



# The Importance of Networking in a Recession

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## The world is on hold...

These are concerning times. Most sectors are suffering, both in the private and the public sector. Front line business people worry about how to drive revenue when the truth is that there may not be a lot of free budget around at the moment; unnecessary expenditure is banned, budgets are frozen, projects are put on hold or cancelled altogether if the associated costs are manageable. Redundancies are affecting every sector and there is a general air of the business sector holding its breath while we wait for the full impact of the economic downturn to become apparent. The people who are most affected by the immediate changes to our economy are those who can't ride out the storm from the comfort of remaining deep within a corporate, but are instead externally-focussed – those who drive revenue, those who are looking for a new challenge, service and operations directors – and those who have a significant leadership role.

## What's happening inside your business?

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*“The prevailing mood of the CEO will trickle through the rest of the business”*

It's important to recognise that networking is both external and internal. CEOs need to lead in difficult times. The prevailing mood of the CEO will trickle through into the rest of the business – a well-established cultural change technique is to adjust the behaviour at the top, and a change of CEO can affect fundamentally how a business performs. That the CEO remains optimistic and positive is critical for business continuity, and the best way to spread the message is for the CEO and the rest of the leadership team to be visible.

Internal politics may not be the most enjoyable of pursuits but it is absolutely essential in any career path, whatever stage you're at. Escaping the axe of redundancy could come down to how well you demonstrate how good you are to your peers and your Board. In other words, network.

## Filling the pipeline

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*“Learn about new best practices or emerging opportunities”*

Our recent survey of CEOs demonstrates that non-essential spend is being cut everywhere and that CEOs are encouraging their teams to reduce supplier costs wherever possible. The business community is seemingly full of people all desperate to win what little budget is available, so how do our sales people go about this without seeming vulture-like? Get out more, meet more people, work harder than anyone else, dig out whatever business is around. Network.

Front line revenue-generators have a tendency to focus on the short term, particularly in difficult times. Looking at the pipeline and panicking, it can be very tempting to put every effort into getting revenue up now and neglect planning for the future. While it would be disingenuous to ignore short-term targets, long-term business planning is still critical for any business to recognise and

respond to changes in the economy. Networking allows you to take the temperature of your sector - your business will benefit and its development will be shaped as you learn about new best practices or emerging opportunities.

### So, what next?

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So out of all of the different places to go and networks to join, how do you know what to focus on? The trick is to choose a sector or a subject that is relevant to the future of your business, find out as much as possible and have an opinion, instead of just presenting an opportunity for someone to spend money with

*“We rarely forget who has helped us to achieve something really special”*

you and hoping for the best. This could be anything from key developments in IT or charitable events to changes in environmental policy, which remains a sector which has plenty of growth potential over the coming years as business continues to accommodate the environmental imperative for change.

Everyone in the networks benefits - by connecting movers & shakers from different networks ideas are germinated and realised, and we rarely forget who has helped us to achieve something really special. By focussing on and discussing what's current in your business community you will be remembered, and the risk of submitting to pessimism or becoming stale and stuck in outdated ways are much reduced. The companies that stand to lose out in difficult times are the ones who can't or won't be flexible enough to meet the demands of a changing economic climate.

And the biggest benefit of all - when the time comes for the economy to recover, you will be your new-found network's first natural port of call.

### A Word from the Partners

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We hope you've found this piece interesting and useful, and we'd love to hear your thoughts on this subject. If you would like us to explore this subject in more detail, or if you would like to suggest other topics, please don't hesitate to contact us.

We look forward to working with you.

Best wishes

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