Economic Slowdown:
A Business and Social Opportunity for Responsible Leaders^

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Economic growth has slowed or is slowing in a range of countries due to factors as varied as de-globalisation, slower population growth and risk aversion (Sharma, 2019). Should we be concerned or delighted? Could this be an opportunity to change direction, rethink our priorities and transition to a more sustainable development path? A certain level of economic growth may be needed to increase inclusion, feed and house more people and, in some countries, cope with the increasing support requirements of an aging population. However a continuous period of rapid growth can lead to overheating and inflation. It may put pressure on resources, the environment and public services and lead to complacency, a reluctance to consider alternatives and a lack of challenge. Even marginal companies may be busy when and where more desirable players from a customer perspective are unable to keep up with increasing demand. When the going is good, some boards may be tempted to postpone difficult decisions or devote less attention to containing costs or improving productivity.

While an economy expands there may be little imperative to change, even though growth might have its critics. In developing countries more people may be lifted out of poverty, but uncontrolled growth can also strain fragile eco-systems and lead to increased pollution, waste and carbon emissions. Does faster growth in some countries such as China or India lead to the looting of scarce natural capital that might be required to improve the conditions of people elsewhere, for example in Africa (Burgis, 2015)? Are there limits to growth and in relation to sustainability and global warming have we already exceeded them (Meadows, 1972; Meadows et al, 1972; Higgs, 2014; UNEP, 2019)? Is the rapid expansion of cities and urbanisation sustainable (Newman, 2006; James et al, 2015)? Is there an inevitable trade-off between growth and environmental quality (Boulding, 1966)? In the case of consumer led growth and its implications, is it responsible for companies to continue to use advertising and other marketing communications to create a dependence effect and wants for a range of offerings that may not lead to happiness and it would not be sustainable for a majority of the world's population to enjoy (Galbraith, 1958) Should responsible business leaders champion simpler and more fulfilling and less stressful and environmentally harmful alternatives?

This article looks at successful and unsuccessful responses to economic slowdowns or downturns from a wider societal perspective and considers steps which boards can take to review corporate purpose and priorities, transition to a more sustainable business paradigm and improve their positioning by containing costs, boosting performance in key areas and enhancing corporate ability to compete and win responsibly. It draws upon an investigation into what high performers do differently and the experience of companies that have found practical and affordable ways of capturing and sharing the superior approaches of high performers in ways that can improve profitability and growth while also benefiting people, organisations and the planet (Coulson-Thomas, 2007b & c, 2009b, 2012a & b, 2013a).

Negative Consequences of Economic Slowdown

Growing numbers of young people are looking for jobs at a time when technological developments threaten many existing ones and worsening and uncertain economic prospects might deter business start-ups and initiatives to create new ones (Ford, 2015). An economic slowdown can impact on living standards. If an economy grows more slowly than population people may become poorer. Total output and output per head may be insufficient to fund investments to reduce harmful emissions and improve productivity and the quality of life. A slowdown can also have implications for public revenues and meeting certain commitments such as the cost of pensions or the care of the elderly. Actions to tackle certain problems that could or might have been addressed by higher levels of further growth may need to be postponed. Reduced budgets may lead to cuts and delays in areas like maintenance that increase future costs. Windows of opportunity might be lost.

Economic slowdown and/or recession can lead to differing board and corporate responses (Coulson-Thomas, 2008 & 2009a). Costs may be cut to balance the books, with insufficient thought devoted to the longer-term consequences and implications. Rapid retrenchment can strain relationships with customers and employees who may feel that they are being required to bear a disproportionate share of the cost of adjustment to a lower level of activity. The impact of the current slowdown may be more pronounced in India than in other countries and some sectors may be impacted more than others. Where past growth rates have increased expectations that improvements will continue, a slowdown can lead to social and political unrest. Past revolutions have occurred, as was the case in Russia in 1917, when an economic slowdown occurred following a period of growth.

