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Now is the time to restructure organization for the recovery

Most of us are growing weary of reading about the recession, unstable capital markets, layoffs and resulting high unemployment, and the disastrous loss of wealth.

We try to vet what the politicians and economists prognosticate about a recovery. When will it begin?

When will we see increased employment and renewed consumer confidence?

No one really knows the answers to these questions. What we do know is that now is a wonderful opportunity for leaders to focus on preparing organizations for the recovery.

Here are some key initiatives to consider.

- **Upgrade your team:** Many organizations have had significant layoffs. This right-sizing is only one step. To position for the recovery, take the opportunity to improve the caliber of your team. Evaluate every position and every person. Conduct appropriate research to understand what talent is available in the areas where you have need and can improve your team. Recruit the best people you can in the right positions to further the company's mission and develop and execute new strategies. Reconstruct your team so that your organization can succeed in



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the current environment, and at the same time prepare for the opportunities that will be available during the recovery. Pay appropriate compensation, and eliminate legacy rich compensation structures by adjusting compensation models to the new market realities.

- **Clean up your balance sheet and cost structure:** Consider action items such as converting internal debt to equity, settling old payables, writing off uncollectible assets and simplifying capital structures. These should be implemented only if they do not exacerbate or create additional issues with lenders and investors. Continue to refine your cost structure. Assess every budget line item with caution but also with an eye to the recovery. Understand where money needs to be spent today to position your organization to take advantage of the opportunities that await. Lenders and investors will adopt new standards, so anticipate what those might be and make necessary adjustments.

- **Improve your technology:** Take advantage of a lull in activity to reassess and upgrade your technology. Make sure that your team has all of the technology tools necessary to compete in a recovery. See that you have the best tools available in your industry for communicating with your customers and measuring performance. Stay on top of recent advances and adopt and implement upgrades.

- **Search for unique opportunities:** Your market has changed and will con-

tinue to do so as the cycle turns. New markets and new industries are being created. New sources of financing will become available. Understanding the socio-political landscape and how it will impact economic opportunity in your industry is crucial to succeeding in the recovery. Try to identify what unique opportunities this presents to your company. Explore how you can position your organization to exploit these changes. Be creative in your thinking and build new and unique offerings for your customers.

- **Refresh your brand:** During the recent period of economic prosperity, many companies focused on growth and profitability while their brand may have warped and withered. Take a critical look at your brand, from your culture and your people, to your sales and marketing strategies to your marketing materials. Rethink tactics. Understand what your customer wants today and will want tomorrow and refresh your brand responsively.

Now is the time, as a leader, to drive an introspective look at your organization. It's time for positive and creative change in areas that can impact your company's future. It's time to explore the unique opportunities that will exist and design offerings — and your company — to successfully market into those opportunities.

BILL BOYAR is chairman of law firm Boyar & Miller in Houston.