

Prepare Your Culture for a Recession

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By Denise Lee Yohn Published: August 9, 2022



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Now is the time to prepare your business for the recession. In addition to the typical strategies of cost-cutting and cash flow management, add culture-building. A healthy, effective, and resilient company culture can help you not just survive, but actually thrive during an economic downturn.

In this video, I explain how building brand-culture alignment and a culture of customer intimacy are key to a recession-proof culture.



Watch Video At: <https://youtu.be/6kjeZkXcUME>

Brand leadership expert Denise Lee Yohn inspires and teaches people to become great leaders. Reach out to her via her [website](#) and [YouTube channel](#).

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Transcript: Prepare Your Culture for a Recession

What should you do to get ready for the looming recession?

Act now.

Taking strategic action early on before a downturn can reduce its negative impact on your business — and possibly set you up to thrive and grow during the slowdown.

So, get to work on stabilizing your financial position, examining your resource allocation, right-sizing your workforce ... and [cultivating your company culture](#).

Yes, that's right – ensuring you have a healthy, effective, and resilient culture is a critical part of preparing for a recession. It may seem like culture-building is soft, nice-to-do stuff that you can put off when your business is under pressure — but it's actually one of the most important actions to undertake to prepare for a recession.

According to Gallup, companies with engaged workforces recovered from the 2008 recession at a faster rate. And the resilience that McKinsey researchers credit for having driven higher post-recession total shareholder returns in 10% of the companies they analyzed can be attributed as much to cutting costs as to cultivating culture.

Specifically, I recommend you focus your culture-building on brand-culture alignment and customer intimacy.

Are you aligning your brand and culture?

First, brand-culture alignment. When you align and integrate both your external brand identity and your internal organizational culture, you not only build a culture that supports and advances your differentiation and perceived value which becomes more important during a recession — but you also achieve the clarity and alignment you need for decision-making under pressure.

Recessions tend to call for tough decisions — which products to discontinue, which projects to fund, which customers to prioritize. Some people might advise you to centralize your organization so that these decisions can be made more easily and quickly. But with centralization, you lose the ability to respond to local developments and to make the on-the-ground calls that are often needed in turbulent times.

Instead, you can make your priorities and decision-making criteria clear by locking in a single organizational purpose and a single set of core values that guide your brand AND your culture. With brand-culture alignment, you ensure that everyone in your organization shares a common understanding of your non-negotiables.

How intimate are you with customers?

Second, I recommend cultivating a culture of customer intimacy. To get ready for a recession, you need to deepen relationships with those customers who are likely to stay committed and remain the most profitable to you through the downturn. That means, everyone in your organization needs to embrace those customers and understand what they want and need.

So, democratize your customer insights. Open access to customer profiles, journey maps, and needs analyses, so your people know who to focus on and how serve them. Cultivate empathy throughout your workforce, so your people can better respond to customer needs as they change in light of economic changes. And provide visibility to the entire customer journey so your people can determine where to focus your limited resources in the customer experience.

Why the time to prepare is now

Building brand-culture alignment and customer intimacy takes time, so now is the time to prepare your business for the next recession by cultivating your culture.