Positive Aspects of Economic Slowdowns

Certain sectors and related professions can positively gain from an economic slowdown or recession. Receivers, liquidators and bailiffs can benefit from the misfortunes of others, but groups such as librarians and event organisers involved in providing more positive information and guidance can also experience enhanced demand for aspects of what they offer (Beck, 2009; Devine & Devine, 2012). An economic recession can create both challenges and opportunities (Coulson-Thomas, 2008 & 2009a; Devine & Devine, 2012, Folinas et al, 2018). For example, it might stimulate creativity, innovation and a fresh impetus in areas such as the search for new income streams and/or more inventive business practices. A slowdown can also be an opportunity for other development activities and where the budget provision is available undertaking maintenance and repairs.

In comparison with a recession, an economic slowdown can present different challenges and opportunities. There may be less pressure to act quickly, gasp nettles and make tough choices. A board might be tempted to continue as before in the hope that market conditions may soon return to a previous situation or trend. On the other hand, there may be more time for consultation with stakeholders, for those likely to be inconvenienced to make alternative arrangements and to secure support for a change of direction. There may be time for consideration and thought rather than knee jerk reactions. A lower level of activity during an economic slowdown or recession could provide the space and release the bandwidth to make system and/or process changes. A survey of Customer Relationship Management (CRM) implementation and performance during the fiscal crisis in Greece found that most companies were satisfied by their implementation of CRM strategy (Chrysa et al, 2018). A slowdown can be a warning that economic cycles can sometimes reassert themselves with little warning and that boards and risk managers should always be prepared for the unexpected. It may encourage a board to review and revise future plans and priorities and possible scenarios.

A sustained period of growth can lead to shortages, a tight labour market, inflationary pressure and high levels of indebtedness. Some correction may be required to avoid instability. By letting off steam, might an economic and/or financial shock be beneficial (Taporowsky, 2010)? An economic slowdown can remind boards and public policy makers of the value of flexibility and resilience. When traditional leading players can find themselves quickly supplanted by competitors, and even new-entrants with a better business model, or quicker adopters of an enabling or disruptive technology, boards need to be aware of the advantages of relatively modest or low overheads, flexible contracts and being able to quickly scale operations and activity up and down to match fluctuating demand. In good times such considerations may be forgotten. Business leaders should expect to deal with uncertainty (Clampitt and DeKoch, 2015). An effective board should ensure that people for whom they are responsible are ready for the unexpected. However, experience in sectors such as retailing in some markets show that many boards have allowed companies to become locked into long-term contracts that have given them little scope for quickly downsizing in adverse conditions.

Growth and Sustainability

Continuing rapid economic growth with a traditional development model is neither desirable nor sustainable (Brundland Report, 1987; Higgs, 2014; United Nations, 2015). An economic slowdown is good news for those concerned about negative consequences of unrestrained and irresponsible growth such as the loss of biodiversity and natural capital, increased pollution, greater environmental degradation and further production of greenhouse gases that contribute to global warming (Everett et al, 2010). A reduction of harmful activity can be beneficial. Much depends upon the situation and level of development at the point when slowdown occurs. Slowdown could be used as a warning sign of the scale of readjustment that might be needed if more stakeholders decide that activities such as the burning of fossil fuels are no longer acceptable. Where plant is coming to the end of its natural life, lower demand may strengthen the case for a more sustainable development path. Scaling back might provide an opportunity to cull damaging aspects of current activities. In a slowdown the economic case for continuing with them may be weakened. A key issue for responsible business leaders is the extent to which production of a lower level of output with a different mix of activities as some areas decline more than others might be less damaging and more sustainable.

The consequences for global warming of higher rates of growth with current consumer priorities, approaches to production and business models in a country such as India could be serious. Progress in catching up with the lifestyles of people in some developed countries could endanger the futures of most people living on our planet. Younger generations might become further alienated (Maynard, 2019). The case needs to be put for simpler, healthier and more fulfilling lifestyles. From an environmental and climate change perspective, the disadvantages of a slowdown could include the loss of funds to invest in innovation and transition to more sustainable approaches, models and lifestyles. Much depends upon where a slowdown has the greatest impacts, for example whether the rate of coal production and burning is slowing or a transition to renewables such as solar power.

