The path to recovery
What each of us can do to restart the economic engine

By Faisal Naveed

Pick up any newspaper, magazine or even a social tabloid and you can get an earful of how the slowing economy and the worst recession in decades is impacting companies, business owners and employees across the world. The doom-and-gloom picture that’s painted by the media and fueled by our inner fears makes it harder than ever to have an upbeat outlook on things. But believe it or not, there is a positive side to all this chaos.

Economic recessions are cyclic, and they tend to serve the same function in business that geological and environmental events serve in nature. Just like a forest fire thins out overgrown vegetation and creates fuel and fertile ground for new growth, an economic recession can make businesses more efficient and effective as they come out of it. A recessionary economy, as it forces companies, business owners and managers to rethink their strategy, helps uncover profit opportunities that are often overlooked due to the abundance of resources when things are on the up and up.

Let’s face it. When the top line revenue is growing, we tend to spend less time thinking about the actual return on investment from a new marketing campaign or evaluating the decision of hiring a new employee versus cross-training a current team member to keep the costs in check.

All across the country, smart managers are using the recession to become more efficient and find new opportunities. Companies are loaning employees to other businesses to keep their payroll costs balanced without losing skilled staff members to layoffs. High-end retailers such as Neiman Marcus are diversifying their product lines to attract new customers that have traditionally shopped at other stores. Some expensive restaurants are introducing new lunch menus to bring in the clientele they once ignored, now accounting for as much as 40 percent of their lunch business.

Lately, there has been way too much emphasis on the role of government to help put the economy back on a solid footing. Most of us are guilty of having a victim mindset, wanting to be rescued, when in fact the solution lies within us. What we need desperately is not a political bailout but a change at the business and psychological level to help move things in the right direction.

At a time like this, it is our social and business responsibility to be the agents of change and a positive reinforcement in the lives of people around us. I can’t help but think of the following story in the context of our current situation:

During a walk, a man was seen wandering through the waves on the sand. Every now and then he would pick up a starfish and toss it back into the ocean. An observer asked the man why. He said, “The tide is going out; if I do not throw them in, they will die.” The observer looked around and said, “There are so many starfish lying on the beach; you cannot possibly make a difference.” Bending over and picking up another starfish, the man stated, “It made a difference for that one.”

If we all pick up one starfish and throw it into the ocean, an enormous social, psychological and economic change will occur, putting us back on the path of economic growth. For some of us, that starfish may be going out and buying that new laptop for our son or daughter; for others it may be creating a new bonus opportunity for that employee who has been working so hard for months.

In a time like this, it is more important than ever to stay positive and confident about the future. The lessons learned during the difficult times will only help us create better, more profitable and financially viable businesses tomorrow.