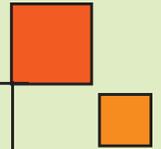




Human Resource Solutions

aligning people assets with corporate goals



Special Report

Recession: A Massive Opportunity to Grow

This historic recession has had a dramatic impact on businesses across all industries. Individually, we cannot change the economic climate. However, we can control how we react to the waves that appear to be crashing all around us.

It's easy to get caught up in all the negative news. Reactions range from reducing marketing budgets to slashing headcount. But what if you took this opportunity to move forward when no one else was looking? Imagine all the possibilities.

This can be done, if you are willing to take a look back while moving forward.

From Studying History to Making History

Let's take a look back at what happened during the last recession, as history repeats itself. During the 2000-2001 meltdown, companies like Google and Amazon actually gained market share. These companies resisted the temptation to retreat and wait for recovery. Instead, they remained focused on their long-term growth strategies. The results speak for themselves.

Both organizations are using this same strategy today. They remain on course. Google is using its own data to analyze search activity. They know exactly where people are searching and unlike consumer product companies like Proctor and Gamble, they don't have to wait until last quarter's sales figures to adjust their strategy. Google uses this information to improve search results in real-time. This enables them to draw more ad-

vertisers to search advertising, while increasing the bidding for search terms. The end result being increased revenue.

In a time when others are pulling back, Google is pushing forward with their newly formed Google Ventures. This group will invest and help young companies grow from start-ups to household names. Their mission statement is simple. "We're out to build great companies, period." Google is doing this at a time when few are investing in start-ups. This will allow them to skim off those cream of the crop opportunities that are out there. They will also have top resources ready and willing to help their entrepreneurs move into the spotlight, as these resources have fewer demands competing for their time right now.

Key Lessons:

- **Remain on course**
- **Invest, while others are waiting on the side lines**



amazon.com™



While storefronts remain vacant on Main Street, Amazon remains focused on positioning itself to become the Internet's biggest store. In a recent announcement, Amazon reported an amazing 24% jump in profits for the first quarter of 2009. They didn't ac-

complish this by standing still. Instead, they are continually adding outside merchants to their site.

If that weren't enough, Amazon bet heavily on Kindle, an electronic book reader. The updated Kindle, which came out in February exceeded the optimistic expectations of Amazon itself. Most organizations would stop there; but not Amazon. Three months later, they've introduced the new Kindle DX, which is getting rave reviews. One can only imagine what they will be coming up with next.

Key Lessons:

- *Stay focused*
- *Innovation is a lot more fun (and profitable) than complacency*

Small Companies with Big Success Stories:

Growth during a recession is not limited to the big guys. There are many stories about small businesses thriving in times of recession. Here are a few, along with lessons businesses of all sizes can benefit from:

Great Divide Brewing Company, Denver Colorado



The economy may be in the tank, but Denver-based Great Divide Brewing Company is still barreling along. Sales were up 9% in 2008 and Brian Dunn, founder and president is predicting another growth year for 2009. Dunn provides lovers of craft beer a quality product that they are willing to pay a little bit extra for. "It's an affordable luxury," says Dunn. The company plans on rolling out eight new beers this year. Dunn knows that he has to grow in order to stay in the game.

Key Lesson

- *No time like the present to capture more market share*

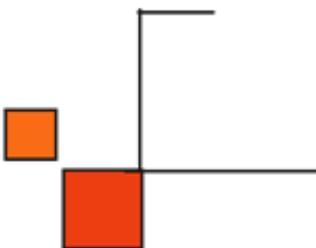
Bogdan Reels, New Ipswich, New Hampshire

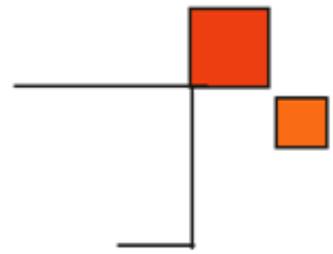


Membership has its privileges. The exclusive club of those who own hand-made fly-fishing rods from Bogdan Reels of New Ipswich, N.H. don't bother asking how much this product will cost. They are just happy to make it onto the waiting list for this prestigious sporting item. The owners of this business, Stanley and Steven Bogdan are navigating this recession like they have navigated the last seven recessions. They are staying small and doing things their own way.