Addressing the Negative Consequences of Growth

The negative consequences of pursuing economic growth can be addressed in various ways such as the adoption of a less damaging business model or innovation in a method of production. There are arenas of possibility (Hawken, 2017). One could use a pricing mechanism to internalise a social cost or both advocate and actively support the sharing economy by introducing new ways of increasing the collective use of assets (Coase, 1960;

Tybout, 1972; Kreiser et al, 2015; Sundarajan, 2016). Environmental regulations could be extended and/or tightened, although regulation can be a challenge and a blunt instrument, and it may also have unforeseen and negative impacts (Mejia, 2009). Thought could be given to ways of allowing more targeted action against specific examples of environmental or green crime (Nurse, 2016). A critic of capitalism might suggest an agenda for dealing with what is considered corporate abuse (Corporate Reform Collective, 2014). Business leaders themselves could rethink their purpose and priorities and work towards a more caring and collaborative form of capitalism (Coulson-Thomas, 2019b).

How boards react to an economic slowdown or downturn can be very revealing. It might yield clues of value to Environmental, Social and Governance (ESG) investors and alert them to responsible boards worth supporting. How some companies respond in comparison with others could be a source of competitive advantage. It is sometimes easier to differentiate in hard times than it is in good times when many of one's competitors are doing well and benign trading conditions are papering over the cracks of relative deficiencies. If used wisely, an economic slowdown and even a recession provides a pause for reflection and positive steps that boards can take to secure competitive advantage and transition to less damaging and more sustainable and inclusive business models and patterns of development that put greater emphasis upon the quality of life. A board could act to show stakeholders what it is made of and secure their support for change.

Slowdown as a Catalyst for Reviews of Purpose and Priorities

Environmental quality has long been recognized as an issue in growing economies (Boulding, 1966). The environmental records of some companies may be uncomfortable for directors and boards who are concerned about their legacy (Schrempf-Stirling et al, 2016). Public and stakeholder concern over the environment and climate change and its impacts raise a variety of questions that corporate and public decision makers should address, including the adequacy of leadership and governance, contribution to the UN's Sustainable Development Goals, the alignment of business and social priorities, objectives and desired outcomes and the nature, scale and timing of required responses (Coulson-Thomas, 2020a).

How boards and individual directors react to an economic slowdown and the positions they adopt might also help investors and other stakeholders, CEOs and board chairs to assess potential capability to deal with more dramatic events such as an economic recession, a new and better business model or a disruptive technology. How quickly do they react and respond? Are they overly concerned with protecting existing activities, interests and investments? Where do customers, employees and other stakeholders and sustainable development considerations feature in their deliberations? Are they prepared to consider longer-term implications and possibilities and willing to change direction? In responding to such questions in the contemporary and uncertain business environment, a first step could be to review corporate purpose (Basu, 1999; Coulson-Thomas, 2019b).

As the expectations, requirements and priorities of stakeholders, the public, Governments and regulators evolve and change, directors and boards should periodically review corporate purpose, their own priorities and responsibilities, the strategic direction they set and to whom they should feel accountable and for what (Coulson-Thomas, 2019a & b). As already mentioned, a slow-down could provide an added impetus to undertake such a review. Companies may need to look at their corporate purpose more critically in the face of growing concerns about the environmental and social impact of current business motivations, priorities and strategies (Hirsch, 2018; Coulson-Thomas, 2020a & b). New forms of governance may be required for purpose driven organisations (Levillain and Segrestin, 2019).

Embracing a Social and Economic Purpose

That business leaders should have social responsibilities as well as financial responsibilities to the owners of businesses is not a new notion (Bowen, 1953, Asongu, 2007b, Schrempf-Stirling et al, 2016). Responsible leadership involves acting responsibly towards the various stakeholders in an organisation and a challenge for corporate boards is to be simultaneously responsible to key corporate stakeholders, while at the same time acting responsibly towards the environment and wider society (Coulson-Thomas, 2019a & b). Social responsibility and a desire to act more responsibly can be both an argument for innovation and supportive of it (Asongu, 2007a). It can also strengthen the case for effective collective action, coordination and collaboration, and the argument for the creativity, innovation and entrepreneurship and responsible leadership needed for integrated, sustainable and inclusive local, national and international responses to certain challenges (Coulson-Thomas, 2020a).

