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In unpredictable economic times, no set formula can bail businesses out

By Ed Brenegar
REAL LIFE LEADERSHIP

Question: How do we plan for the long term when our business is in the middle of an economic downturn?

Answer: A decade ago, long-range planning was done by formula. It was a predictable process that produced a plan that was often ignored as businesses continued to do what they had always done. Long-range planning was a smokescreen for avoiding change.

Today, planning must be different. If you are not prepared to be surprised, you are not prepared for the changes that are coming. For example, did you see this economic downturn coming? Were you prepared for it?

A good long-range plan should prepare you to adapt to a wide range of circumstances. Since you don't know what's coming, your business must be agile. An economic downturn is a changed circumstance that provides an advantage to someone. Is there an opportunity you can take advantage of today? To be an adaptive, agile, long-range planner, you have to admit that you cannot control each day's changing circumstances. You can only adapt and take advantage of them.

It can be difficult to understand the speed with which change occurs. The pace of business has shifted from a question of years to a question of months, from months to weeks, from weeks to days and from days to hours. As the pace of the decision-to-action sequence accelerates, the experience of time is becoming more random and chaotic, less predictable and controllable. Technology makes it possible for us to do more work with more people in more places across the globe in a shorter period of time. No wonder many of us are living 24/7 lives.

This is the context that makes an economic downturn more difficult to manage.

It also requires developing two important tools for maintaining perspective and making decisions.

First, you must have a clear idea of what your business is. This is not a picture of your business' activities, but rather a vision for the impact of your business' activities.

Second, your company's values must guide your interactions with people. These values impact your ability to adapt to the opportunities that come with change.

Long-range planning during an economic downturn is learning to see the opportunities in changing circumstances. Planning is an ongoing conversational process to take advantage of those opportunities. Once you see them, act on them quickly and decisively. To plan is to adapt to change. Do this every day.

This is the opinion of Ed Brenegar, president of the Community of Leadership, a leadership development and transition planning consultancy. He writes the Leading Questions blog at <http://edbrenegar.typepad.com>. Send questions to him at ed@edbrenegar.com.
