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In the 'New Normal,' look ahead, not back, to find opportunities

The business landscape as we knew it is gone and all of us have been affected at some level. Many industries are remaking themselves or disappearing entirely.

Some experts claim it's not a recession we're in but, rather, an economic "compression" — the painful process of reconciling an economy built on perceived value with its actual value.

As the economic upheavals continue, many people are wearing blinders, waiting for the storm to pass and life to return to normal. The reality is that they may have a very long wait. The "normal" of a year ago is not coming back. What we are experiencing is not merely another turn of the business cycle, but an entire restructuring of our economic order.

The landscape that emerges after this storm will be vastly different from anything we have experienced. But for those who see opportunity through the haze, the future is rich with new possibilities.

Welcome to the "New Normal."

To the astute observer, it's becoming quite clear that the current downturn is fundamentally different from earlier recessions. In key sectors — manufacturing, financial services and retail — layoffs have accelerated so quickly as to suggest that many companies are not just "rightsizing," but abandoning whole areas of business.

If we look back at America's recessions, starting before the Civil War, we can see the boom-and-bust cycle at work. Recessions have always been followed by periods of expansion and major change in our economic and industrial systems.

The sooner we recognize that this downturn is the precursor to another seismic shift in our economy and society, the quicker we can shift from a doom-and-gloom mindset to being excited about new growth and

ready to embrace the next era of re-invention.

In many ways, managing through the loss of our current economic and industrial foundations is not unlike the classic five stages of grief — denial and isolation, anger, bargaining, depression and finally, acceptance.



STRATEGIES
Gwen Martin

Hopefully, as most of us move beyond the first stages of denial and are closer to acceptance, our outlook will move toward the horizon and we will begin to visualize a New Normal.

Through our cumulative imagination, we will start to envision the industries, the positions and the new services that will emerge as part of our new economy and help to define the New Normal.

For those who are ahead of the curve, imagine what the opportunities could be in these real examples of the business landscape in a post-recession world:

- Newspapers are vanishing almost before our eyes, replaced by digital delivery of news and information.

- Retail will shrink, consolidate and morph from large-scale brick-and-mortar stores to a search-and-buy economy.

- Business travel will be hit hard and replaced by more efficient and less costly communications thanks to technology advances.

- America may no longer be in the auto industry, if the industry survives in some form, there will be a graveyard of unneeded auto factories.

Many forward-facing leaders are already beginning discussions about what the new

landscape will be. Some are saying "green" and "lean" will emerge as cornerstones. Others are theorizing on how massive events of late are fundamentally changing the psyche of the consumer, driving entire shifts in how industries position products and reach buyers. Still others are looking at the Internet and the disintermediation it is causing on entire industries — retail and news to name just two.

But what defines visionaries in uncertain times is a universal sense of optimism and a relentless search for opportunity:

- They do not focus on the current problem, but on new solutions.

- Their view is one of long-term growth, not short-term survivability.

- They identify and exploit changing dynamics in the marketplace.

- They see who is buying, what their priorities are, what needs they can satisfy now and where the buying loyalties lie.

- They see downturns as an opportunity to "de-clutter," re-evaluate and re-focus their strategy.

- Finally, they accept that "boom and bust" is a natural cycle and an opportunity to build capacity and resilience to face the next downturn. They use these down times to aggressively position, or reposition, themselves for the inevitable upturn.

Progress is painful when you focus on what's changed.

If you've felt loss and frustration in this economic time, try to get to the acceptance stage and get excited about the New Normal.

Gwen Martin is managing partner of NumberWorks, a Salo company specializing in staff-level accounting and finance contract employment. She can be reached at (612) 230-7100 or ideas@numberworksllc.com.