Key Lessons:

- *Control quality*
- *Price is not an issue when you have a strong brand*





Vanilla Bicycles, Portland, Oregon

Even in this economy, people are willing to pay upwards of \$12,000 for a hand-made bicycle crafted by Sacha White, owner of Vanilla Bicycles of Portland, Oregon. Almost all of Sacha White's bikes are sold to middle-class customers. White spends hours taking biker's measurements in various positions to determine the design of the frame. White could ramp up production to reduce the five-year waiting list, but resists doing so because he knows that if he sacrificed what makes Vanilla Bicycles special his customers would go elsewhere.

Key Lesson:

- *Know what makes you unique to your client and customers*

Small Business Growth

Small companies have a greater opportunity to grow while no one is looking. Here is why:

Small businesses are more nimble - You can scale up or down without going through 15 layers of approval to do what should have been done yesterday.

Mistakes don't make headlines – Suppose you add a new service line to your business, which turns out to be a mistake. It's doubtful you will read about this on the front page of the business section of the Wall Street Journal. This frees you up to take more risk.

Long shots – In many situations, your larger competitors may not know you exist or, if they do, they may not see you as a contender. As this year's Kentucky Derby winner Mine That Bird knows, it's anyone's game. However, you must be in the race in order to win.

Lean is in – How easily we forget that being lean works in any economy. When times are good, we don't watch our waistlines. However, this is exactly what we should be doing in good times and in times of recession.

Tightening belts pushes organizations to do more with less, which grows the bottom line.





Roberta Chinsky Matuson is a thought leader and an internationally-recognized expert and speaker on leadership, talent acquisition, employee engagement and retention and creating intergenerational harmony at work. She is President of Human Resource Solutions (www.yourhrexpert.com), a firm that provides consulting and training to help organizations align their people assets with their business goals and capitalize on the unique generational perspectives of their workforce.

Roberta publishes a monthly newsletter "HR Matters" www.yourhrexpert.com/hrjoin.cgi which is jammed with resources, articles and tips to help companies navigate through sticky and complicated HR workforce issues. She can be reached at 413-582-1840 or Roberta@yourhrexpert.com.

Five Reasons Why Now is the Time to Move Forward to Grow Your Business

1. **Availability of Talent** – There is a great supply of talent available for the taking. This is the perfect time to trade “B players” for those “A players” that can help you navigate through this storm. If you wait until signs of a recovery are on the horizon, you might miss your chance.
2. **Rebuilding Trust** – Trust has taken a huge hit in this economy as employers have slashed their workforces. It will take years to rebuild trust and employee engagement. Start today, so that you can begin to establish a workplace based on respect and commitment to a shared vision. Fail to do this and people will flee your workplace at the first signs of a recovery.
3. **People Remember** – People still remember the customer service they received 10 years ago, especially if it was poor. In today’s economic climate, they are also sharing tales when they have had an exceptional customer service experience, most likely because it is a rare event. Which side of the coin do you want to be on? This is the time to invest in training and development, especially for those people who have direct contact with your customers. No ifs, ands or buts! You want your company to be remembered, but for the right reasons.
4. **Ready-Aim-Go!** – You know how long it takes to find quality people and to assimilate them into the organization. Now imagine how much longer it will take if you don’t have a plan ready to go when you get the green light to hire again. This is the perfect time to work on your workforce strategy. Specifically, creating your employment brand, improving your people processes, including performance management, and putting together an onboarding program to reduce the amount of time it takes for new hires to become productive. And while you are at it, don’t forget to work on your leadership training program to ensure newly minted managers know exactly what they need to do to get the results that you expect.
5. **Be bold** – Make that acquisition. Bring in the outside help you need to ensure a smooth transition. When you look back 10 years from now, you’ll be glad you did.

Human Resource Solutions – Roberta Chinsky Matuson

88 Maple Ridge Road
Northampton, MA 01062
413.582.1840

Fax: 413.582.7111

141 Beaconsfield Rd, Suite 5
Brookline, MA 02445
617.566.8978

Roberta@yourhrexpert.com

