

A free guide from Citation's experts

Five top strategies to recession-proof your business



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Let's face it, the news cycle isn't painting a pretty picture of the economic landscape in the UK right now. With interest rates skyrocketing, higher inflation causing a cost-of-living crisis and conflict in Ukraine, all signs are pointing to an almost inevitable recession.

Recession. A word guaranteed to send shivers down the spine of any business owner. But is it really just a case of holding your nerve - and your business' purse strings - until the worst is over and green shoots start to appear?

We don't think so. The brilliant HR & Employment Law minds of Citation have come up with five of the ultimate HR hacks to help you navigate some of the turbulence, keep you out of panic mode and get your business ready to face anything the future has in store - even a recession!

Hack #1 - Communication is key!

While it might be tempting to remain tight-lipped on the challenges a recession may bring your way, your team know what's going on (it's on the front cover of every newspaper) and they'll appreciate any effort you put into keeping the lines of communication clear and open.



This could look different ways, depending on how you want to play it. You could:



Schedule regular get-togethers to update everyone on performance all at the same time. Remember people need reassurance, so don't gloss over anything. Instead, lay out your plans on how you're going to tackle upcoming challenges.



Set up an employee forum so your teams can have a say, ask questions that are on their minds and even make some cost-saving suggestions. Sometimes the greatest ideas come from places you'd least expect.



If you do need to introduce cost-cutting measures that affect your people (like a pay freeze, for example) explain to them why you've come to this decision and that you'll keep it under review. Honest conversations help stop resentment in its tracks.

Hack #2 - Boost morale with small (but important) gestures

It's easy to lose sight of the bigger picture when you're battling an economic downturn. Keeping your business afloat is, naturally, your number-one priority.

But don't forget, this is happening for your staff too. Struggling against rising food and energy prices can really take its toll on stress levels and mental health. So, what can you do to offer all-important mental health support and keep team morale on the up and up?



A few starting points for you:



Offer an Employee Assistance Programme (EAP)

An EAP gives your people access to 24/7, confidential support from trained counsellors on anything from relationship struggles to financial issues. While it might seem a bit counterintuitive to spend money during a recession, this is one investment worth making. In fact, financial titans [Deloitte found](#) that for every £1 a business invests in employee mental health, they make an average return of £5.



Some (almost) free perks

You might be able to offer some additional holidays days, or more flexible working hours, without too much expense. Little gestures can go a long way in acknowledging that work/life balance has never been more important.



Look at your culture

Do you have a good sense of team spirit in your business? Are people generally supportive, collaborative and confident to open up when things get a bit tough? Some sectors might be struggling financially but also be facing a staffing crisis - making it all the more important to look after the people you've already got. A great workplace culture could be the deciding factor between holding on to a great employee and losing them to a competitor.

Hack #3 - Upskill the staff you have

Small but significant gestures are really effective ways to make sure people feel supported. But, in the long run, what people want to see from their employer is an investment in their growth and development.

Your business is only ever as strong as your team - and during a recession what you need is a strong team. So, keeping your people's skills fresh with bespoke, interactive training is a great way to not only invest in them and prove your commitment to their development, but make sure they're up to speed and performing in line with your needs.

So, what's so great about training and elearning?
Well,



- It keeps your employees (and your business) compliant with any mandatory training you have to offer by law (think Health & Safety training, anti-bribery training, etc.)
- Keeping old skills fresh + bolstering people with new ones = highly-skilled, highly-engaged employees
- You can tackle the skills gap head on! Notice any cracks? Plug them with great training. At a time of costly recruitment, investing in your people is a win-win!

Don't forget about appraisals!



Appraisals are also a great way to make sure that an employee feels listened to and stays engaged with your business. Regular catch-ups on performance, areas for improvement, and celebrating successes goes a long way. And remember, an engaged employee is a stickier one and, given the high cost of recruitment, employees that stick around could give your business the boost it needs when times get tough.



Hack #4 - Put your processes under the microscope!

When it comes to providing a great service or product, continuity is king. But in difficult times, it's always a good idea to look at your internal processes and procedures and see if anything could do with a switch-up. The only way you can solidly futureproof your business is sorting the wheat from the chaff – strengthening what's already going well, and making changes to anything that's not serving your business the way it should be.



Keeping office bills as low as possible

Hey, we're in the future of the workplace, right? So have a think about if increased homeworking could work for your business and help you save on office space. As much as it's lovely to have everyone all together, with scary energy prices right now it could be smarter to cut some of those costs.



Cracking out the crystal ball

Ok, not literally. But if the pandemic showed us anything, having a plan in place is key to navigating choppy waters. And that's especially important when it comes to your people. Being left with a skills or resource gap could be devastating if times get tough. So, do some workforce and succession planning and assess where your business is going, so you're as prepared as possible for whatever comes next. Think [certified elearning](#) to upskill your people, training up managers, shifting people to a better-fitting role – you get the gist.



Bolstering your defences

Is there a section of your business that's doing well? In hard times, just one strong and reliable area could make all the difference. So, could you make some changes to protect it, or even make it stronger than it already is?



(Best) practice makes perfect

And following best-practice processes can help, too. For example, when it comes to sickness absence (no matter how short-term), do you hold Return to Work meetings? Do you always hold probationary reviews, where you can really check that you have got the right person for the job? These are small but important things you really should be ticking off to keep performance and productivity where it should be.



Keeping everything ship-shape

Even the smallest slip in standards could snowball into something that genuinely harms your business. Keeping on top of all your internal procedures – like cracking down on lateness or poor workmanship – and dealing with them head on will stop repeat offences.

Keep standards high with ISO 9001



Want to put something more official in place? **ISO 9001** is the world's most-recognised Quality Management Standard. It's the perfect way to master the consistency, high standards, and efficiency your business needs to keep your supply chain secure and keep customer satisfaction high, as well as survive a recession and keep on growing afterwards.

Hack #5 - (Sensitively) weigh up staff levels vs. demand

No one likes to think about redundancy. But if you need to cut costs – especially if demand is low – then it can make sense to consider making changes to your workforce. There's one big "BUT" here, though. Always, always make sure you're considering the alternatives to redundancy before you start redundancy procedures. There's a chance that, depending on your situation, redundancy could actually leave you in a worse position in the long run – for example, being short-staffed post-recession when demand picks back up again.

Any of these alternatives could be a solid option, depending on your situation:

- Restructuring
- Layoffs/Short-time working
- Changes to terms and conditions
- Voluntary changes

Lean on Citation when times get tough - and beyond



This guide was created by the team behind Citation's award-winning HR and Health & Safety support. While it might seem impossible to invest in HR and Health & Safety support when budgets are tight, their affordable, all-in-one support can actually help you cut down on wasted costs and keep productivity high!

If you'd like to take advantage of the support they've got to offer businesses like yours, get in contact with us today on **0330 900 2777** and select option 4, or email us enquires@biz4Biz.org.