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Perfecting Your Execution

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When it comes to adapting to an ever-challenging economy, it's often not about the changes you make—it's how you make them.

Trigger a series of salary/benefit cuts, price increases and payment-term changes without foresight and planning, and you're sowing the seeds of failure. But, if you properly execute these changes as part of an overall strategic plan, you can position your business for survival.

For starters, focus on these changes as solutions—not as harbingers of disaster. “Unfortunately in our culture, we focus on what went wrong,” says Eric Omer, a Longmont, Colo.-based business coach and a construction-industry veteran. “Leadership means focusing in a solution-based way, to communicate that these steps are what will get us the results we need. Leaders focus on the future.”

That's not all. According to Omer and other experts, these other steps are crucial when it comes to incorporating recession-based changes that impact your employees, customers and suppliers:

Empower your staff leaders more than ever

You probably have employees who have been your standouts. They're the ones who always 'get it' when you convey company core values affecting customer service, safety, vendor relations, public image and work ethic. Today, as you make policy changes to survive, you need to lean on these employees more than ever. These are the employees who will effectively be the 'face' of change to customers, suppliers and other staff.

Before announcing changes—whether it's a reduction of company equipment, resources/inventory or an elimination of benefits or a customer-payment plan change—you need to gather these standout employees in your office for a private meeting to not only reveal your plans, but seek their input on how to best communicate and implement these changes.

They may have great suggestions. Perhaps you intended to announce changes that impact staff via e-mail, but your leaders suggested that you do it in person instead, over a brown-bag employee lunch, so you could take questions and re-assure them about the company's long-term future. Your leaders will also be your key people in the field to keep the essentials of your business moving forward seamlessly.

“The owners need to let go of some of the things they've controlled and give that responsibility to other people,” Omer says. “The owners must put themselves in a position where they work 'on' the business and not 'in' the business. There are people on staff who can help you do this—people who have been there from the beginning, when everyone wore many hats.”

For customers, focus on the basics

If you're going to change pricing terms with customers—say, tightening up payment requirements—you'll have a much easier transition if your crews are still providing top-quality work. If your company's branded service essentials remain consistent, you should be able to weather various shifts in the day-to-day processes of doing business, even if some of those shifts are clearly designed to weather a tough economy.

"Too many people believe there is a whole other set of business strategies to employ during a recession," says Topeka, Kan.-based small-business expert Curt Clinkinbeard, author of *Customer Pillars*. "The reality is that a company has to be good at the basics, just like it is in good times. And they probably have to do them a bit better, because of the added economic pressure."

Do whatever it takes to maintain your repeat customers

The customers you need most are those who keep coming back to you—they provide jobs that cost nothing in terms of marketing, and are your best source of word-of-mouth sales expansion. You can't afford to lose them even in bad times. So let them know they're special. Make that extra follow-up phone call. Cut them some breaks in your new pricing policy that you may not afford to others. Take a genuine interest in how they're weathering the economy.

"You need to give them extra attention now," says Holly G. Green, president of The Human Factor Inc., a San Diego-based business consultancy. "You need to listen more. Focus on this as opposed to getting new business. It's a lot less expensive to retain customers than it is to acquire new ones."

Stay positive—and focused—with your employees

If you're forced to cut back on seasonal crew staffing, or need to reduce benefits, you can only make staff morale worse by appearing gloomy or overly defensive while implementing change. Being sincere, assertive and portraying an optimistic attitude that says 'We WILL get through this' can go a long way. "It's all about mental perspective," Clinkinbeard says.

"So much about running a business is about conveying optimism for the future. When business owners lose this, they lose the essence of their company. If the news depresses you, find a way around it. Get a motivational tape. Exercise. Do something to get your mindset in a positive frame."