



Plan: Don't Panic

When a crisis hits many are given to panic which lessens their ability to deal with the critical events facing them. In those cases, where panic takes over, it is very difficult for people or an organization to arrive at a solution that fits the event.

With this current economic crisis strangling our businesses we will do well to keep a cool head and look for the realities and opportunities that are hidden in the turmoil. In either case, well thought out action plans will assist you in getting to the point you need to be with the least amount of chaos. Your search for those realities and opportunities that best fit your situation should be done in an objective frame work so as not to be swayed by too many biases or preconditions which prevent you from doing the things that you need to do to avoid complete disaster. You should also include as many people as practical in the process, so that you explore as much ground as possible in the shortest time frame available.

1. Identify all realities put forward.
 - a. Loss of business units.
 - b. Need to down size.
 - c. Products/services that have to be shed.
 - d. Etc.
2. Identify opportunities that are identified.
 - a. New products/service opportunities.
 - b. Mergers or acquisitions that strengthen the company's position.
 - c. Alliances with other organization.
 - d. The acquisition of skilled employees being released from other employers.
 - e. The sale of your organization.
 - f. Etc.

Pare the list down to those items that make the most sense for your situation then commence to plan how you will proceed to effect the results that you wish to realize. Ensure that your action plan identifies:

1. What result is desired?
2. Who is doing what, by when?
3. What resources are to be applied to the plan?
 - a. Cash.
 - b. Assets.
 - c. People.
 - d. Contracted services.
4. What is the net cost/gain from the action?

If the reality is that you are down sizing then plan that so the event does not distract your people from the important task of running the business. Losing focus at this point may cost you in ways that you cannot afford at this juncture.

If you have found ways of cutting costs in the delivery process then it will be important for you to realize those saving as quickly as possible. Put the necessary resources to the effort immediately keeping an eye on the cost incurred versus benefit derived.

If you have found an opportunity for a new product/service you need to cost out the delivery process against the potential revenues it might generate. Your costing should include any opportunity losses due to the shedding of other products/services to make way for the new, determine the cost of adding new capacity if no unused capacity is available, and determine the risk that such a move will create for the existing state of the organization.

We can assist you with such initiatives. Invite us in for an exploration meeting!