



**Q. What are some good tips for small, medium and even large businesses to be successful in difficult economic times? Kindly give specific examples and sources. Thank you.**

Answer 1

Hi, Managing your business in tough economic times One of the challenges of being in business is surviving the tough times. This series of articles has strategies to help you manage and grow your business in an economic downturn. Included is information on streamlining operations, maintaining staff and customer confidence, managing finances and cash ow, and spotting opportunities. When a downturn threatens, you need to take decisive steps to understand the situation and what it means for the future survival of your business. Planning for a downturn helps you to maximise opportunities and prepare your business to survive and thrive in all circumstances. Keep control of your cash Finance and funding for future success When times are hard, cash is king. Commentators suggest that the companies who emerged from the last recession as sector leaders typically had an average net debt-to-equity ratio of about half that of their less successful competitors before the downturn hit. The winners also held more cash on their balance sheet than the companies that were hit hardest. Clear Communication Managing Stakeholders for long-term success Managing your stakeholders effectively in challenging times is crucial to executing a winning strategy. Good communication is critical. Streamline Operations Managing operational capability for sustainable success Flexibility is critical in improving your operational position in a downturn. Now is probably not the time to save money by cutting back your marketing budget, but it is the time to make some hard-nosed decisions about what it is you are going to spend that money on. Leading for Success Leading your team to triumph through tougher times Anyone can manage a company through good times, but now, more than ever, its important to take the time to step back from your daily tasks and ask yourself whether youre equipped to lead your team to success through challenges and uncertainty. Managing in a downturn may be difficult for many of today's business leaders, who have built their careers through years of economic growth. Natural attrition may have removed experienced managers from your business. Be Prepared Prepping your business for peak performance in any scenario Nobody holds the crystal ball for the future. Clever companies plan ahead for any scenario. When a downturn threatens, businesses need to take decisive steps to understand the situation and what it means for their future survival. Planning for a downturn maximises the opportunities available, enabling the best prepared businesses to come through the bad times reenergised and fit for the future. Seek the Opportunities Identifying possibilities for sustainable growth and success Economic downturns present opportunities for companies prepared to look. During the last recession, more than a fifth of companies in the lower quartile in their industries jumped to the

upper quartile. Recessions reshuffle the decks more than boom times and research shows that gains made during challenging times tend to endure. This information is brought to you by PricewaterhouseCoopers.

#### A. 2

For any business to be successful in this difficult economic times is planning. Many companies and business are cutting down employees. try to give them a forced vacation for couple of weeks. Here in US so many companies are doing that. Try to avoid employee longtours and expenditures unless it is really needed. If the business really needs some goods then try to purchase the goods, materials as necessary. Cut down the cost in workplace like cutting down stationery, drinks, coffee . Even smaller things makes a big difference. Try to be very cautious about your account details. If the business is large and has their offices in so many locations then cut down the offices. Like in US Macy's are cutting down the stores in some locations. Evaluate top employees in the business are really doing their right job. Otherwise fire them and hire a right persons. This will definitely reduce a cost lot. Cut down the costs. If your business involves lot of Human resource then cut down the jobs or cut-down the salaries.

Continue your advertisement and marketing. For any business advertisement is more important. Customers know about your business through advertisement. And it's important to attract customers in this economy.

When the economy is bad it is important to maintain the great relationship with customers. The old customers of your business know about the business and it's quality. So, if the business maintains good relationship with them they won't leave your business even in bad economy.

Use all kinds of marketing like T.V., internet, newspapers etc and try to advertise about your business. If you have website try to spend some money on that. Make it attractive.

provide some discounts to customers depending on what type of business it is. If it is a apparel business then try to give some % discounts on selected type of cloths. The business success depends on Top management ability. Try to hire a talented top management.

Try to develop new products related to your products and try to sell them to already existing customers.

If the technology helps to reduce the costs implement in them in the business.

#### A. 3

At first, if you are running a business concern or a the managing position in a business in India then i don't think you have to worry seriously because india will not going to affect seriously - but with certain difficulties only. Also Indian Government had taken and initiating several steps to overcome the economic recession/crisis by reducing duties and taxes etc. discounts and by reducing fuel/oil prices to help the business houses and entrepreneurs in order to cope with the undergoing world financial crisis.

Clear understanding of the basic problems you are facing or shall have to face is the key to take corrective measures in reorganizational level and business also.

Reducing the Operating cost/Administrative cost is the first one you have to think of while trying or struggling to overcome a financial crisis. The trading will be lower, hence excessive /normal production will result to block of funds and excess stock.

The Rates of your commodity will be lower.

A crisis recovery plan deals with the immediate and direct response to economic crisis to protect the company and provide business continuity.

A monitoring committee of the available experts/able personnel from your executive level.

Re-define employees duties and responsibilities from top level to bottom level.

Periodical assessment and meeting of staff and workers, inform them what is happening overall due to the world/global economic recession and brief them how it affects our business and trading, also disclose plans and the way of its execution, seek co-operation of employees in gross.

Consolidate fund position. Also make arrangements for side business and allied business for financial relief.

A. 4

what I feel is this is the time for plan the future and learn from your mistake and take corrective action.

at the time like this ever management guru will advise cut cost, cut salary cut this cut that ....

But this is really a time to reengineer your process Team, product, strategy .... here are some of my thought process.