Most directors have a historic opportunity to re-purpose and re-engage with stakeholders and the communities and societies in which they operate by exercising responsible leadership and embracing total corporate social responsibility. They may be able to reconnect with and earn the trust and respect of the excluded and younger generations by pursuing social as well as economic aims and working to ensure a carbon-neutral and more sustainable and inclusive future (McGlone et al, 2011; Coulson-Thomas, 2020b). Where public and stakeholder concern is growing, sustainable development could be a source of competitive advantage for a company as well as socially desirable (Pop et al, 2018). Is it socially responsible to keep undertaking activities that burn fossil fuels and so contribute to global warming, or deplete scarce natural capital, reduce biodiversity or pollute or degrade the environment?

Some boards may need to atone. Are there past corporate environmental or human rights violations that a corporate board should consider and confront (Schrempf-Stirling et al, 2016)? Should all corporate activities be socially responsible and not just a few projects to meet an arbitrary requirement such as the Companies Act requirement in India for qualifying companies to spend a proportion of net profit on CSR activities? How ambitious should a board be when considering its social purpose, priorities and objectives? In which arenas could a company make the greatest contribution? How would directors like to be remembered? Understanding how CSR and the social expectations of stakeholders have evolved and may develop could be helpful for a board considering a corporate legacy and how they might be judged by future generations (Schrempf-Stirling et al, 2016).

Aspects to Consider

Many board meetings have become sober affairs. In addition to sustainability, environmental and climate change concerns and having to consider and cope with new technologies and business models, some sectors, markets and countries are experiencing a slowdown in economic growth. In important national markets consumers either are, or there is a risk that some of them may be, faced with a credit crunch and falling house prices. Many of them are pulling in their horns. More businesses may postpone investment decisions because of economic, political and other uncertainties in areas such as trade disputes and negotiations. There is a risk that certain sectors, markets and countries might be on the brink of recession. At lower levels of activity and confidence, in some sectors a development such as the rising price of oil and other costs could put pressure on corporate budgets, margins and profits.

There are some fundamental issues for corporate directors to reflect upon. For example, is much of contemporary trade ecologically unsustainable (Andersson and Lindroth, 2001)? Do western lifestyles lean towards unsustainability (Korhonen, 2003a)? How strong is the ethical dimension and how significant are ethical considerations in the conduct of many corporations and the behaviour of their people (Korhonen, 2003a)? Should responsible boards be looking beyond growth (Daly, 1996)? Where a change of direction is required, a shift of emphasis may be needed from a contemporary dominant paradigm of business, development and trade to a more sustainable one (Korhonen, 2003a; Kuhn, 1962)? How might stakeholders react? Might such a change help a company to recruit talent (Coulson-Thomas, 2019a)? Would ESG investors be supportive? Could a more explicit focus on corporate social responsibility support customer loyalty and retention (Nemec Rudež, 2010)?

In considering where to begin and what areas to focus upon a board could start by: looking at how to increase productivity to produce more sustainable value from fewer scarce inputs; and considering the relationship and welfare of its stakeholders and looking for ways of either benefitting them or working with them to reduce harm and/or increase environmental and/or social benefit in a particular situation or context (Liang and Renneboog, 2017). Consideration could also be given to how best to embrace the 'new leadership' required to support people during transition and transformation journeys following a review of corporate purpose and priorities (Coulson-Thomas, 2013a, b & c). In some developing countries the scale of need, the relative absence of effective organs of Government, and potential environmental vulnerabilities and other local factors may need to be taken into account when setting social objectives and considering how to achieve them (Jamali and Karam, 2018). The context may have an influence. Companies in common law countries have lower CSR ratings than companies in civil law countries (Liang and Renneboog, 2017).

