

How to scale during a recession, advice from Cody Candee, Founder & CEO of Bounce

The global pandemic, the Ukraine war, soaring interest rates and plummeting stocks, we've seen it all in the last 24 months. Many businesses, and those in the travel and tourism industry in particular, faced unprecedented challenges. How does any company, let alone a young startup, survive this? With a bit of hindsight, here are some of our key learnings to overcome the hurdles and uncertainties of the current global economy.

Temps de lecture : minute

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Go lean, it's key to the business' survival

As obvious as it seems, the first thing to do in an abrupt slowdown, is to cut costs. One of the crucial factors that helped us weather the storm was how swiftly we adapted internally. We realised that outsourcing was an expense we could minimise, and there was a lot we could handle in-house. This meant rolling up our sleeves and learning new skills to adjust to changing circumstances quickly. By reducing our reliance on external partners, we gained greater control over operations and costs, while also enriching our team with new skills. This shift towards self-reliance proved instrumental in surviving the pandemic's economic upheaval. It also set a great groundwork for the future when we were able to bring on new hires or external support because we'd improved our own understanding of the market.

Pivot, but know in what direction!

If you're going to pivot, know where to! I can't recall a bigger unforeseen circumstance in the history of the business than a global pandemic bringing the world to a complete standstill. This really could have been the end of us. As the pandemic disrupted traditional travel, we focused all of our efforts where demand was still evident and pivoted swiftly to meet the changing state of the market. As a result, we built out our presence in Europe to meet the demand where it was. This strategic move allowed us to capture opportunities that arose in response to the altered travel landscape and this is undoubtedly a key factor to how much we thrived in a post-pandemic world.

Be extra transparent in troubled waters

When the environment is extremely uncertain, being as clear as possible with the company goals, direction and next steps was crucial. Maintaining transparency was another vital component of our survival strategy. At a time when uncertainty prevailed, I went out of my way to keep the team well-informed. Every employee was privy to information about the company's financial runway, booking numbers, and the challenges they were facing, effectively gathering everyone around a common goal: staying afloat. This open and honest approach built trust and fostered a sense of unity among team members. It also allowed us to collectively navigate the difficulties. Transparency proved to be a powerful motivator, as it encouraged the team to work together to find solutions.

Stick to the mission with everything you've got

One of the overarching principles that guided us through the challenging period was our unwavering commitment to their long-term mission. We

understood that while the short-term difficulties were significant, they were only temporary. By keeping their eye on the bigger picture, we managed to stay focused and resilient in the face of adversity. This commitment to our mission allowed us to persevere and emerge stronger on the other side of the pandemic, it gave meaning to our jobs and a sense of common purpose to the team.

Build the Dream Team around solid core values

In addition to strategies for survival, as a team everyone played a crucial role in the company's resilience. We carefully curated and rewarded attributes such as velocity, scrappiness, ownership and bullet-proof decision making, to ensure the team's alignment with the company's vision. Velocity, in the context of our core values, signifies the need for speed and agility in decision-making and execution. Scrappiness meant the ability to make the most of available resources. We looked at the responsibility and accountability each team member holds for their choices and actions when evaluating ownership and decision making. These values helped us create a team that was not just capable but also aligned with the company's mission.

Keep hiring during a crunch, but be intentional about it

It might sound counterintuitive, but hiring should not come to a halt when things slow down, quite the contrary. Bringing on board individuals who resonated with the company core values was crucial and - if possible - it's not something to put on pause, regardless of external factors. We made the decision to continue to hire through the downturn, and looking back this is one of the best things Bounce did. I even realised that we could have hired certain functions earlier to reach our goals faster. Roles like

data science, brand development, and leadership were areas where early investment would have been beneficial. In hindsight, we recognise the value of getting ahead of such opportunities to propel the company further.

Surviving and thriving in a recession boils down to a lean approach, quick pivots, transparency, and unwavering commitment to your long-term mission. Core values, such as velocity, scrappiness, and ownership, are critical in building a strong and aligned team. Even if nothing else is growing, building out the team, with well thought out key hires and intentional hiring practices to maintain company culture.

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