1. Find out process to reduce cost of production - and try to make your process more efficient
2. Find out new product and processes and also services which you can add on to your current line - without adding any thing significant to your cost - this will bring more revenue and increase the profitability .
3. You can cut many outsourcing cost and look in house for them - like Training, consultancy, auditing, call centre, website, marketing, advertising, facility management etc
4. ReNegotiate price with your service provider (logistic), contractor, outsourcing agents .
5. work out credit terms with your lender - try to reduce the cost of debt - negotiate better credit terms with the creditor
6. Better recovery of the funds from debtors
7. Find out sources for new capital - work out term for pref capital or some other form of capital which will infuse liquidity and and bring down cost of fund .
8. cut only FLAB you can find it if you will look it
9. reengage employee in terms of increasing their productivity, building more confidence in them, provide them with better training- in house of course (there would be lot of talent)
10. while it is necessary to cut wasteful expenditure - although it should be taken all the time not only when time are tough.
11. a profitable business would build reserve over a period of time - it would be prudent to look in to that if it could be used for building required capacity and expansion - instead of distributing it to shareholders.
12. At the last cutting cost like employee benefits like BONUSES and salary should start from top - but obviously this should be the time when you will reward best of your talent.
13. also this would be the time to fine tune your strategy and benchmark practices from across the industry .
- 14 Also as part of focus you can cut down on some of the activities or investment which may not be part of your core competency and efficiency

## A. 5

It takes a creative and determined individual to outlast a recession without financial difficulties. A professional with a full-time job needs to look outside of the regular workplace for sources of income during a recession. The unknown factor in earning money during a recession is whether you have the drive to work outside of the office. The 2 important things is to :

Cut the cost....salaries, purchase, machineries, rents etc.

Promote business...do high sells nd give good offers at the times when normally ppl get payouts so tht they can be motivated to buy.

Other than that few more precise things tht can be done are as under. You can get some extra bucks thru these ways :

- 1.Generate money through blogs, websites and other virtual outlets during a recession. You can select a blog topic that is neglected by other writers and place appropriate advertising on your main page to draw in passive funds.
  - 2.Hold a garage sale prior to a recession to earn extra money for your household. A focus on high-ticket items such as TV sets, DVD players and furniture can lead to higher profits to put in your savings account.
  - 3.Transfer funds from your stock portfolio into municipal bonds to earn money during a recession. You can track the success of high-value municipal bonds on websites like BondsOnline to determine whether the monthly and annual returns are right for your budget (see Resources below).
  - 4.Submit your credentials to a temporary recruiting firm as a way to earn money during a recession. You can take on daily and weekly projects through companies like That's Good HR to earn a paycheck while keeping your job history active during a recession (see Resources below).
  - 5.offer services like lawn care and maintenance work to your your neighbors to earn money during a recession. Research prices offered by contractors to quote lower prices for any skill areas such as carpentry and painting where you may have experience.
  - 6.Use your knowledge of state and federal tax laws to help neighbors figure out annual returns during a recession. This side business can be inexpensive with your only real expenses being tax return software, a calculator and a desk.
  - 7.Inquire about open positions at companies that experience steady business during a recession. Law firms that deal with bankruptcy and utility companies in need of account representatives are examples of industries that may require temporary workers in a poor economy.
  - 8.Express your creativity while using your natural skill set with a photography business out of your home. You can invest in cheap studio packages from Pro Studio Supply to take family photos and assist other artists as a second income for your family (see Resources below).
  - 9.Teach community members a new trade at learning annexes and schools in your neighborhood. Look for open teaching spaces like Bucketworks in Milwaukee, Wisconsin that allow teachers to keep a portion of registration fees in exchange for creative lessons on business and finance (see Resources below).
  - 10.Rent out office space and storage in your business during a recession to earn money. Speak with your partners and managers to work out rental rates that encourage small businesses to use your space. This monthly rent can help cut down your overhead costs and help other business owners earn money during a recession.
- Sell on Ebay  
eBay has always been known as a way to make some extra cash online, but there

are a few reasons why it might be especially helpful to you during a recession. In a recession, often people will begin to get rid of electronics, jewelry, and antiques that have been lying around, in order to make some extra money themselves.

This means an increase in the number of estate sales, yard sales, and auctions.

Within these sales, you can find some real treasures for literally pennies. There are always buyers on eBay, and you can sell those treasures for a steep profit to people from all around the world.

Setting up a seller's account is an easy step-by-step process, and you can be on your way to making extra money in a matter of minutes. Even if you don't want to sell on a regular basis, eBay is a great location to make money from items that you have lying around your own home.

**affiliate Marketing**

affiliate marketing is quickly becoming the "thing to do" online. Although the market is becoming saturated, there is still plenty of room to grow if you get in now, and a lot of money to be made. There are a wide variety of affiliate marketing companies that you can sign up with, and you can choose to market any type of product that you like.

Once you have chosen a product to market, and have your affiliate link, you can purchase a cheap domain and host your website on a server for about \$5-\$10 per month. Then, you can begin to utilize a skill called bum marketing. Bum marketing allows you to get the word out about the product you are marketing, but without any cost.

Write some quick product review articles with links to your product website, and post them to free article directories. Or, look up forums on a topic that is related to your product, and post regularly with a link to your product in your signature. Populate your product website with useful information and articles, and submit it to social bookmarking sites to drive traffic in.

You will earn a percentage of the profit from each sale you deliver for your chosen product, and you will not have to risk much money to get started with affiliate marketing.

**Buy local.**

If you're a fan of buying things on eBay from other countries because your dollar has just a bit more value for them, then maybe you should be rethinking your buying habits. Some countries might also feel the brunt of mighty America's toothache right now and see their currency's value fall against the dollar (so buying from them might be the cheaper route). However, some currencies might have a chance to fight back and it will be cheaper for you to get those goods locally. And why not support something of your own and be a patriot for once.

**Use your knowledge.**

Use your knowledge of state and federal tax laws to help neighbors figure out annual returns during a recession. This side business can be inexpensive with your only real expenses being tax return software, a calculator and a desk.

Hope these tips may help you grow better during difficult economic times !!

A. 6

Hi,

The first and foremost thing that every business must do in a difficult economic environment is to cut cost effectively. Cost cutting can be carried out by reducing work force and reducing prices. You must reduce prices with a long term outlook on your business. Price reduction is one way to improve volumes and customer base for every kind of business in a tougher environment.

You must choose the best of the marketing strategies and avoid those failed strategies to run the business for you, by doing this you might be able to improve sales and reduce some expenditure.

Promoting your business is very important step to do during these economic difficulties. You could see the success of promotional skill carried out by Sun TV for promoting a nothing in it film to reap huge profits in south india. Promotion is necessary especially for every business and mainly to Retail, Media, Telecommunication and Web-oriented business.