Balancing Transition and Competitiveness

Inflationary pressures and stalling growth can compound the problems experienced by many businesses and complicate the situation for public policy makers searching for an appropriate response. In India, increased inflation has complicated the efforts of the Government to revive growth by reducing interest rates. While politicians consider their options, many corporate boards face tough decisions and difficult choices. There may be uncomfortable realities to face and unwelcome messages to communicate. For example, some directors of a chain of burger bars might be unwilling to grasp such nettles as making consumers aware of the true environmental cost of meat consumption (Rowe, 2016).

A balance has to be struck between the imperatives for current performance and future prospects (Coulson-Thomas, 2007a & 2008). There may be sustainable areas of a business to expand while other activities may have to be reduced. Boards may need to quickly distinguish between activities that are sustainable and those that are not and understand the distinction between ambition and greed (Saraswati, 2006). Using incentives that appeal to greed in an attempt to continue a boom or postpone or reverse a downturn with little thought as to the consequences can be undesirable (Moxey and Berendt, 2008). With sustainable activities, and especially those that could improve the environment or reverse harm that has been done to the ecosystem the focus should be upon innovation to improve efficiency and the effective use of natural capital, while activities that are not sustainable should be scaled back, stopped and where possible replaced by less damaging and carbon neutral alternatives.

The dilemma for many corporate boards in a slowdown is reconciling the need for short term savings with the desire to build the longer term capabilities to address certain shared challenges and transition to a more sustainable business model. In periods of adversity it is often easier to distinguish between 'winners' such as top-quartile performers and 'losers' such as those in the bottom quartile of performance (Coulson-Thomas, 2008). The winners or those most likely to succeed often behave very differently from the losers who often compound their problems and trap themselves in a descending spiral of decline.

Differing Responses to an Economic Slowdown

The significance of boards and the socially and environmentally differing approaches of potential winners and likely losers are revealed by the continuing 'Winning Companies; Winning People' investigation (Coulson-Thomas, 2007a, b & c, 2008 & 2009a). To date over 2,000 companies and over 500 professional firms have participated in an integrated programme of studies. Let us start with the losers. In tough market conditions these directors and boards focus almost exclusively upon battening down the hatches and cutting costs. New initiatives are avoided or put on ice. Their preoccupation becomes largely internal as they manage the consequences of re-structuring and redundancies. Losers are more likely to be self-interested, selfish and primarily concerned with the impact of an economic slowdown upon themselves and to regard it largely as a problem. When losers cut costs it tends to be done hurriedly and across the board. When the axe falls they may not know whether a critical success factor or area of overhead is being taken out. Headcount culls also often fail to distinguish between high and low performers among the people of an organisation. Valuable knowledge and experience often walks out the door when people are made redundant.

In contrast, winners are more considered and balanced in their approach. They are more likely to consider impacts upon others and the environment and see opportunity in helping others to cope (Coulson-Thomas, 2009b & 2010). Green policies are not just for radicals who protest but may not be in a position to act. Protecting and conserving the environment and biodiversity ought to appeal to responsible conservatives (Scruton, 2012). There may be economies to be made, but the emphasis of winners is upon improving efficiency, productivity and performance rather than cost reduction *per se*. They may be more open to ideas, alternatives and possibilities for improvement. They may simultaneously look for ways of increasing benefits by doing more with less. They may be willing to consider different ways of measuring, accounting for and reporting performance and assessing success and the value of what is produced (Coulson-Thomas, 2018; Boone, 2019). For example, could more and better use be made of accounting in re-aligning corporate purpose (Kasim, 2018).

In some areas the more successful boards may invest to secure a competitive advantage or higher return or deliver more socially responsible outcomes. They remain alert to opportunities to re-position themselves to be better equipped to capitalize upon a resurgence of economic activity. They are more likely to recognise that customers and others may also be impacted and that there might be a business opportunity in helping them to adapt. Supporting people through hard times might help to build loyalty and trust. Winners assess trade-offs and opportunities to redeploy expenditures to improve overall effectiveness. They are also more likely to identify and protect areas that are strategic and people who are high performing and difficult to replace. Steps may be taken to capture significant know how and the superior approaches of high performers to reduce the impact of the loss of key personnel.

