

Intelligent Business

The upside of a downturn

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Fired with enthusiasm

“You’re fired!” has become a catchphrase for Donald Trump and other hosts of “The Apprentice”, a well-known TV show about aspiring business stars that has made its way around the world. Those same chilling words will be heard in many workplaces in 2009, as companies faced with a sluggish economy continue to cut one of their biggest costs: people. Although losing a job will be a very traumatic experience for many employees, such lay-offs will also be accompanied by opportunities.

A few leavers will be lucky enough to get some job-hunting assistance from their former employers. The outplacement industry, which provides such advice to jobseekers, is already gearing up for a bumper year. Online networking and job sites, such as [LinkedIn](#) and France’s [lesjeudis.com](#), will also see a rise in traffic as the newly displaced use such sites’ electronic tentacles to reach out in search of new positions.

Some of those ousted from their jobs will find it easier to get a new one than others. A recent study by Right Management, which is part of Manpower, an employment-services giant, shows that many people laid off in the pharmaceutical industry in north-eastern America in 2007 and early 2008 went on to find new positions—often at an equivalent or a higher salary—elsewhere in the same industry or in the fast-growing biotech sector. The fledgling green-energy industry will be another big recruiter in 2009, given that it faces a dire shortage of talented engineers and other experienced staff.

Not all those who find themselves unemployed will want to head straight back into the same line of business, though. Many job-hunters will explore several possible careers before charting a new course for themselves. One way to do this will be to seek out people who are already working in new areas and ask them what life is like there. But second-hand anecdotes are a poor substitute for first-hand experience. So there will be a demand for services provided by companies such as VocationVacations, an American firm which lets its customers try out a new career by working for a period with a “mentor” who is already active in the business of their dreams. Popular targets for “vacationers” will include catering (restaurants, bakeries), as well as the sports, entertainment and environmental industries.

Some of the newly unemployed will seek inspiration in education. Places on business-school courses will be popular with ousted employees who can afford to pay the hefty fees. The coming year will be a record one for applications to full-time MBA programmes, partly stimulated by demand from job-hunters who hope to use the schools’ career advisers to help them identify suitable potential jobs while they are busy polishing their skills in the classroom. Vocational courses that develop industry-specific skills will also see a surge in applications.



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Hire yourself

Rather than studying business, what about starting a company from scratch? If history is any guide, a significant number of people who are laid off over the coming year will do just that. Carl Schramm, the head of the Kauffman Foundation, a non-profit organisation that promotes entrepreneurial activity, points out that start-ups tend to flourish in the year that follows a sharp downturn. Rather than head back to another corporate bureaucracy, some of those made redundant will take a shot at being their own boss.

And these new entrepreneurs will not just be young whippersnappers. In America, in particular, older workers are increasingly likely to start a second—or third or fourth—act after a lay-off, in part because they fret that they do not have enough money saved up for their retirement. According to statistics from Challenger, Gray & Christmas, an outplacement consultancy, the number of self-employed workers over 55 in America has risen by 10% since 2005. That figure will grow again in 2009.

Those victims of downsizing who do end up launching their own businesses will have no shortage of role models. Michael Bloomberg, Steve Jobs and Michael Dell are just a few of today's business behemoths who were thrown out of a job at some point in their careers. Like them, some of 2009's crop of corporate outcasts will go on to prove that triumph—and millions of newly minted jobs—can be born out of adversity.

Martin Giles: senior business correspondent, *The Economist*



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A) LANGUAGE (There may be more than one correct answer.)

- 1) If you lose your job, you become _____.
 - a) unemployed
 - b) sluggish
 - c) traumatic
- 2) Which sentence means "I have lost my job."?
 - a) "I've been laid off."
 - b) "I've been made redundant."
 - c) "I've been fired."
- 3) Which of the words underlined means "very bad"?
 - a) I've had a bumper year.
 - b) There is a dire shortage of good engineers.
 - c) This is a fledgling industry.
- 4) Which of the phrases underlined means "looking for work"?
 - a) Jobseekers should try to contact an employment agency.
 - b) A lot of agricultural workers are trying to find new positions.
 - c) I'm job-hunting so I've sent out my C.V. to local employers.
- 5) Which of the words underlined means "increasing"?
 - a) The fledgling green-energy industry will be another big recruiter in 2009.
 - b) Online networking and job sites will also see a rise in traffic.
 - c) Some people moved to the fast-growing biotech sector.
- 6) Which of the words underlined means "very big"?
 - a) Experienced architects can charge hefty fees for their work.
 - b) Most economists predict a sharp downturn in manufacturing.
 - c) Few high street retailers experienced bumper sales during the Christmas period.



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- 7) Which of the words underlined means “improving”?
- a) I’m polishing my interview skills because I’m applying for a new position.
 - b) Losing my job was a stimulating experience.
 - c) Becoming unemployed was a chilling experience.
- 8) Which of the words refers to very successful business people?
- a) behemoths
 - b) mentors
 - c) entrepreneurs
- 9) Which of these words refers to new businesses?
- a) start-ups
 - b) entrepreneurial activity
 - c) newly-minted jobs
- B) COMPREHENSION
- 1) Choose the best summary of the first paragraph.
- a) Although, due to the economic downturn, many people will lose their jobs in 2009, this disturbing experience will stimulate them to find new opportunities.
 - b) The economic downturn in 2009 will produce many new opportunities for people who are unemployed now.
 - c) The sluggish economy in 2009 will create many new opportunities for businesses who can cut their costs by firing people.
- 2) Choose the best summary of the second paragraph.
- a) 2009 will be a good year for job seekers.
 - b) 2009 will be a good year for the companies and websites which advise job seekers.
 - c) 2009 will be a good year for former employers.



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- 3) Choose the best summary of the third paragraph.
 - a) Most people who lose their jobs will face long periods of unemployment.
 - b) Some people who get fired can find new and even better jobs quite easily.
 - c) People who earn high salaries will find it easier to get new jobs.
 - 4) Choose the best summary for the fourth paragraph.
 - a) A few job seekers will want to find new jobs in the industry where they have experience.
 - b) Most newly unemployed will want to start in a new and different industry.
 - c) Many will want to take time to get experience of different types of work before deciding on their new career.
 - 5) Choose the best summary for the fifth paragraph.
 - a) Experienced business people will be able to find work teaching MBA courses which will be very popular in 2009.
 - b) Some people will go back to university in order to improve their education and get advice from career advisors.
 - c) Fees for both MBA and vocational courses are likely to rise in 2009.
 - 6) Choose the best summary for the final section of the article.
 - a) Losing a corporate job may be a good stimulus for people, both young and older, to start their own business.
 - b) Most people who start new businesses during a downturn become successful.
 - c) Only a very small number of new businesses become really successful.
- C) Discuss the following question. *What is the upside of a downturn?*



Teachers Notes

The upside of the downturn

This article is suitable for students at Intermediate and Upper Intermediate Levels. It may be a good idea to do the A) Language questions before reading with help from dictionaries and the teacher.

The B) Comprehension questions should be done after reading the article.

Answers

A) 1) a 2) a, b, c, 3) b 4) a, b, c, 5) a, b, c, 6) a, c, 7) a, b, 8) a, 9) a, c,

B) 1) a, 2) b, 3) b, 4) c, 5) b, 6) a,

C) Open discussion.

