

# Economic downturn



An economic downturn occurs or is said to have occurred when an economy or nation's enters a recession. During this period certain changes are experienced within the economy. This changes include a lowered productivity of that economy or nation, increased unemployment rates, increased inflation rates, a crashed stock market, loss of investment value as the stock prices or value drops, value of real estates could lower or drop and financing for projects and businesses could become very difficult to procure.

During an economic downturn, manufacturing and other genuineness slows down a great deal, this automatically causes a decline in profits for businesses, income levels and employments. This affects businesses because the consumers ability to spend is greatly reduced. In Nigeria, the above mentioned situations are prevailing indicating that the economy is [maybe experiencing a downturn.

The impact of this economic downturn on my organization is as follows, \* A decrease in the request for environmental impact assessment: when new manufacturing and production companies are being set up, whether it is on a small call or large scale, the government request that an environmental impact assessment be carried out. However since there is a decline in the set up of new manufacturing companies, we as an impact assessment firm are getting less number of request for impact assessments. A change in auto sales: in the last year, since income levels have dropped and financial resources available to families have decreased their spending pattern has also changed. We have experienced a reduction in the sales of high value automobiles, with sales being strongest in the less expensive vehicles. Overall revenue has dropped for my organization and we have had to

implement the following changes to be able to stay afloat. \* Focus our sales advert and marketing on the low cost vehicles \* Introduce other analytical services apart from impact assessments \* Reduce wages by 15% against laying off some of the work force.

The issue of economic downturn is impacting on the global community that is why we are experiencing higher levels of unemployment globally, layoffs, bankruptcy declared by multinational companies, immigration of people to countries who have better economies and breakout of civil wars because of the trudge to control scarce resources. I believe that the strategic organization module will give me a good insight in my current role as a departmental head in my organization. This is because the module theory is about organization and management and how these processes inform strategy, organizational environment and performance.

Since the aim of the module is to ensure that students can appreciate the nature and role of management in modern organizations; understand why organization is integral to the effective performance or organizations; model organization performance, taking account of the relationships between corporate strategy and features of the organization such as people, structure, routines and culture, I know that I will have a better understanding and skills necessary for heading my department.

I decided to study International Management with the University of Liverpool because I hope to attain a managerial position with the firm I work with. I also plan to set up my own company in the nearest future and its best I have quality managerial SKY Ills to ensure ten success AT Tanat company.