



# Resisting the “Down Economy” Bandwagon

By: Patrick Lencioni

**I**t seems like we’ve been preparing for this current recession for the past two or three years, constantly predicting it and staving it off as long as we could, all the while listening to the media tell us that it was just around the corner. And now that it’s here, we’re witnessing a new media-inspired cottage industry building up around the “down economy” and the bad times that are upon us and that lie ahead.

Every news story seems to have the addendum “in a bad economy” attached to it. I suspect that soon there will be a new “Recession Barbie” doll on toy store shelves, complete with a frown on her face and a copy of the job listings from the newspaper in her hands.

Well, so far I’ve resisted jumping onto the “down economy” bandwagon, not wanting to contribute to any self-fulfilling prophecy or culture of victimization that can make a bad situation worse. But after numerous requests, I’ve agreed to share my own perspectives about how leaders can survive and even thrive during difficult times.

## Ask the Tough Questions

The first thing we have to do is ask ourselves a fundamental question: “Do we believe things will get better?” If we don’t, if we believe this is the definitive end to any upside in the economy and that it’s all downhill from here, then I’m afraid I have no good advice. Aside from moving somewhere that does have an economic upside.

But most of us would admit that this, too, will rebound. Maybe not the same way it has in the past. After all, there are some fundamental problems that we haven’t yet faced. But even in the absence of that, there is a good chance that we will experience an economic upturn sometime in the not-too-too-distant future. And if that is the case, our call to action is clear: use this time to invest in your organization’s future, especially when the investment is not a financial one.

## Invest in the Future

The best place for an investment right now is in the general health of an organization. I’m talking mostly about improving the functioning of the executive team, and their clarification of and recommitment to the organization’s values and purpose. Doing this will require a little time and energy, but very little money. And it will yield significant returns now, and even more when the economy rebounds. How?

A wise executive team will take this opportunity during slow times to build greater trust and behavioral cohesiveness. This will benefit the organization by minimizing politics and infighting, that are common during difficult times,





and it will allow the team to make better decisions about which programs and employees need to be retained and which shouldn't. All of this will allow the organization to emerge stronger than ever when the economy turns around, and with a meaningful advantage over competitors.

That's because most of those competitors will probably flail during down times, frantically searching for a tactical way to swim upstream and defy the current, leading to even more frustration and angst than is necessary. In the end, they'll simply be more weary and scarred and unprepared.

## Clean House

Leaders need to start by ensuring they have hired people who are capable of being strong team players. Team members should fit the company's culture, be committed to the collective goals of the team and be capable of being genuinely vulnerable and selfless. Front-load the team-building process by scheduling a meaningful offsite. When a team takes time out from the daily distractions and interruptions to assess themselves and their behaviors as a team, they can achieve greater cohesiveness in a relatively short time. For continued success, teamwork needs to be an ongoing priority and not just a slogan.

Of course, like so much of the advice that people are repositioning these days for a "down economy," none of this is really new. Even during good times leaders should be investing in the health of their teams. But with so many shiny opportunities in front of them, they often fail to slow down and do what is best for the long-term. Now that there are fewer and fewer of those shiny opportunities, there is no good excuse. –And that, may turn out to be a good thing.