

IN BUSINESS

by HOWARD GIVNER



Howard Givner is a strategy and growth consultant to event business owners, and the executive director of the Event Leadership Institute.

HowardGivner@gmail.com
www.HowardGivner.com

Everyone Has a Plan Until They Get Punched in the Mouth

Be prepared for the tough times.

REPORTER: *"I hear your opponent has a clever plan for defending against your left hook. How do you respond?"*

(Heavyweight boxing champ) **MIKE TYSON:** *"Everyone has a plan until they get punched in the mouth."*

How great is that quote? Tyson, of course, was known far better for his fierce punching power, intimidating stare and occasional biting of an ear than his gift of philosophy. Yet the purity of his comment makes it a perfect analogy to the business world.

The premise is this: planning is done when it's calm and quiet, but, like a boxing match, the business world is anything but calm. It throws you unexpected curve balls that have the capacity to demolish your business. It also tees up great opportunities, if you know how and when to seize them.

The point is, how well will your plan stand up if, and when, your business gets punched in the mouth? In his prime, Tyson hit you so hard you were lucky if you could even remember what your plan was, let alone execute it. The worst thing you can do is assume you will have clear sailing the whole year. Assuming that you will get that punch in the mouth at some point should be part of your plan in the first place.

Let's say, for example, you want to grow your business from five to eight clients in 2012. Just build a sales plan to add three new clients, right? Wrong. Smart planning takes into account that you may lose one of your five core clients, so you should build a sales plan to add four new ones. Even if your work product is great and your client relationships are awesome, things happen. Events get cancelled, clients leave jobs and other stuff happens.

The list of random, unanticipated "punches in the mouth" that can impact your business is massive. If I told you 20 years ago that the biggest unforeseen events to have dramatic impact on our industry would include bird flu, ash from a volcano in Iceland, the near collapse of the American financial system, and commercial airliners crashing into the World Trade Center, you'd think I was nuts.

On the micro level, what do you do if your key producer or account executive quits, or if your biggest client cuts their event spending in half? I know several business owners in

our field whose businesses took a beating when their mothers became seriously ill over a protracted period of time. Not only could they not spend enough time on their companies, but when they could it was hard for them to focus.

So if you're launching a new website, hiring more staff or embarking on any other growth initiative, assume there will be some disruption to your business at some point, and plan around that. Build in a cash cushion, or allocate more time to accomplish things.

It's also important to retain some flexibility. If business conditions don't respond to your game plan, you may need to change tactics. When the financial crisis hit in 2008, the Treasury Department's initial plan was to buy toxic assets from the banks. When that didn't work, they shifted to injecting capital directly into the banks, which ultimately pulled us back from the precipice. If your business fails, you don't get any points for having stuck with your plan.

Don't get me wrong, planning is very important. If you don't make a business plan for hitting your goals this year, you won't get there. But to make a plan that relies on perfect business conditions is naive. Think through scenarios that would result in a body blow to your company, and start formulating responses to them in advance. And build as much fluidity as possible, giving you the maximum amount of flexibility to adapt.

When the punches come, let your competitors be the ones caught off guard. **es**



See Howard's presentation, "Un-stuck: Getting Your Business to the Next Level." Monday, February 27, 3:45pm.