



THE  
*Recession Proof*  
ASSESSMENT

FOR ENTREPRENEURS,  
COACHES, SPEAKERS, & TRAINERS

*"Success is when preparation and opportunity meet."*

The purpose of this assessment is to help you be the most prepared when there is a downturn in the economy.

Leading a business is one of the most rewarding experiences in one's professional career; and yet there is also a burden the entrepreneur and/or leader must carry. That is the burden of always having to be vigilant to the economic and market forces that can harm the business.

It's said that "it's lonely at the top;" and in many ways that, too, is one of the burdens of entrepreneurship and leadership. But it doesn't have to be this way! Having a trusted thinking partner outside of the organization is a great tool for the leaders of any company.

Having a trusted thinking partner allows you to "think out loud," to discuss your options, weigh your next decisions, and consider your next moves with someone who has no attachment to the personalities involved - whose main consideration is what is best for the organization.

These 10 Strategic Considerations are purposed to serve as a starting point for the thinking and decisions that need to be made by every business from time to time (especially when there is increasing evidence of economic and market headwinds).

# 10 Strategic Considerations

## An Assessment For Economic Headwinds

### 1. Have you created a cushion / emergency fund?

- If you have one, great! If you do not have one, then get one started.
  - This should include only the necessary things for the business to operate and earn money.
    - For Example: Staff payroll, necessary equipment or products for the delivery and/or manufacturing of your end deliverable, etc.
    - Note: Even items like taxes can be deferred, and may not be considered an emergency.

### 2. Are there vendors who you have a balance with that you can renegotiate the amount due?

- This is a great time to buy down debt
- Perhaps a vendor who is in need of cash now would be willing to discount 10% - 25% of your balance for a full payment.

### 3. Have you combed through your accounts payable and analyzed reoccurring charges that may not be needed?

- What subscriptions do you have that you can eliminate?
- What software charges are you incurring?
- Your company cell phone bill is another great place to look at and to renegotiate. They would rather lower their price than lose you as a customer.
- Direct your accounting team to put a list of cuts together for your review.

### 4. Insurance

- If you cut your labor force, have you requested a reduction in your worker's compensation and general liability?
  - Remember: These costs are usually set in advance based on your expected revenue.
  - If the payroll drops and your revenue drops, get the reduction to your monthly payment now (rather than wait for a refund at the end of the year).

### 5. Does a competitor have some great equipment for sale from their own cutbacks?

- Does a distributor have any equipment for sale that they need to unload?
  - Often times, large equipment rental stores will need to unload equipment and there are great deals that you can get.

## 6. Increase your marketing and grow your sales team.

- Most companies cut advertising, and they should. Advertising raises awareness, but marketing generates leads.
- Focus on relationship marketing and push out your very best offer.
  - You want to generate as many new leads as possible, and relationship marketing is the best way to do this.
- Grow your sales team in both skill and numbers.
  - Some of your competitors may be letting their highest paid employees go. Oftentimes, these are the top performers and that is why they make more! It is often the great salespeople who get cut because of the high commission they earn. But remember, they earn high commissions because they are making sales.
    - Keep and ear open for this!

## 7. What do you have that you are not selling?

- Do you have any resources or equipment that you want to unload?
  - Are there any items in that storage locker that have been in there for a year or more that you can unload for cash?
  - Is there any IP, or training resource that you can package or repurpose to help generate cash and bring in new clients?

## 8. Communicate, Communicate, Communicate!

- Have you had a meeting with your leadership team and staff to help prepare them?
  - Shooting straight with your people goes a long way!
  - Discussing the future- both the good and the bad -builds trust and fosters an open dialogue.

## 9. Mindset is everything!

- Staying calm and in control of your own thoughts is critical.
  - Be sure to surround yourself with like-minded people and place yourself in an environment conducive to growth.
    - "The most important investment you can make is in yourself."

## 10. Get creative and be on the lookout for opportunities. Change creates opportunity!

- When there is a shift in economic activity, process, and flow - these are the very best times to bet on yourself and on your team. Don't put too much credence in the doom and gloom crowd!

**"Forecasts may tell you a great deal about the forecaster; they tell you nothing about the future."**

**The future is going to be great, it always has been.**

# Timeline of Major Events

## Major Historical Event

- World War I | 1914 - 1918

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- Worldwide Depression | 1929 -1933

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- Spanish Civil War | 1935

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- World War II | 1939 - 1945
  - Germany & Russia Invade Poland | 1939
  - Japanese Bomb Pearl Harbor | 1941
  - D. Day | 1944
  - German Surrender | 1945
  - Japan Surrenders | 1945

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- Germany Divided Into East & West | 1949

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- Korean War | 1950 - 1953
- Elizabeth II of Windsor Takes Throne | 1952

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- Segregation Illegal in US | 1954

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- US Civil Rights Act | 1957

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- Cuban Missile Crisis | 1962
- US Troops Sent to Vietnam | 1965

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- Watergate | 1973
- Vietnam War Ends | 1973

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- Berlin Wall Falls | 1989

## Major Innovation

- 1st US Radio Station | 1920
- Women's Suffrage in US | 1920
- "Talking" Cinema | 1923
- Lindbergh flies Atlantic | 1927

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- Air Conditioning | 1932
- Technicolor Movies | 1932
- Chadwick discovers neutron | 1932

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- US Social Security System | 1935
- BBC TV Service Begins | 1936

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- 1st US Commercial TV Station | 1941
- 1st Programmable Computer | 1943
- 1st Computer Architecture | 1945
- Microwave Oven Created | 1945

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- Dead Sea Scrolls Discovered | 1947
- Gamow Predicts Big Bang | 1948

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- 1st Organ Transplant | 1950
- Credit Cards | 1950
- Color TV | 1951
- Polio Vaccine | 1952
- DNA Discovered | 1953

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- Interstate Highway | 1956
- Velcro | 1956

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- Laser Invented | 1960

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- 1st Heart Transplant | 1967
- Portable Calculator | 1967
- 1st Moon Walk | 1969
- VCR | 1970

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- World 1st Cell Phone | 1973
- Microsoft Founded | 1975
- Apple Founded | 1977
- MRI | 1977

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- World Wide Web | 1989