

# Is your company going to Sink or Swim during the Credit Crunch?



- As Paul McKie explains, thinking outside the box may have been optional for organisations during the good times, but it's an absolute necessity if you're to survive a recession.

The name Charlie Chaplin is synonymous with Hollywood. For a long time, he was almost considered a god, entertaining millions with his 'little tramp' character that didn't speak. He undoubtedly inspired and influenced thousands of fellow actors, as well as founding United Artists - one of the biggest film studios in America.

However, when sound or 'Talking Pictures' arrived in 1927, Chaplin refused to alter his character to accommodate the huge change that was occurring in his industry from the introduction of sound. Consequently, despite the huge legacy Chaplin undoubtedly left behind, his film making prowess soon buckled. He refused to adapt to the changing times by altering the character of his 'little tramp', and so produced very few movies after 1927.

Let's now compare Chaplin to someone like Walt Disney. Here was a man who faced a similar seismic change in his industry, with the introduction of TV in the 1950's. Many film producers envisaged the demise of their industry, with consumers switching from viewing films in cinemas to inside of their homes. However Disney, also a film producer, adopted a different mindset. Knowing he couldn't change events Disney, instead of focusing on the threats to his existing business, chose to focus on the opportunities he could make from this change.

At the time he was in the middle of creating his theme park, 'Disneyland', and he needed extra funding. He quickly struck a deal with the new ABC television

company to produce a weekly slot to show the park being built. The extra interest this publicity generated enabled him to obtain the funding, and in the process Walt Disney realised one of his many dreams.

...During the Banking crisis of 2008 sections of industry - if not all of it, are being affected by a considerable amount of change. It's the same type of change the film industry experienced in the 1920's and 1950's, but with more far-reaching implications.

We are in a situation most of us didn't visualise during the so-called 'economic-good-times' of the last 10 years or more. Although the years leading up to 2008 signified a highly competitive period in our economy, many firms and individuals *didn't* really have to think particularly creatively. The wave of prosperity many were part of often enabled the average company - sometimes even semi-average, to survive and prosper inside industries and markets that were, on the whole, still growing.

During those times, being innovative, thinking laterally, and thinking more shall we say... 'outside-the-box' was certainly considered pro-active, and was undoubtedly on the agenda in many a company boardroom. But at the end of the day having the skills to think laterally wasn't considered a priority. The economic situation didn't demand it. Times on the whole don't forget were good. We weren't *compelled* to adopt this way of thinking. Yes, lateral thinking skills were considered 'nice to have', but other skills were, understandably, seen as more important.

...Now economic times have changed. And they've changed pretty quickly. Companies will go under. Some already have. So what do we do? Where does Lateral thinking now lie on the company agenda? Where does this skill now lie on *your* own agenda, if at all? Does Lateral Thinking have a place in a company now threatened by recession? Can lateral thinking help you sidestep, survive, or even capitalise from a recession.

Just as we saw in the 1920's with Chaplin and in the 1950's with Disney, difficult and changing times compel us to adopt different ways of thinking.

Companies I am already working with agree. For them, this new form of thinking seems at first a touch uncomfortable. But it's far from impossible. And more importantly, during a recession, it's absolutely necessary.

During a workshop I facilitated last week, a company was suddenly facing a 25% reduction in sales enquiries. But lateral thinking techniques enabled the team to quickly deliver over 40 unique solutions showing how the company could maintain its nett profits and hold onto its entire staff, despite the fall in sales enquiries.

What becomes clear during difficult economic times is that the (old) ways of thinking we held onto during the boom simply won't work. Fear replaces intuition in a recession. Pessimism replaces optimism. It's entirely natural. However when a person or company gets preoccupied with 'protecting what they've achieved', rather than focusing on 'what is still achievable', the only 'wave' you are now surfing on is headed straight for the rocks.

Some companies will adapt, some won't. But just as Walt Disney demonstrated during the change that was TV, there will be winners emerging from this recession. There always are. The winners will be entrepreneurial, open-minded companies (and their teams) that develop the skills to think laterally, and therefore embed in their organisation a process that accepts and embraces change – regardless of its timing and whatever form it takes.

These companies will have the lateral thinking ability to not only survive a recession, but indeed prosper from it.

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