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For Immediate Release

Leading Through an Uncertain Economy

By Richard Hadden

It's hard to find a more cyclical beast than the global economy. And whether or not we're technically in a recession, few would disagree that we're in the part of the cycle that makes a lot of people nervous. How well organizations survive these weaker times has much to do with how they react – from a people perspective – to the ups and downs of the economic environment. Survival depends on maximizing competitive advantage, and the first step is to look at your human assets:

1. First and foremost, remember that the ONLY way to weather turbulent times is with the willing engagement of a focused, fired-up, capably led workforce. Avoid the moronic tactics so often invoked during a slowdown, guaranteed to make workers power back a notch or two. Things like layoffs du jour (unless survival is truly at stake), poorly thought out pay cuts, and petty cutbacks. When you do make necessary cuts, remember – officers bleed first.
2. Don't let fear cause your workforce to disengage. Asking people to be judicious about expenses is one thing - injecting an added dose of fear into the workplace is another. The degree to which employees are concerned about losing their jobs varies inversely with the degree to which they are concerned with *doing* their jobs, and taking care of customers.
3. Don't try to work your way out of a short-term earnings problem by "dumbing down" the organization. One of the first shoes to fall in a questionable economy usually lands squarely on top of the organization's training budget. If you're doing training that doesn't need to be done, then you should stop it anyway, but the notion that we can somehow help the business by deferring necessary training is intellectually bankrupt. Think about that the next time you fly or have surgery.
4. Don't be afraid to talk candidly with your people about how the business is doing. The one thing that distracts people more than anything is not knowing what is going on. As psychologist Karl Jung observed, "When facts are few, opinions loom large." Every minute your folks spend wondering or worrying is a minute your customers are being ignored.
5. Crank up your "hi touch." Going through a difficult economic period impacts more than just business interests. We're all affected personally as well, some more than others. This is an excellent

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time to show that you care by spending a bit more quality time with the people on your team, listening to them, and making sure they have what they need. Especially those on the front line. Don't pry, but sharpen your awareness of special circumstances. Has a spouse been downsized? A mortgage foreclosed on? Watch for signs of added stress. Don't play psychologist, but make sure your Employee Assistance Program is ready to respond and help where needed.

6. Do some good. One of the things that helps keep people's spirits up is to be involved in a project that helps those who are less fortunate. This is an excellent time to get your team involved in a worthwhile service project, be it a charity drive, building a Habitat for Humanity house, or something else.

7. Smile. That's right, smile, and do it more often. The fact that things are getting a little shaky and people are scared (including maybe you) doesn't overturn the principle that people prefer to be around those who are positive and optimistic. Your smile will lighten the folks around you up just a little, they'll get more done, and feel better about it, too.

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Richard Hadden will present the keynote address, "Making the Connection Between People and Profits" April 30 at the Distribution Virtual Tech Fair. Hadden is a well known industry expert who concentrates on employee relations and creating a great place to work. Hadden is the co-author of *Contented Cows Give Better Milk: The Plain Truth About Employee Relations and Your Bottom Line* and *Contented Cows Moove Faster*. For more information visit www.contentedcows.com.

About the Virtual Tech Fair

The complimentary, interactive event takes the most successful elements of a live trade show and translates them into the virtual world of the Internet. Attendees enjoy product demos, event networking, show prizes and educational presentations from industry leaders. For a sneak peek, attendees can take a virtual tour of the show at www.virtualtechfair.com.

To Register:

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