

THE BLOG

Spring Cleaning for a Speedier Economic Recovery

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With the U.S. economy beginning to rebound, it is high time for businesses both big and small to get proactive and clean house of wasteful and counterproductive practices. Nancy Slomowitz, business consultant and author of the new book *Work Zone Madness: Surviving and Rising Above Workplace Dysfunction*, urges companies to examine some of the preventable reasons behind the mounting losses, scandals, closures and layoffs that have been a fixture of the recent downturn. Like a thousand small cuts left untreated, many companies are hemorrhaging in ways they may have completely overlooked or have consciously chosen to ignore. Over the past three decades, Nancy has seen it all from the back office, the place where the dirty truths cannot hide if one digs deeply enough. Here are a few of her recommendations for moving forward from her book and website

www.companyrehab.com:

First and foremost, Nancy urges companies to restore integrity to their financial data at all levels, from data entry to publication. All too often, the financial disclosures in annual or quarterly reports are misleading, distorted or manipulated to the degree of fraudulence. Beautiful graphs and fancy PowerPoint presentations can make things look too good to be true—and that’s often the case.’ Hiring external and truly independent accountants to double check the work of in-house staff is a great prevention. Before investing or taking a job with a company, check out their Dun & Bradstreet ratings, Nancy advises. It is a reliable indicator to see if they’re managed properly and on the right track.

Businesses have been caught up in the frenzy of “cutting overhead.” It’s one thing to get rid of the company condo in Vail, but many organizations have shortsightedly cut back on vital infrastructure especially in administration. It can be one of the worst decisions a business owner can make. Contrary to popular belief, the back office is a profit center when it works to prevent the waste from inefficiency and stands watch to quickly identify mistakes before they become problems. For example, trusting that accounting software can do the job with minimal human oversight and few checks and balances is one common mistake. Small errors not caught early on can rapidly take on a life of their own and snowball into disasters when data a company needs to make important decisions is seriously flawed. Cutting costs by hiring under-qualified help that are inadequately trained and supervised because the manager was let go often comes with a big price to pay later down the line.

Too many workplaces have degenerated into dysfunctional environments better suited for cattle than for productive workers. How do we expect to get much done when the overwhelming percentage of American employees is improperly trained and managed, undervalued and understandably very unhappy at work. So many job sites can more aptly be described as combat zones when management lets personal conflicts, turf battles and finger pointing run amok. Nothing good comes when the only satisfaction is waiting until Friday to a paycheck. Employers and managers need to look at themselves in the mirror and ask, “Would I like to work for someone like me?” Investing in the long term by developing a cadre of loyal and dedicated workers rather than disposable ones shows up on a big way on the profit sheet. Improving employing benefits, giving profit sharing and annual raises when possible, and rewarding good work may be antithetical in our cost-cutting, overhead-slashing world, but it’s a real bargain with payoff in many surprising ways. Sometimes, it is the smallest touches that can make the biggest difference, like a boss who regularly walks the hall and demonstrates sincere interest in the individuals working under him or her, and a personalized gift on a birthday or special anniversary. Bringing back the company holiday party planned with a few special surprises can boost morale and company cohesion, a great return on its modest investment.

Nancy believes that many of the problems in the American workplace stem from a loss of integrity, an axiom called “doing the right thing.” In the greedy, hard-edged and me-centric contemporary culture, this notion fell out of fashion. Most of the practices that have put short term growth and profits above long term sustainability and quality have become so embodied that few seem to notice or dare to question. But there’s a way to merge the old fashioned values that put employees, customers and product quality first with the new world of the global marketplace and technology. *Work Zone Madness* is Nancy’s wake up call for us to get out our buckets and scrub brushes to help make a clean start.

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