Cut aggressive expansion plans and spending that are very much riskier. High risk plans never pays in a weak economy and mostly fails. Many companies Like the Tata have taken huge risks like acquiring Corus, Jaguar without taking into consideration the longer term targets of these acquisitions and are now paying the price for it. Tata Motors acquisition of Jaguar a company with huge debt could even lead to failure of Tata Motors. So, everyone must avoid such mistakes of expansion during this bad economic environment.

Reduce wages, every business must make its employees to understand the economic environment that it is facing and be able to convince them to work for lower wages. Junk spending- spending on things that never gave any good returns. Larger companies must reduce luxury spending related to the work environment and employees to reduce expenditure. Companies must do this on longer term outlook of their business.

#### A. 7

Hi,

To become success in your business follow the following steps.

**Cultivate Inner Networks:** Entrepreneurs practicing the art of business success know the power of networks. They take the time to identify and build relationships with key peers, mentors, and advisors. This inner network provides support, direction, and an increased number of people to assist. Having an inner network of five people who have a network of five more, grows the network exponentially.

**Habit 2. Customer Centric:** Business success requires an unwavering commitment to the customer. This commitment encompasses a mindset of understanding the customers' world. Understanding the customers wants and needs provides the business with a greater opportunity to earn a loyal customer base. Focus away from business and profits, and toward what you can do to improve the life of your customers.

**Habit 3. Humble Honesty:** Business success requires the ability to know your strengths and weaknesses. Being open and honest about yourself and your business creates growth as an individual and as a company. Don't spend time developing weaknesses. Find help for weak areas, enabling you to focus on strengths. In the book, "Now, Discover Your Strengths", Gallup Organization reveals that building our strengths instead of fixing our weakness is the path to mastery and success. Take the time to know yourself and business.

**Habit 4. Adaptability:** Business success requires the ability to adapt to changing situations. Nothing ever goes as planned. The world of business is full of surprises and unforeseen events. Using the habit of adaptability allows business owners to respond to circumstances with the ability to change course and act without complete information. Being exible allows us to respond to changes without being paralyzed with fear and uncertainty.

**Habit 5. Opportunity Focused:** Problems are a regular part of business life. Stafi issues, customer misunderstandings, cash crunches- the list is endless. To achieve business success, look at both sides of the coin. Every problem has an opportunity.

Being opportunity focused makes the game of business fun and energizing.

Habit 6. Finding A Better Way: Productivity is the cornerstone of business success. Formulate the habit of finding a better way to make your business more productive. This will create more time to focus on the critical issues that drive sales and profit. Productivity can be enhanced by technology, automation, outsourcing, and improving business processes.

Habit 7. Balanced Lifestyle Management: A business can consume an owner's time and energy. It's easy to allow the business to take control of your life. Business success requires the habit of balancing all aspects of your life. Separating time for daily business tasks, profit driven tasks, and free time is a habit that will make your business and life more enjoyable. Take the time to plan each week.

Learning and instilling new habits in your daily business life can have a dramatic effect on your level of success. Review each of the 7 habits. Choose one habit to focus on for a month or until you achieve mastery. Gradually incorporate each of the 7 habits of business success into your life and attain your business dreams.

## A. 8

Having a superb product, soaring sales and stupendous customer service are undoubtedly some of the things which go into making a successful business. But all of this is irrelevant if you suffer a financial crisis. Without a sound stable financial position the slightest shock can be enough to send your business crashing to the ground.

This is an excellent question especially in a period where we are undergoing a recession. If it is a big business that won't be affecting them much as they are already established in their field. But not so, for the newly developing businesses.

You must keep records of your sales, your purchases, how much you have, how much raw material or finished goods you hold.

Without these records you will very quickly lose track of where you are. You won't know:

What you have spent your money on

You won't know where your cash is going

You won't know where all your stock is? has someone stolen it?

recession is a great time to start a business. It's also a time to seize opportunities as competitors retreat and retrench. But whether you're hatching a new business or scrambling to keep the one you already have afloat, bringing 3 things to your business will put you on the path to success.

Clarity { You must have complete clarity about your business goals, you must be perfectly clear about your ideal target market and you must be completely clear about how your product or service can benefit your client.

Certainty { You must be certain that you can achieve the goals that you are so clear about now. You must be confident that you can meet the needs of your ideal client and bring them the results they expect.

Focus { By focusing your attention and your energy on a desired outcome, your chances of achieving your goal become exponentially greater.

THE MOST IMPORTANT DEVICE USED BY MOST OF THE COMPANIES IS TO CUT DOWN THE COSTS BY WAY OF LAY OFF. Without laying off, a concern can follow the following ways:

. Have employees shorter work weeks at reduced pay. Cutting the work week from 5 days to 4 days will shrink payroll expenses by 20% (not counting benefits).

2. Encourage employees to take unpaid sabbaticals
3. offer buyout
4. Extend unpaid year-end breaks
5. offer { or even mandate { unpaid vacation time
6. Swap or loan out employees to other businesses that may need temporary project or seasonal help.

The hope is that these moves will help make an organization more cohesive and boost productivity by making employees more motivated and efficient. They can also help keep your best people on board, and make it easier to hire when conditions improve.

Apart from reducing costs, you need to optimize incoming cash and plan outgoing expenses.

Small businesses must manage credit control. It is not just about debt collection but efficient recovery: Look at your best customers and consider offering them discounts for early settlement. Plan the timing of incomings and outgoings so that cash is balanced as closely as possible.

Decrease your receivables and go aggressively to collect on those non-payers. You aren't losing a customer if that client isn't paying for your products or services.

Assess your inventory and plan how to turn them into cash if you cannot sell them. If you will need financing, consider alternative sources of financing instead of just commercial credit.

Now is the time to review your expenses and cut on unnecessary spending. Find deals everywhere { barter, negotiate, ask for a discount and don't pay for the full price. Run as lean as you can:

If you have the option to lease, lease instead of buying. You need to have cash now.

Negotiate new terms for property leases, offering longer terms at a reduced rate.

Reduce costs by doing many tasks electronically. For instance: Move routine communications to email or instant messaging; Bank online for both payments and receipts; Bill electronically.

