



“The Opening Section of a Turnaround Plan – The Executive Summary”

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If your company is in serious trouble and in danger of failing, you need to take some drastic actions to save it. I can tell you from experience, that the turnaround process can be so difficult that sometimes it is easy to get lost in the process and lose site of your overall goal. When people are losing their jobs, as is often the case with a turnaround, emotions can run high, and you can easily lose site of the overall process.

You need to remember that there are several basic steps to the process, and they can be broken down as follows:

- 1) Find out what is wrong
- 2) Create a short-term fix
- 3) Create a long-term fix

In this first step, you are looking for the big-ticket items on both ends of the spectrum. In the second step, you will patch things up to gain time. You will use this time to make long-term repairs to the fundamental business. In the third step, you will be looking at your business in a more fundamental way to determine how to make long-term structural changes that will take your business in the right direction for the future.

Right now, you are more concerned with fixing things to get through this difficult time. Here is an analogy. If you have engine problems while you are on the road, possibly you want to get the car running long enough so that you can get it back to the repair shop.

Once in the repair shop, you can make the long-lasting changes, but for now, you just need a way to get it safely from the side of the freeway back to the shop.



A key part of any successful turnaround is to have a well-defined plan. This will help in two ways. First of all, it will allow you to communicate with those important people—business owners, stockholders, and other interested parties—that you are on tract for a successful turnaround outcome. Second, it will make you think everything through. Third, it will give you a template to work from.

Although the actions you end up taking may not follow the plan exactly because of changing conditions, at least you will have a well-constructed written plan that will give you some guidelines to work from.

Keep these main concepts in focus and you can successfully turn your business around.