Achieving Re-purposed Objectives

The differing approaches of winners and losers highlight areas of opportunity for organisations and the environment to benefit from certain questions and investigations during an economic slowdown (Coulson-Thomas, 2008, 2009a & b, 2010 & 2014). They also provide clues as to where the biggest potential gains may lie. A slowdown may release the time needed to explore them. To respond like a 'winner' and improve or transform resource utilisation and performance in existing and sustainable activities, or transition from an existing operation or model to a more sustainable one, there are certain steps a board and senior management should consider (Coulson-Thomas, 2007b & c, 2008, 2012a & b, 2013a).

The key activities that contribute most to the achievement of corporate priorities and associated economic and social objectives should be identified. Many companies devote considerable effort and resources to activities that are not critical in relation to corporate purpose and key objectives, and/or are hidden from customers, and/or give them little competitive advantage in transitioning to sustainable activities or scaling them up. Any required savings should be made first in areas that are not critical success factors for key corporate activities (Coulson-Thomas, 2008, 2009a & b).

Critical success factors for key activities need also to be identified and an assessment made of how many of them are in place. The investigation has revealed critical success factors for activities such as competitive bidding, building strategic customer and key account relationships, purchasing, pricing and creating and exploiting know-how, although many organisations appear unaware of them (Coulson-Thomas, 2012a & b, 2013a). The investigation reveals that even high performers in the top quartile of attainment are typically only very effective at less than half of the identified critical success factors (Coulson-Thomas, 2012a & b, 2013a). Every organisation that participated in the research programme could have increased their performance by adopting additional critical success factors.

Capturing and Sharing What High Performers do Differently

The imperative for action in respect of climate change is such that innovation, learning and sharing from best practice must be speeded up. Companies need to know who their and other high performers are within each of the key areas that have been identified and capture and share what they do differently. Virtually all critical success factors are differences of approach, and within every group examined the proportion of high performers or superstars has been very small (Coulson-Thomas, 2012a & b, 2013a). For example only 4% of those involved in the bidding studies won more than three out of four of the bids they submitted proposals for (Coulson-Thomas et al, 2003). Many organisations do not spot their high performers because they are given the same duties and suffer the same frustrations as everyone else. Managers may assume that they, their seniors or external consultants know best and spend little time observing how those for whom they are responsible do their jobs.

What has not been identified cannot be captured. Traditional manuals are rarely the most effective way of capturing and sharing the best way of doing a particular job. They are usually written from an organisational perspective and compared with other priorities such as avoiding risks relatively little effort is often devoted to addressing the realities of helping people to do what may be a difficult and stressful job. New leadership requires a shift of emphasis from top-down direction to providing front-line support (Coulson-Thomas, 2012a & b, 2013a, b & c). Many organisations are not objective when assessing their performance and are poor judges of where they excel. Success is often ascribed to the wrong factors. Great effort may be devoted to activities that the investigation revealed are not high in the ranking of factors that distinguish the approaches of high performers. Also a high performer in one organisation might be ordinary or average in another.

Identifying high performance within the peer group and market context can be challenging in respect of new activities when innovation and/or rapid change occurs. Learning and support tools that span value chains, communities of professionals and knowledge workers and networks of collaborators can be far faster and more flexible than traditional practices such as competitive intelligence or poaching staff from other companies. Certain support networks that enable issues to be discussed across communities as they arise enable the global roll out of what at the time are considered to be the best solutions to problems within hours of issues first being notified. Guidance provided should enable the people undertaking key activities to do them in the most effective way and with relevant critical success factors in place.

Buying in standard processes can constrain and limit. Support arrangements are required that help people to: understand complex issues, technologies and products; connect, collaborate and share; roll solutions out across large and international organisations and keep up to date during transition and transformation journeys. Many companies adopt expensive, disruptive and time consuming approaches to restructuring and reorganisation rather than practical, more cost effective and much quicker ways of helping average performers to excel at what might be critically important and difficult activities and creating a more flexible and higher performance organisation without changing an existing corporate culture. This can be done, high returns on investment achieved and one can usually both reduce costs and increase workgroup performance, while lowering levels of stress and risk and benefitting people, the organisation and the environment (Coulson-Thomas, 2012a & b, 2013a). The environment can benefit when behaviours can be changed by making people aware of the environmental consequences of different options (Coulson-Thomas, 2009b, 2010 & 2014).