At an operational level, scrutinize every expense or overhead line item, looking for areas of waste or opportunities to lower cost.

Consider allowing staff to telecommute to reduce office costs.

Reduce the amount of energy you consume by reviewing the times of day when air conditioning is used and switching to low energy lighting.

Reduce printed material and associated postage and take advantage of new technologies and electronic communications.

Consider the frequency of janitorial services. Does the office really need cleaning every night? Might staff at least partially fulfill that service?

Renegotiate bank service charges. Moving to electronic funds collection and disbursement should reduce costs. Right now, your bank will be more concerned with keeping your business and will be disposed to talking about fees.

Review all forms of advertising and consider alternative and creative methods of communicating your message.

Eliminate all un-necessary travel and ensure that travel costs are optimized. Work with travel agents to find the best business deals.

8. Market, market and market your business. Now is the time to pump up the marketing. Use guerrilla-marketing techniques to save on your resources and grow at a fraction of the cost. Find ways you can advertise your business without going bankrupt yourself. Find co-branding partners. And yes, market to your existing customers by giving top quality service so they can spread the word about your business.

Good luck!!!

A. 9

I will suggest you 3 steps for a successful business:-

1. Business cards are a must for every business and can be expensive depending on where you purchase them. Of course, there are generally alternatives to spending a lot of money.

You can create your own card or have a web developer design it for you. If funds are limited, I would suggest using a site like vistaprints. They will be able to create your look or brand for a reasonable amount of money and if money is a concern, they have a large selection of freebies.

However, be careful with the freebies. You get what you pay for. However, Vistaprints is a great and reliable company. You should be fine using their free products. But just know, the more money you spend, the better your product will look.

2. I suggest an 800, 866, 877 toll free number for your new business. You might say, have you lost your mind! That's going to be expensive, well it doesn't have to cost much at all. Our company pays about \$119.00 a year for our personalized toll free number. Check them out at RingCentral.com

This is an excellent tool for your business. It will give your company the appearance of being larger than you really. The site I'm going to recommend will have many features that will cause people to view you as one of the big boys or girls! Again, remember, the more money you spend the more features and perks you will receive. However, you don't need a lot of perks to start a business.

3. If you are starting a home-based business, it is not a good idea to use your home address. So have your team do research to see what it would cost to get a PO box. Depending on your business, have the team decide what size box would be suitable for your company's needs.

4. Do something! This is the hardest step of all. Everyone has dreams but 99.99% of them are unwilling to get off their couch and do anything about it. You could walk out in the street and shout your best business secret and everyone would go Wow, I could do that. Then they would get all excited, go home and talk about it for 15 minutes and eventually forget about it as time goes on, having never lifted a finger. Excuses for not getting started are as numerous as the stars in the sky. The only people that succeed are the ones that are willing to put in the time and effort to do so. You will have to get off your couch and put in the effort. No one is going to give you anything. You have to earn it.

5. The moment that you decide that you want to start a business start saving your receipts. Anything that you purchase, rent, spend on upgrades, add to your home, increase service on, etc might be deductible. If you go to the store to buy groceries and pick up a roll of tape to use in the office, circle it on your receipt when you get home and save it. This applies to everything you buy that you use in your business environment. Keep a log in your car to record mileage, even if it's a trip to the post office to buy stamps for your yers. You will be surprised how quick even small items add up and this habit will help you keep track of your true overall expenses.

6. Best friends or spouses do not necessarily make the best business partners. I have many friends that I would do anything for but I would not have them involved in my business. On the other hand, my wife is the most dependable person that I have ever worked with and I know that she will always hold up her end of the responsibilities.

7. Be there! Plan on being in your business. No one else will care about your business the way that you do. If you want anything done a certain way, then you will have to be there to assure that it is done that way. Very few small businesses succeed when the owner leaves the shop in the hands of others and spends all of his/her time attending to other projects.
8. Strings. If you are borrowing money for startup, make sure that you know all the strings that are attached. Banks will often want control over the way the money is spent and friends or relatives often want control of your life.
9. Your money. Your Ideas. It is your money that you are spending so spend it the way that you think would be of the most benefit to you. Many people have many ideas that they would love to share with you but you are the one taking all the risks. If they are so smart, why havent they gone into business on their own and made a million?
10. Get a computer!
11. The Internet. Having access to the internet is a good thing when it comes to both research and acquisition of products. It is the easiest way to find almost anything.
12. Politics and religion do not mix with business unless the business is political or religious in nature.
13. Too good to be true? Get rich quick schemes do work for the person that comes up with them and markets them. They almost never work for the people that buy them. If it were that easy, everyone would be rich.

#### A. 10

I believe first and foremost you should begin with cutting costs. You have to look what will be most beneficial for your company in the long term. You dont wanna cut too much because when the recession is over, and you are able to raise prices, people will begin to think why you were able to have them so low. You can reference specific tips at the following website:

[cutbusinessexpenses.com](http://cutbusinessexpenses.com)

t products and services are highest in demand? Which ones are the easiest to sell? Which one are the easist to make, acquire or provide. These are the products and services that you need to be promoting. If you offer products and services that are a pain in the neck to deliver, consider dropping them.

Also as far as your advertising see what is currently working best for you and what is not working...the areas that are more effective out more money into and cut down on the advertising that isnt really bringing in any revenue.

Economic recessions are the best time to analyze your business, give your website a face lift, work on that search engine optimization campaign and focus on the 20% of the things (clients and products & services) that deliver 80% of the good things in your life and business. Eliminate the 20% of the clients that product 80% of the headaches. Eliminate 20% of the products and services that cause you to work 80% of the time.

I also have a couple diferent websites for you to reference:

This one will show you how to make money from home..since you didn't give any specifics about your business:

[www.peiprofit.com](http://www.peiprofit.com)

This one explains how to market during a recession:

[www.smeal.ps](http://www.smeal.ps)

This is general business tips for during a recession:

[blogbusinessworld.blogspot.com/2007/04/business-ideas-recession.html](http://blogbusinessworld.blogspot.com/2007/04/business-ideas-recession.html)

And lastly try:

[www.entrepreneur.com](http://www.entrepreneur.com)

#### A. 11

Thinking as an economist, I can analyse the situation on the basis of the reason of this economic crisis. Well, all such economic crisis have their roots in inflation which are a result of imbalance in demand and supply.

