

Press Release

Lessons from UAE businesses that thrived during credit crunch

Gulf Finance, Motivate Publishing launch 'Sink or Swim' - a practical management guide to surviving, thriving in shifting economic tides

Companies survive recessions only if they keep their discipline during the frenzied boom years building up to the crash, according to a new management book analyzing some of the UAE's enduring businesses.

'Sink or Swim: How to stay afloat in tough economic times' reveals that discipline – including the financial discipline to resist debt and speculation – is the single most important attribute of Gulf companies that have weathered a series of downturns over the past 40 years, including neighborhood war, oil price crashes and the recent credit crunch.

"It turns out that old-fashioned business rules such as managing risk and watching debt like a hawk really do work," said author Richard Dean. "If you look at UAE business leaders who ran their companies this way during the recent boom and bust, they're still millionaires and billionaires today. But those who went chasing vast overnight profits, taking big risks with borrowed money, have lost fortunes."

The book offers practical advice on surviving the downturn and preparing for recovery, including tips from Steve Williams, CEO of Gulf Finance and contributing editor of *Sink or Swim*.

Williams said: "Many of the most vocal cheerleaders during the boom were the first to fail when the music stopped. But don't forget that many companies survived and are now in pole position to benefit from the inevitable economic upturn. We have much to learn from them."

The 112-page book surveys 'swimmer' companies from a range of backgrounds. They include family-run trading company Kanoo Group, global banking giant HSBC, steel-trading conglomerate GEAP International, real estate brokerage Better Homes and entrepreneurial media start-up Momentum Communications. It also examines real life examples of people who got it wrong.

Key findings of the book include:

- How companies react to a downturn is only 30% of the survival battle. The crucial 70% is having a strong, sustainable business in the first place.
- Having a unique product or service is largely irrelevant in surviving a downturn. Having strong management, manageable debt and a diverse client base are far more important.

- Lack of discipline is one of the main causes of business failure. Disciplined finance, disciplined management, disciplined expansion and personal discipline are vital for endurance.

Dean draws on more than a decade of experience covering the Gulf as reporter for the *Financial Times*, *The Economist* and Reuters. He currently presents Tonight with Richard Dean, a daily radio show on Dubai eye 103.8. Dean said he wrote *Sink or Swim* to help the region build better companies.

Williams said the book makes a valuable contribution to the whole spectrum of the business community, from entrepreneurs considering entering the market to veterans who want to improve efficiency. "Most existing management books focus on business in North America, Europe or Asia: this is focused on the UAE, on our region, and that hasn't been done before," Williams said.

The Gulf Finance team helped to develop *Sink or Swim's* simple but powerful Business Health Check tool – a set of guidelines to help flag business strengths and weaknesses in just half an hour. Insight Discovery, a Dubai-based research company, surveyed more than 100 businessmen and women working in the UAE, to provide a rigorous statistical base for the book's findings.

Sink or Swim has already received rave reviews from the region's business and media communities for its lively and engaging writing style, insightful and universal content with domestic applications and bite-sized lessons.

Sanjay Upal, Chief Financial Officer of Emirates NBD bank, said: "*Sink or Swim* offers compelling insights into real-life experiences and lessons that would serve every business and individual well."

Fadi Al Said, Senior Fund Manager at ING Investment Management, described it as "a much-needed reminder of the common sense rules of business."

Published by Motivate, '*Sink or Swim: How to stay afloat in tough economic times*,' is available in leading bookstores across the UAE for AED 75. The book has been approved by the UAE's National Media Council.

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For more information, please visit www.sinkorswim.ae