

Handling the Bad Times

The economy is bad. Banks are closing or being merged. Housing prices are plummeting. The stock market is down. Credit lines are drying up. The government is spending a trillion dollars to try to fix the problem. The future is uncertain. What are we going to do?

First, take a deep breath and remember that the future is always uncertain; business and the economy are always changing. There is continually a “new economy”. This change is where entrepreneurs find opportunities to supply goods and services that are wanted and needed in the “new economy” and thereby grow their business.

Unfortunately, most business owners get a bunker mentality when what they have been doing no longer works. The first reaction is to become more efficient. The second, which is even worse, they try to hold on until things get back to normal. What we have now is the new normal.

How do we respond? I'll share a story. One of my clients, she's in real estate, had an occasion to meet a very highly successful and well respected developer. This person was worth around a billion dollars and has thousands of apartments all over the United States. She asked him a question: “You're really successful and I look for role models; at what point does the fear go away?” What do you think his answer was? “Never!”

You, as an entrepreneur, live in a state of constant uncertainty. As soon as you step off the edge of your comfort zone, you're stepping off into the unknown without a guide. A big part of it becomes a mindset.

How can you change your mindset? Here are 5 principles you need to apply.

1. Focus on what is possible. Most people focus on the negative: the failures, the things they lack. They focus on the way it used to be. Focus on what it can be. Create a new model to meet market demands and grow your top line. For example: If you are you in the housing business, will people still need housing? How do you help them get it and get paid for meeting that need?
2. Communicate with clients, prospects and centers of influence. Most of your competition is avoiding communication because they do not have the answer. By maintaining communication, together you, as the catalyst, will be able to solve the problem. This will make you different and more valuable.
3. Experiment with new ideas. Not all ideas are good ideas. In order to find the ones that work, you have to risk being wrong.
4. Work with your staff. They are feeling uncertain too. While you need to focus on providing an effective solution that will grow the top line, your management team must focus on being efficient to grow the bottom line.
5. Sell. As you create new ideas, make sure your sales team are maintaining relationships and prospecting. Do not let them fall prey to the general feeling of helplessness. As you provide new ideas, you encourage them to increase their activity level.

We live in a world of uncertainty. It is this very uncertainty that allows us to provide new and better ways to meet the demands of the marketplace. Take the time and make the effort to embrace change and use it to grow your business.