Supporting Transition with Appropriate Tools

Average performers can be helped to adopt the superior approaches of superstars in areas that are critical for corporate performance and remaining current during transformation journeys (Coulson-Thomas, 2007b & c; 2012a & b, 2013a, b & c). Early adopters have helped people doing difficult front line jobs to significantly improve their performance, by providing bespoke and personalised support tools that incorporate critical success factors for the activities in question and the winning ways of high achievers. Many identified critical success factors relate to understanding. For example, both sales teams and prospects may struggle to understand complex offerings, technologies and pricing. A lack of knowledge and tools for determining likely impacts are a barrier to addressing the loss of biodiversity (Storch, 2007). Animation, graphics and other devices can be used to help people to understand and adopt less environmentally damaging options (Coulson-Thomas, 2009b, 2010 & 2014). Thus sales applications can help prospects to understand their requirements and which of the available alternatives is most appropriate and environmentally beneficial. They can also make it very easy for people to buy what they need. The emphasis is upon helping people to buy.

Given the need for many organisations to respond quickly to changing economic realities, companies can start with a framework support tool in areas that offer the greatest opportunity for performance improvement and achievement of priority objectives. Beneficial financial and environmental results using a bespoke approach can be obtained in timescales of six weeks to six months and support can be made available internationally and 24/7 whenever required and wherever people are, including when on the move, using whatever languages are appropriate (Coulson-Thomas, 2012a & b, 2013a). The modest cost of performance and learning support tools can be affordable in an economic slowdown. Making it easy for people to emulate top performing behaviours, increases work group productivity and performance. It also removes barriers to induction and training and reduces time out of the field. Tools can be personalised and built so that people learn from each use and remain current and competent as requirements, priorities and offerings change. Adoption is usually quick as people prefer to succeed and welcome support that makes it easier for them to do a difficult job.

There are many areas in which environmentally beneficial innovation is occurring and could be further encouraged and supported by ESG investors (Hawken, 2017). As and when innovations occur and new and more sustainable offerings are introduced, sales applications of support tools can shorten sales cycles, increase win rates, reduce stress and support and compliance costs, enhance cross and up selling, produce more consistent documentation and build closer relationships with customers and prospects (Coulson-Thomas, 2007b & c, 2008, 2012a and 2013a). Early adopters of the suggested approach emanating from the investigation have achieved impressive results. An evaluation of just a few of the many users of a sales tool developed for one corporation revealed a return on investment of 38 times the project cost in a period of only six months. Another user obtained a return on investment of over 71 times the project cost in the first year alone. Relatively quick pay backs are welcome at a time of adversity. One sale resulting directly from the use of a sales support tool paid for its development in the first week of its introduction.

Advantages of Performance and Transition Support

Improvements in performance achieved by pioneers of the suggested approach have been so significant in relation to the cost of improved support that a smaller number of people can achieve more than a larger group that lacks equivalent tools. Savings can be achieved that quickly exceed the cost of putting improved support in place. A smaller number of people who are better supported can represent a preferable, achievable and cost-effective option. In an economic slowdown or downturn, companies need to identify both high performers and those with potential who should be retained. Training and development is often an early candidate for cut backs when the going gets hard. In many companies, few training and development inputs create intellectual capital outputs or embrace wider value chains (Coulson-Thomas, 1999). Too often, general courses are provided rather than the specific support that particular work groups require to be more effective at their jobs and cope with new challenges. Support tools can be used to develop new approaches and bring new people up to speed when economic recovery occurs. Applications have been used to support business partners and ensure a consistent approach across a supply chain when changes occur.