So, to curb such situations, the best thing is decreasing demand by decreasing consumption. Here on the consumer point of view, it could be reducing spendings by reducing consumption while for business (small, large or medium), it can be done by reducing the explicit costs. Here are some tips which they can follow:

1. Cutting down on electricity consumption
2. Getting profits from economies of scale
3. Concentrating on producing non-luxury goods.

Apart from this the situation will have to be handled at government level and subsidies be given to industries to enable them cope up with this crisis.

#### A. 12

hi One of the challenges of being in business is surviving the tough times With so many businesses struggling and even failing, it might be surprising to find out that difficult times such as these can actually benefit your business. By pushing forward, growing your business, and utilizing the Internet, you can actually improve your business and come out stronger in the end. This phenomenon is due to several factors, including the fact that, during slow economic times, competitors are less active, and you can use marketing tools to capture their now-available market. Also, the Internet remains a powerful advertising tool, Planning for a downturn helps you to maximise opportunities and prepare your business to survive and thrive in all circumstances. Keep control of your cash Finance and funding for future success When times are hard, cash is king. Commentators suggest that the companies who emerged from the last recession as sector leaders typically had an average net debt-to-equity ratio of about half that of their less successful competitors before the downturn hit. The winners also held more cash on their balance sheet than the companies that were hit hardest. Clear Communication Managing Stakeholders for long-term success Managing your stakeholders effectively in challenging times is crucial to executing a winning strategy. Good communication is critical. Streamline Operations Managing operational capability for sustainable success Flexibility is critical in improving your operational position in a downturn. Now is probably not the time to save money by cutting back your marketing budget, but it is the time to make some hard-nosed decisions about what it is you are going to spend that money on. Leading for Success Leading your team to triumph through tougher times Anyone can manage a company through good times, but now, more than ever, its important to take the time to step back from your daily tasks and ask yourself whether youre equipped to lead your team to success through challenges and uncertainty. Managing in a downturn may be difficult for many of today's business leaders, who have built their careers through years of economic growth. Natural attrition may have removed experienced managers from your business. Be Prepared Prepping your business for peak performance in any scenario Nobody holds the crystal ball for the future. Clever companies plan ahead for any scenario. When a downturn threatens, businesses need to take decisive steps to understand the situation and what it means for their future survival. Planning for a downturn

maximises the opportunities available, enabling the best prepared businesses to come through the bad times reenergised and fit for the future. Seek the Opportunities Identifying possibilities for sustainable growth and success Economic downturns present opportunities for companies prepared to look. During the last recession, more than a fifth of companies in the lower quartile in their industries jumped to the upper quartile. Recessions reshuffle the decks more than boom times and research shows that gains made during challenging times tend to endure. The next tip is to focus your efforts where they will be most effective, which is spending time closing sales. When the telemarketing programs do their job effectively your team can spend the majority of their time making sales which means increased profits for you. properly training your employees to work with the highly qualified leads they receive from these lead generation companies. Proper training will help them make the most of these leads and sales will go through the roof regardless of what is happening in the economy. To increase profits during a recession is to treat your clients to outstanding service. Repeat business is a great deal more cost effective than continually finding new clients, so keeping your current clients satisfied should be your top priority. for business success in tough economic times is keeping a positive attitude. People have a tendency to create the exact amount of success they believe they will and your positive attitude will be reflected in your employees attitudes and achievements as well as your own.

#### A. 13

Hi, Six Business Tips for Success in Tough Economic Times: Have you been using a business to business prospecting company? Do you currently employ lead generation companies to allow your sales team to focus on selling? If you are curious as to whether your business can survive and even profit during a recession, this article is for you. This article will present six ways that your company can actually increase profits during a recession. The following are six ways your business can actually increase profits during a recession. Increasing the amount of money you spend on marketing your business, leveraging your time, changing your focus, giving your employees the right training, treating your clients to outstanding service and maintaining an optimistic outlook are all ways to increase your profits during a recession. Tip number one for keeping your business profitable in a down economy might seem odd at first, but increasing your marketing budget is vital in times like these. Untold business owners are guilty of the often fatal error of classifying their marketing expenditures as an expense rather than an investment and scaling down their efforts when increasing them would be the better move. Tip number two for keeping your business profitable in a down economy is to properly leverage your efforts by utilizing a business to business prospecting company that can carry out outbound telemarketing on behalf of your business. This will allow your staff to use their time more efficiently. The next tip is to focus your efforts where they will be most effective, which is spending time closing sales. When the telemarketing programs do their job effectively your team can spend the majority of their time making sales which means increased profits for you. The fourth tip involves properly training your employees to work with the highly qualified leads they receive from these lead generation companies. Proper training will help them make the most of these leads and sales will go through the roof regardless of what is happening in the economy. The fifth tip to increase profits during a recession is to treat your clients to outstanding service. Repeat business is a great deal more cost effective than continually finding new clients, so keeping your current clients satisfied should be your top priority. The sixth and final tip for business success in tough economic

times is keeping a positive attitude. People have a tendency to create the exact amount of success they believe they will and your positive attitude will be reflected in your employees attitudes and achievements as well as your own. Implementing the six ways listed above can help your business to increase profits during a recession. Business to business prospecting is one area to concentrate your marketing efforts in since this will make four of the six ways happen. Then all you have to worry about are the last two ways including treating your clients to outstanding service and maintaining an optimistic outlook.

## A. 14

When a downturn threatens, you need to take decisive steps to understand the situation and what it means for the future survival of your business.

Planning for a downturn helps you to maximise opportunities and prepare your business to survive and thrive in all circumstances.

Keep control of your cash

Finance and funding for future success

When times are hard, cash is king. Commentators suggest that the companies who emerged from the last recession as sector leaders typically had an average net debt-to-equity ratio of about half that of their less successful competitors before the downturn hit. The winners also held more cash on their balance sheet than the companies that were hit hardest.

