

Stop Using the Economy as an Excuse

By Roberta Chinsky Matuson



Leaders are using the economy as an excuse on a daily basis. Don't believe me? Just ask your managers why now it's okay to lay-off those employees who haven't come close to meeting their performance objectives over the past several years. Perhaps your company could have avoided lay-offs if the entire team had been operating on all four cylinders. This is just one example of how companies are using the economy as an excuse for poor decisions. Here are some others.

Poor planning

You can blame employees for a lot of things. However, at some point you have to take responsibility for what is in your control. Here's an example. Have you ever heard of a fast food restaurant that sells only pizzas, at an airport location, running out of food at 3:00 PM? According to those employees staffing the counter, this is not an uncommon occurrence. So who is to blame? Certainly not the people who are popping the frozen pizzas into the convection oven.

This is a planning and inventory problem. Not an economic problem. However, if you look at this company's declining earnings and recent interviews you will hear them say that business is down because less people are going out for pizza. Maybe less people are eating their pizza because there is no food to be had. Is this really the way to increase profits in a down economy?

Creating new expectations

Everything appears to be on sale these days. It has gotten to the point where people will not make purchases unless there is a discount associated with the price. Is this really the fault of the economy? Or have businesses created an expectation among customers and clients that has created this new

reality?

What if you were to offer a product or service that people felt was worth the purchase price, regardless of what this number was? What would that mean in terms of increased revenue and profitability? In spite of the economy, people are still purchasing luxury vehicles and are patronizing restaurants where they perceive the experience is worth the money spent. Customers are choosing cool electronic equipment over cheaper less innovative products.

Stop blaming the economy and start looking at your offerings. Are they appealing? Are you creating "must have" products and services? Are you providing consistent service? Are people invested in your product or service? Or have they moved over to you because you are the cheapest guy in town?

Improving your people

Companies used the excuse that there was no time to invest in performance improvement programs when the economy was humming. Now many of these companies have nothing but time on their hands. Would this have been the case if they had provided training for their leaders on how to effectively manage through periods of change?

These organizations can emerge from this recession even stronger than where they were before the decline. How? By preparing their organization for the recovery. This means investing in the training and development of managers and those individual contributors who are on the front lines with customers.

It certainly is a heck of a lot easier to blame the economy for the decline in your business. But by doing so, you will miss out on the opportunity to build an organization that can sustain itself and thrive in any economic climate.

About the author:

Roberta Chinsky Matuson is the President of Human Resource Solutions (www.yourhrexerts.com) and has been helping companies align their people assets with their business goals. She is considered an expert in generational workforce issues. You can find out more about Roberta and her new blog at her web site.