Support tools can be designed to explain why certain reactions occur and situations arise. Users can also be alerted to both problems and opportunities. Integrating working and learning enables people to cope and learn as and when a tool is used, wherever they may be and at any time of the day or night (Coulson-Thomas, 2012a & b, 2013a). The take up of what is presented in job related tools can be quicker than is the case with face-to-face training and e-learning. Users can share their experiences and insights during transition and transformation journeys. Substantial savings in support and compliance costs can also be achieved. One user found that two thirds of its support engineers were no longer required following the introduction of a support tool. Traditional ways of avoiding risks can involve delays and higher costs and result in people focusing upon compliance rather than customers (Coulson-Thomas, 2017). Building checks and reviews into a support tool can speed up responses, address risks such as miss-selling, and enable people to deliver bespoke responses.

Because large improvements in the performance of previously average performers can be achieved, in some areas it may be possible to replace costly staff with cheaper and/or outsourced alternatives to achieve welcome savings in an economic slowdown. Significant numbers of high level and high cost knowledge workers may find that their services are no longer required, if less experienced and expensive colleagues with appropriate support could exceed their traditional levels of productivity and performance (Coulson-Thomas, 2008 & 2009a; Ford, 2015). Many companies that have outsourced back office and call centre tasks have been reluctant to offshore higher level and more complex tasks because of problems in capturing how these jobs are done and supporting new or relocated staff over the period of time it can take them to get up to speed when traditional approaches are used. Capturing and sharing the essence of how complex jobs are done and making it easier for ordinary people to excel at them can greatly speed up and reduce the cost of both re-locating work and upscaling activities during an economic recovery.

Accelerating Required and/or Desired Transitions

Support tools can also be used directly by customers and citizens. They can empower and include them and help them to cope with complexity and change and make more responsible choices that are consistent with progress towards more sustainable communities and lifestyles (Coulson-Thomas, 2009b, 2010, 2014 & 2019a). Many decisions and difficult and important jobs are inherently stressful when undertaken in a traditional manner. High levels of stress can reduce performance, increase staff churn and levels of absence, slow progress towards a more sustainable future and even lead to legal claims. By making it easier for people to do difficult jobs directors can reduce stress at a time of uncertainty. Hence support can lead to greater personal fulfilment for users as well as improved results for corporate employers.

The challenge for business and political leaders is to accelerate a transition to less damaging patterns of business and consumer behaviour. Damaging activities need to be quickly reigned back, whether by incentives or the imposition of ever tightening caps. Incentives could include grants and/or reliefs for the shutting down, writing off and disposal of plant that produces harmful emissions and compensation for leaving fossil fuels in the ground. They can have advantages over edicts, such as allowing a diversity of responses to suit individual circumstances (Thaler and Sunstein, 2008). A market mechanism such as pricing and related trading could also be used to ensure that any residual pollution results from high social value activities (Coase, 1960 ; Tybout, 1972; Lohmann, 2006; Kreiser, 2015). Boards could be encouraged and/or incentivised to reduce and/or close down operations that contribute to global warming. More boards should be concerned with: stopping operations rather than increasing them; the disposal of old plant; and the recycling of banned devices and vehicles and end-of-life batteries and solar panels so that rare minerals can be reused. Business school programmes and the criteria for awards should change to reflect the switch of emphasis.

The economic downturn represents both a multi-faceted challenge and an opportunity for many directors. In times of rapid economic growth, when shortages and bottlenecks appear, even indifferent companies may find their services are in demand. It is when the going gets tough that more able and focused board members are able to distinguish themselves. In tough times smart and responsible boards have an opportunity to build relationships, restore trust and secure first mover and/or lasting competitive advantage. The requirement for action in relation to climate change means that boards need to move quickly (Stern, 2015). Those that act to transition to sustainable and carbon neutral operations, activities and business models deserve the support of responsible stakeholders and the gratitude of future generations.

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Abstract

An economic slowdown can have positive as well as negative consequences, especially in relation to the environment, biodiversity and global warming. It creates opportunities as well as problems. The responses of boards and companies can vary. Some can be more socially and environmentally responsible than others. Boards can review corporate purpose, priorities and direction, initiate and/or accelerate transition to more sustainable operations, activities, offerings and business models, and take steps to ensure people are helped and enabled to

undertake transition and transformation journeys. There are relatively quick and affordable ways of providing support that can benefit people, organisations and the environment.

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