Clear Communication

Managing Stakeholders for long-term success

Managing your stakeholders effectively in challenging times is crucial to executing a winning strategy. Good communication is critical.

Streamline Operations

Managing operational capability for sustainable success

Flexibility is critical in improving your operational position in a downturn. Now is probably not the time to save money by cutting back your marketing budget, but it is the time to make some hard-nosed decisions about what it is you are going to spend that money on.

Leading for Success

Leading your team to triumph through tougher times

Anyone can manage a company through good times, but now, more than ever, it's important to take the time to step back from your daily tasks and ask yourself whether you're equipped to lead your team to success through challenges and uncertainty. Managing in a downturn may be difficult for many of today's business leaders, who have built their careers through years of economic growth. Natural attrition may have removed experienced managers from your business.

Be Prepared

Prepping your business for peak performance in any scenario

Nobody holds the crystal ball for the future. Clever companies plan ahead for any scenario. When a downturn threatens, businesses need to take decisive steps to understand the situation and what it means for their future survival. Planning for a downturn maximises the opportunities available, enabling the best prepared businesses to come through the bad times reenergised and fit for the future.

Seek the Opportunities

Identifying possibilities for sustainable growth and success

Economic downturns present opportunities for companies prepared to look. During the last recession, more than a fifth of companies in the lower quartile in their industries jumped to the upper quartile. Recessions reshuffle the decks more than

boom times and research shows that gains made during challenging times tend to endure.

#### A. 15

Keys to Success during difficult Economic Times the Value of Internet Marketing  
With so many businesses struggling and even failing, it might be surprising to find out that difficult times such as these can actually benefit your business. By pushing forward, growing your business, and utilizing the Internet, you can actually improve your business and come out stronger in the end. This phenomenon is due to several factors, including the fact that, during slow economic times, competitors are less active, and you can use marketing tools to capture their now-available market. Also, the Internet remains a powerful advertising tool, and investing in a quality website can be a powerful way to build up your business. This is because a well made website is a gift that keeps on giving: it is self-sustaining, and its returns tend to increase over time. When you combine the effectiveness of Search Engine Marketing with the dedication of a professional website design firm, you can protect yourself against economic fluctuations and, in the end, improve your business. By combining Search Engine Optimization (SEO), Search Engine Marketing (SEM), target marketing, public relations services, stellar digital graphics, and website development experts dedicated to your cause, you can stand out from the competition, grab the attention of consumers, and use hard economic times for your benefit.

Hard economic times can be a well-disguised opportunity. Don't let it slip by! Consider investing in a website that will help protect your assets now and in the future.

[www.appealmedia.com](http://www.appealmedia.com)

Tough Tactics for Tough Times Great book to read to give you hints and tips on how to succeed.

[www.koganpage.com](http://www.koganpage.com) for more info on how to buy the book or you can go to amazon.

One of the challenges of being in business is surviving the tough times. This series of articles has strategies to help you manage and grow your business in an economic downturn. Included is information on streamlining operations, maintaining staff and customer confidence, managing finances and cash flow, and spotting opportunities. When a downturn threatens, you need to take decisive steps to understand the situation and what it means for the future survival of your business.

Planning for a downturn helps you to maximise opportunities and prepare your business to survive and thrive in all circumstances.

Keep control of your cash

Finance and funding for future success

When times are hard, cash is king. Commentators suggest that the companies who emerged from the last recession as sector leaders typically had an average net debt-to-equity ratio of about half that of their less successful competitors before the downturn hit. The winners also held more cash on their balance sheet than the companies that were hit hardest.

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spend that money on.

Leading for Success

Leading your team to triumph through tougher times

Anyone can manage a company through good times, but now, more than ever, it's important to take the time to step back from your daily tasks and ask yourself whether you're equipped to lead your team to success through challenges and uncertainty. Managing in a downturn may be difficult for many of today's business leaders, who have built their careers through years of economic growth. Natural attrition may have removed experienced managers from your business.

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Nobody holds the crystal ball for the future. Clever companies plan ahead for any scenario. When a downturn threatens, businesses need to take decisive steps to understand the situation and what it means for their future survival. Planning for a downturn maximises the opportunities available, enabling the best prepared businesses to come through the bad times reenergised and fit for the future.

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The following are six ways your business can actually increase profits during a recession. Increasing the amount of money you spend on marketing your business, leveraging your time, changing your focus, giving your employees the right training, treating your clients to outstanding service and maintaining an optimistic outlook are all ways to increase your profits during a recession.

Tip number one for keeping your business profitable in a down economy might seem odd at first, but increasing your marketing budget is vital in times like these. Untold business owners are guilty of the often fatal error of classifying their marketing expenditures as an expense rather than an investment and scaling down their efforts when increasing them would be the better move.

Tip number two for keeping your business profitable in a down economy is to properly leverage your efforts by utilizing a business to business prospecting company that can carry out outbound telemarketing on behalf of your business. This will allow your staff to use their time more efficiently.

The next tip is to focus your efforts where they will be most effective, which is spending time closing sales. When the telemarketing programs do their job effectively your team can spend the majority of their time making sales which means increased profits for you.

The fourth tip involves properly training your employees to work with the highly qualified leads they receive from these lead generation companies. Proper training will help them make the most of these leads and sales will go through the roof regardless of what is happening in the economy.

The fifth tip to increase profits during a recession is to treat your clients to outstanding service. Repeat business is a great deal more cost effective than continually finding new clients, so keeping your current clients satisfied should be your top priority.

The sixth and final tip for business success in tough economic times is keeping a positive attitude. People have a tendency to create the exact amount of success

they believe they will and your positive attitude will be reected in your employ

A. 16

Its a great question. On web search, I have found some suggestions by several experts which are as follows:

1. Review and position your business irrespective of the economy
2. Find ways to sustain your current profitability
3. Cost cutting cannot be the only solution when sales fall ofi
4. Keep your clients happy in tough times by excellent service
5. Increase prices to survive economic down fall
6. Review your economic situation thoroughly to avoid liquidity crisis
7. Activate sales department to sell like never before
8. Detach your staff from telesales to save them for more productive work
9. Take the active assistance of economic experts to price your products based on demand and supply to puch sales
10. Manage cash effectively to meet crisis
11. Remove obsolete techniques to reduce cost
- 12 Work out strategies to face competition
13. Avoid staffdissatisfaction.

