

*For Immediate Release*

## **Four Actions to Keep Your Business Out of the Performance “Red Zone”**

(New York, NY) It’s not news that this is an extraordinarily challenging time. Sharp cutbacks in consumer spending and credit have created an environment of fear and uncertainty among employees and leaders alike. “During tough times,” says Rick Lepsinger, President of OnPoint Consulting ([www.onpointconsultingllc.com](http://www.onpointconsultingllc.com)), “unless a business gets its leaders’ best thinking, it is in danger of sliding into the performance “red zone” where profitability and even survival are in question.”

There are, however, four things effective leaders can do to avoid the performance red zone and keep the business moving forward.

- **Don’t Panic.** Effective leaders don’t let fear drive decision making. Fear can make a leader “hunker down” and wait for better times. It clouds their judgment and causes people to make poor decisions. During tough times the best leaders are optimistic yet realistic. They focus on the business’ basic success factors yet remain open to new ideas.
- **Maintain customer loyalty.** This is the time to sharpen the focus on customer needs and add value rather than nickel and dime them. Although some cut backs are necessary, the most successful leaders know that it still makes sense to spend where it adds value. And, with the right choices, a small expenditure can have a big impact. “The manager of a Best Buy store in Manhattan understood this,” says Lepsinger, “when she arranged to have a dog sitter at her store to make it easier for customers to shop.”
- **Focus your business model.** To add value and still reduce costs, a business should focus on enhancing efficiency and reliability. Top leaders and their teams know where and how to cut cost without impacting service or quality. “This point has been made painfully clear to the US auto industry and shows the impact of the inability to balance these two demands,” warns Lepsinger.
- **Build trust.** Because tough decisions often have to be made, a leader may erode trust. Trust can be maintained or repaired if leaders improve credibility by being candid, demonstrate reliability by ensuring their actions are consistent with business objectives and values, show genuine empathy and be accessible. “The more people feel you are focused on them, rather than on yourself, the more they trust you” says Lepsinger.

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Closing the Gap Between Strategy and Execution

Delivering results when the economy is strong can be challenging but the real challenge is delivering results during a downturn. These guidelines can help leaders be a winner and keep their business out of the red zone.

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