



WENTWORTH 1

Leadership, Teamwork and Self-awareness

VIEWPOINT

Spending in a Downturn

A lot of people are asking us how the downturn and looming recession are hitting our business. At the moment there is little effect, but the question is perhaps better answered in mid-2009. However, I would be very surprised if it had a significant effect because over the 30 years of our existence, we have never been hit by any downturn in the economy.

Why not? Well I think there are a number of factors, and one obvious one is the attitude of the companies that we work for. I first came across this more than 20 years ago, working for an industrial chemical firm in Manchester. They had started to use us a couple of years before and had plans to roll out a number of programmes in all the key areas of the business with the ultimate aim of changing the culture of the organisation. Their business had been hit by a downturn and they decided to make significant redundancies. The unions were involved and there were many delicate discussions, and a lot of pain because people at all levels were losing their jobs. In the midst of all this, they continued doing the planned work with us! It was a contentious decision, and certainly caused some strong feelings as people observed money being spent on expensive management training whilst people were losing their jobs.

The attitude of the management team was the crucial factor - their view was that the business would struggle even in an upturn unless it changed, and the best time to change was now. They were courageous enough to stick with it against a lot of resentment, working in the midst of a crisis to improve their leadership and teamwork skills for the future.

I have seen this attitude mirrored many times over the years in different organisations and different industries. Indeed right now, one of our worst hit customers is still budgeting for development activities next year.

Another key factor influencing this phenomenon is that what we do works! The benefit people get has an obvious positive effect on the business, and the investment in development is not seen as a luxury to dispense with in hard times, but an integral part of good business performance. Most of our customers are leaders in their fields (sometimes getting there with our help) and they know that to stay on top you have to keep working on the organisations health*. As a human body responds better to stress and challenge when it is fit and healthy, so it is for organisations and teams.

The only real exception I've seen to this trend is when a new CEO comes in with a totally different belief system. That happened to us once and we were out of the door very quickly (and most of the management team left within six months).

So, will next year be different? We'll see.

*For more on "health" go to "healthy/unhealthy" teams at <http://www.wentworthconsultants.com/dontuseus.php>

- AS/Oct 08

UPCOMING WENTWORTH 1 COURSE DATES

30 Nov - 5 Dec 2008 (1 place left)

8 - 13 March 2009

7 - 12 June 2009