If you need detailed facts, contact me on one-on-one query.

A. 17

Dear Anonymous,

Across the Globe many businesses are collapsing due to the recession. Giants like  
AIG and automobile industries are on the verge of collapsing. The best business tips  
for any type of business whether small or large are as follows:-

1. Cash is king- Manage It - if you're out of cash and out of credit, you're out of  
business. You need a good 13 week cash forecast, generated NOT from the income  
statement but from a detailed understanding of receipts and disbursements. Monitor  
trends in your cash ow to keep on top of any sticky situations.

2. Collect with passion:-

On a related point, manage receivables aggressively. Businesses are holding on to  
their cash longer than before, resulting in late payments. These late payments are  
having a ripple effect through the SME community. Receivables will trend up, and  
some of your customers may become troubled as well. Don't keep extending credit.

3. Don't depend on anyone:-

Keep a close eye on your suppliers, and have alternatives. In a downturn, some of  
your suppliers may become troubled as well, and you need to think about alternative  
sources for your critical inputs.

4. Cut your Expenses:- You can always cut more

expenses, you can't forecast revenue. Look for places to cut expenses. When times  
are good, companies tend to add staff and expenses that are nice to have, but not  
critical. It's time to take a fresh look at those.

Keep focus on core markets and spend money solely in those areas. Avoid putting  
cash and time into areas that have proven less profitable.

Many companies begin by cutting advertising / marketing budgets. This can be a  
mistake. Instead of cutting these budgets, review the methods you are using. Are  
there more cost effective routes to market? Does your current strategy bring in the  
right results? If not, rework your efforts to deliver the best possible results.

5. Talk to your lenders:-

If you have debt financing, stay in communication with your creditors. Don't wait until it's too late before speaking with your lender. When you are already in a crisis and haven't provided any warnings, situations may prove tricky. Maintain constant communication. It will help you should you ever need to renegotiate terms.

6. Business survives on the bottom line. Not the top line.

Don't worry about growing revenue. Worry about growing profit. Make sure you understand what drives profitability in your business. To spur demand, you may have to get creative with pricing and product offerings, and you don't want to put something out there that is actually unprofitable.

Consider diversifying to make the most of potential opportunities. Others' weaknesses and instability could work to your advantage. You never know - you may identify a new market.

A. 18

The first thing that any business should do in a difficult economic environment is to cut cost effectively. Cost cutting can be carried out by reducing work force and reducing prices. Prices must be reduced with a long term outlook on your business. Price reduction is one effective way to improve volumes and customer base for all kinds of business in a tough environment.

You must choose the best of marketing strategies and avoid the failed strategies to run the business, by doing this you might be able to improve sales and reduce some expenditure.

Promoting your business is a very important step to do in these economic difficulties. You can see the success of promotional skill carried out by Sun TV for promoting a nothing in it film to reap huge profits in south india. Promotion is necessary especially for every business and mainly to Retail, Media, Telecommunication and Web-oriented business.

Cut aggressive expansion plans and spending that are very risky. High risk plans never pays in a weak economy and mostly fails. Many companies Like the Tata have taken huge risks like acquiring Corus, Jaguar without taking into consideration the longer term targets of these acquisitions and are now paying the price for it. Tata Motors acquisition of Jaguar a company with huge debt could even lead to failure of Tata Motors. So, everyone must avoid such mistakes of expansion during this bad economic environment.

Junk spending- spending on things that never gave any good returns. Larger companies must reduce luxury spending related to the work environment and employees to reduce expenditure. Companies must do this on longer term outlook of the business.

A. 19

In today's world, weaknesses become tenfold and companies that are merely sustaining can fail. Yet despite a tough economy, some companies are thriving - even gaining market share. What are their secrets? How can you lead your business to success despite difficult economic times?

The two simple principles are 1) cutting cost of maintenance  
2) increasing production..

Maintenance cost can be cut down by | decreasing the number of employees, reducing the perks and other incentives, cutting the luxury expenditure, saving the power, traveling in ordinary or second class than in executive club, spending less amount on advertisements etc.

Increasing production can be achieved by looking for the machines that will help in

easy and effective production, maintaining good quality than competitors, effective advertisement and exporting the products etc..

By pushing forward, growing your business, and utilizing the Internet, you can actually improve your business and come out stronger in the end. This phenomenon is due to several factors, including the fact that, during slow economic times, competitors are less active, and you can use marketing tools to capture their now-available market. Also, the Internet remains a powerful advertising tool, and investing in a quality website can be a powerful way to build up your business. This is because a well made website is a gift that keeps on giving: it is self-sustaining, and its returns tend to increase over time. When you combine the effectiveness of Search Engine Marketing with the dedication of a professional website design firm, you can protect yourself against economic fluctuations and, in the end, improve your business.

Securing Your Future through Telemarketing Leads|||

Using A Prospecting Company To Increase Profits

#### 1. Adjust Your Attitude

The first thing for you to do as a leader is check your attitude. What are you thinking and feeling about the current state of your business? More importantly, what are you saying out loud to your team?

Renew and Refocus Your Sales efforts

Tough economic times are when you really need to refocus your sales efforts. Bringing in new patients and increasing revenue is a big factor in getting through difficult times. Positive cash flow solves many other problems.

Meet with your sales and marketing team. Look at how they are allocating their resources and applying their skills. There is plenty of evidence that proves the companies that increase their sales and marketing efforts during slow economic times reap a long term reward. Companies that cut back their sales and marketing efforts during a slow economy fall further behind their competitors.

Manage the Mix of Your Business

We've been hearing a lot lately from our clients who are working actively to manage the mix of their business. First, they are looking for opportunities to increase business from payers such as managed care or Medicaid who don't pay as well, and increase their mix from Medicare.

