

Recession-Proof: How to Ensure You Survive an Economic Slowdown

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We have been hovering around the dreaded "R" word for some time with many of the world's governments attempting to shorten the potential impact to the global and local economies by taking a hardline approach to fighting off inflation. Most global economists are predicting a contraction of Global GDP in 2023. The contraction predictions vary widely amongst the same group. Overall, it seems that inflation is starting to reduce and is projected to continue to decline over the next few quarters. While we all hate to see the Federal Reserve continue to increase interest rates, it appears to be having the desired effect on inflation. With all this economic uncertainty comes a heightened demand for cash flow and an increased focus on profitability. In simple terms, we are once again being asked to do more with less resources. The question on top of everyone's mind is "how can I get more out of my already overworked team?". There are a few key factors you should be focused on to recession-proof your organization.

People vs Process

Inevitably, when times are tough, companies begin to look for cost saving opportunities. During economic growth, companies look to quickly hire employees to fill gaps in hopes of increasing revenue and riding the wave of increased demand. However, when faced with a declining economy or a recession, the excess hirings become a drain on profitability. Often, companies identify redundancies and cut swiftly and deep – all for the cycle to begin again as the economy recovers. We see this pendulum swing wildly back and forth because companies are focusing their efforts on...

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Keith Cowart is the Global Market Owner for Receivables within FIS' B2B Division which features the award-winning Credit-to-Cash products, GETPAID and Integrated Receivables. He has over 22 years of professional experience in various accounting and finance leadership roles including Accounts Payable, G/L Accounting, as well as Credit and Collections in large global companies with shared service centers. Keith's focus has always been in continuous improvement and leveraging technology to automate processes which drive results.