



MARCH 2009 - LEADERSHIP LETTER (36)

WHEN THE GOING GETS TOUGH, THE TOUGH GET GOING!

Dear clients, colleagues and friends:

Once again, this month's letter has been prompted by several client CEO's: David Gaboury via his recent bi-weekly management letter to all Terracon leaders and John Bushman's message to Walker Parking Consultants' leaders at a recent planning meeting.

They emphasized five things that managers can do to sustain morale, teamwork and forward movement:

- Provide more **frequent** communication ... about business successes, awards, proposals, strong market sectors, areas needing attention, etc.
- Ask employees how **they** think we can improve business opportunities, maintain morale, preserve cash, etc.
- Simply **listen** carefully and, when appropriate, respond. Respond honestly, of course, but with a positive belief in your future.
- Place more emphasis on "offense" ... **business development**, and be willing to try new approaches.
- Play tighter "defense" as well, maintaining **cost control** results, even though it may be more challenging.

See more too, in the attached ***Special Strategies for Tough Economic Times***.

Wishing you all the best,

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“SPECIAL” STRATEGIES FOR TOUGH ECONOMIC TIMES

In my working experience, the last time we had times as challenging as these was 1980-81-82. A long-term client, P&G, outplaced almost all (90%) of its 3,000+ engineering division ... to plants, consultants, layoffs and retirement ... because their capital program plummeted to near zero.

At times like these, it's tempting and easy to forget the basics ... in the hopes that the challenges will be short term. There are lots of reasons for this: it was hard to find our good people, laying people off is unpleasant, cutting back on expenses isn't fun either.

Here are some of the “basics” I observe realistic and effective executives doing in a timely fashion ...

- Keeping staff in balance with workload, for **all** business units. Assuring consistency and fairness.
- **Ditto**, for corporate and support staff.

Typically, these are cut the least and people **do** notice.

- Focusing your **best** business developers on business development, regardless of their other responsibilities. Raise awareness. Innovate. Focus. BD is the most important work that leaders do, though few like to do it.
- Pursuing avenues and markets where there **is** work, such as the federal government (soon to be 25% of GNP), state and county infrastructure, and perhaps healthcare, etc.
- Transferring/shifting staff among units to where they are **needed**, including remote offices.
- Protecting your cash reserves and credit by **not** keeping staff you cannot keep profitably busy. Typically, this is **the** most needed and most ignored!
- Getting even closer to your clients. Increasing personal contacts with good clients, without being a nuisance or appearing to be hurting for work. For example ...

- Asking clients with recent projects (say last 1-3 years) how their project is performing; i.e., what has been their experience with it? Though BD isn't the primary reason, this often leads to additional work ... sooner or later.
- Time spent helping **existing** good clients has proven to be 10-20 times more valuable than time with prospects. This, too, leads to additional work.
- At those times, being attuned to opportunities to assist clients in **new** ways that utilize your firm's talents (though not necessarily your current services).
- Encouraging clients to follow through soon on upcoming work, by offering some incentive: your top staff, fast track service, etc.
- Trimming **all** non-essential expenses (lunches, conferences, shows, etc.) or changing them to low-cost alternatives, such as teleconferencing.
- Cutting professional salaries (beginning with management), but **not** hours. Use bonuses sparingly, for truly outstanding situations.
- Setting an example for optimism and "can do," aiming to come through even stronger as a firm (muscle building). Gaining market share!
- Reading Larry Winget's book: ***It's Called Work for a Reason***, will help you get real, develop your EQ, stiffen your resolve and get you going, if you aren't already!

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