. Increase Communication with Your Team

Slow economic times require increased communication. You need to spend more time letting your team members know what is happening. You need to be encouraging them, supporting them, and cheering them on.

Measure Progress Monthly..

so we have to do a lot in these tough times..at the same time we must be physically and mentally fit to face all these challenges and to come out of this economic recession

A. 20

Though I am not having lengthy answer for this, I can suggest some of the tips I wish could be of some use for any Business to be in success in Difficult Economic Times.

First, owner should believe in himself that he is doing the business in the right way. He should believe that he is providing his services to the customers at the best level it can.

Secondly, When there is financial problem as in the times of recession it is better to manage your finance effectively. You should not invest in your business services more so that you can have funds available at hands when your business badly need it.

Thirdly, You should control your miscellaneous expenses as far as you can. Because the cut in your expenses will automatically improve your funds available to your business thus, improving your Financial Condition.

Fourthly, Believe in your clients, customers because they are the foundation for your business. Listen to them carefully and appreciate their suggestions timely, if they are in the interest of your firm. This will help to keep your customer relations intact. I think following above guidelines will definitely help any business to survive in difficult economic times.

#### A. 21

First action for this situation is: Planning and finding the areas to remove completely or partially to make unnecessary costs.

1. List out a various categories which are making the cost to company.
2. Find out the categories which can be avoided without affecting the business.

For ex,

Company is providing the pick up and drop facility for employess. 4 persons per one shuttle was planned. Two shuttle on different time(say, 1 hour gap) for a particular place. Change this into

- i) Increase the number of persons.
- ii) Reduce the number of vehicles.
- iii) Still number of persons are high means, just think which vehicle is better in terms of both capacity of place and rental rate.
3. Reduce or avoid completely project parties, Onsite Travel(If it is 100% necessary or no other alternatives to travel).
4. Some Large companies are spending much money to training programs to their employees. This also can be avoided or number of training programs can be reduced after discussing with the training department.
5. Companies can arrange "work from home" facilites to the persons whoever can work from home without affecting the work. So that company can reduce electirictiy, rental for office buildings, etc.

#### 6. Next Level

List out the employees in each department with their skill level and qualification.

Put the rate for each employee or put them under some categories.

- i) Say A means, High qualified, much experience, expertise in a particular area and also salary criteria.
- ii) At the starting level salary cut ofi can be applied.
- iii) Increasing the work time and work load may increase the revenue.

#### A. 22

hi

Tips for Business Success in difficult Economic

- \* Excellent customer service standards to build relationships; Superior product knowledge to remain competitive on levels other than price;
- \* Creatively and commercially planned merchandising;
- \* Cleverly coordinated marketing to minimise costs while maximising the stores profile;
- \* Understanding of business financials to impact results early; Setting and monitoring specific performance-related benchmarks;
- \* Realistically-planned sales budgets;
- \* Constantly striving to generate more sales; and

\* Rewarding high performing staff.  
[www.retailtimes.com](http://www.retailtimes.com)

#### A. 23

Before we go on to define tips, we should first understand the nature of small/medium/big company. Like what are the company's strength, weakness, threats, opportunities (called SWOT analysis). This will give us an idea about one of the greatest things to be pursued and that is: To attack the competitor (OR) to defend ourselves and save our company's market. Examples differ by this SWOT analysis.

1. IBM Large scale during the time of second world war knew that entire western region was under severe shortage of funds so they instead decided to directly take the contract with us army, why they took it? because they studied their firm and they knew they can manufacture in huge scale and that's how they survived the most crucial time in their company! { you can find the reference from "THINK" it is the book written by Thomas Watson Jr. you will find it in market.

#### A. 24

B. You may find yourself at your most weary and battle-scarred at the tail end of the bear market, when prices have stabilised to the downside and positive signs of growth or reform can be seen throughout the market. This is the time to shed your fear and start dipping your toes back into the markets, rotating your way back into sectors or industries that you had shied away from. Before jumping back to your old favorite stocks, look closely to see how well they navigated the downturn; make sure their end markets are still strong and that management is proving responsive to market events. Parting thoughts Bear markets are inevitable, but so are their recoveries. If you have to suffer through the misfortune of investing through one, give yourself the gift of learning everything you can about the markets, as well as your own temperament, biases and strengths. It will pay off down the road, because another bear market is always on the horizon. Don't be afraid to chart your own course, despite what the mass media outlets say. Most of them are in the business of telling you how things are today, but investors have time frames of 5, 15 or even 50 years from now, and how they finish the race is much more important than the day-to-day machinations of the market.... resources: [www.jobsbroadway.com](http://www.jobsbroadway.com)

#### A. 25

I don't think specific examples and sources are required. In the difficult times, one should follow:

1. Hard work: Customer service and satisfaction must be ensured, even if it requires 24 hours stress;
2. Less greedy: Sell the product or service at the most competitive rates, even if it results in less profit;
3. Collection / recovery: Should be very prompt. In case of first default itself caution be observed, even if it results in loss of a customer or two;
4. Integrity: Should be above board. In case of difficulties meet the Banker and apprise him; one should not go for high cost market borrowing.
5. Finally with discipline at work, devotion at home [praying Gods] is one extra step.

Courage means facing the difficulties without worry with high maturity. All the best!

A. 26

Hello

For nay industry to be successful , there are following things to be taken care of :

- 1- Quality of products
- 2- Advertising
- 3- Genuine pricing
- 4- Good marketing

Since the time is difficult therefore , for point no 2 if it is not possible to advertise heavily the most effective and cheapest mode is distributing handbills , classified and internet advertisements.

It is also necessary to maintain rotation .

arun rana

A. 27

Depending on your business things have to worked out using less resources, online worksheets instead of paper and man power etc. There are few things that I read from the site so please see through.....

1. Be open to recreating yourself
2. Spend time with other like minded souls.
3. Marketing ability is one of the most important must-have massage business skills in any economy.
4. Stay focused on the present
5. Your mind is your best asset to your business.