



## VIEW FROM THE TOP

Is it possible to 'recession-proof' a business operation?

Steve Wilson, CEO, Invigor8tion

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Given the state of the current economic climate, now is an excellent opportunity for companies to adapt and 'recession proof' their business. Top executives are responding by launching more business performance management programs and spending more on them, with initiatives primarily driven by the quest for operational efficiency and the need to reduce costs.

More than a case of merely watching the bottom line, 'recession proofing' a business reaches far deeper into the organization as a whole to include business processes as well as employees and customers. Leaders need to instill the ability to re-energize, re-think and re-focus the business, using realistic targets. Areas to be addressed include remaining customer focused, believing in your employees, diversifying business activities and intensifying marketing.

**Private equity houses have been a tremendous driving force in business investment over recent years but indications are that the volume of highly leveraged PE backed Mergers & Acquisitions is declining. In your view is there still good potential for the PE sector?**

The current economic climate is worrying to anyone in business. That said, I believe it also provides many opportunities. PE houses, however, will have to be more diligent when looking at potential investment and certainly will not over-pay for an acquisition.


They will have to work a lot harder to get a return on their investment, as automatic growth potential can no longer be assured. As such, incorporating top level and efficient management of the acquired organizations will be critical in making them leaner and fitter.

**In the UK, government is accused of strangling business with red tape and 'gold-plating' EU directives. In your view are companies over-regulated?**

There is a fine line that needs to be drawn between regulation and 'red tape'. On the one hand, without guidelines for business imposed by governments, there is room for 'cowboys' to operate and ride over those legitimate business people, turning the business world into a free for all. On the other hand, regulations and directives should not stifle budding entrepreneurs, but should encourage them to see the benefits of entering a sensibly regulated business world.

**Climate change is a topic that sparks fierce debate, not just between those who accept it as fact and those for whom the jury is still out, but also those who point to the unintended consequences of well-intentioned initiatives. What is your view regarding the reaction from business to the issue of climate change?**





It seems there is a cross over point in the whole debate. The issue is no longer whether climate change is occurring but what we as responsible business people need to do about it and when. Some companies, however, are paying lip service to being environmentally responsible at the moment, rather than making it a reality, but it is my belief that even these companies will transform climate care initiatives from merely marketing messages to reality.

Carbon trading in particular will force the issue of climate change into the boardroom. Carbon will effectively become another trading currency. This currency can only increase in power as the issue gains momentum, forcing businesses to discuss climate change and put plans in place in order to maintain their financial stability.

Whereas it is true that many companies are striving to create a commercial edge in this area, I believe the solution can only be found with the combination of government, large companies already in the environment business and the wider business community committing to the future.

**'People are our greatest asset' is an often-quoted maxim, but how do you ensure that you get the best from the workforces - for the benefit of employees and the companies themselves?**

Getting the most out of your team day in, day out can be one of the greatest challenges facing leaders. There are many qualities a good leader needs in order to help their team reach its full potential.

Leaders must have a clear purpose that drives their ambition and which should be relayed to the rest of the organization through clear patterns of communication. This purpose should be delivered through a series of motivational visions. Within each vision, clear, actionable steps or missions should be set out and communicated to the team. Teams need to feel empowered by having the flexibility to accomplish the missions in the most appropriate way they can.

Perhaps most importantly, however, leaders need to have a transparent and infectious enthusiasm for their work. They need to show strong self-belief and energy - stretching their own capabilities and those of their team. They should celebrate successes and build on them. Leaders should also use this energy to inject an element of fun into the day-to-day running of the business, creating a dynamic and positive working environment.

**What one piece of advice would you give CEOs for the year ahead?**

Stay focused! Even if there is a need to revisit and adapt priorities, they should remain focused on their direction and vision.

The challenge in operating in times of economic uncertainty may divert them from their original goal. By focusing on the overall vision you hold, and that the organization lives by, seeking out appropriate opportunities and discarding others, you will be ready to weather the economic storm and bring your company out at the other end fitter and leaner.

