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Active sailing is preferable to passively riding it out

Alamy

## How to weather the financial storm

*From Dr Andreas Hinterhuber.*

Sir, Francesco Guerrera ("Destination dustbin", August 10) asks whether companies should face the current recession by making fundamental changes or whether they should "weather the storm without rocking the boat". The US Coast Guard Manual on Sailing and Seacraft provides the following illuminating advice on dealing with storms at sea:

- Always be prepared to face all weathers when going sailing
- If you encounter a storm offshore, the wise sailor will always try to avoid the storm
- In the event that you cannot outrun the storm and get out of its

path, it's time to batten down, don life jackets, and prepare for a ride – actively sailing in heavy weather is preferable to passively riding out the storm.

It seems that these guidelines can be fruitfully applied to management in a recession: develop scenarios, segment and compete where the storm is less intense and, finally, confront the storm actively by making necessary adjustments (eg capacity).

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