for their business success.

Ron Price is the founder and CEO of Price Associates, a company dedicated to helping business leaders and entrepreneurs solve problems, identify solutions, seize opportunities, enhance learning, and implement change in strategy and performance.

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