

FOODBEV.COM - Opinion Published on 13.09.2010

The rising cost of food. How should businesses react?



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It was interesting to note a recent FT online news story last week that referred to the doubling cost of barley in a two-week period. The question the journalist asked the pundit: 'Will we now see spiralling food costs?'

I found this interesting on two points. How quickly we rush to the most extreme and dire conclusions when faced with the merest hint of an issue. I appreciate that this was a news report and therefore issues sell stories, but I see the same response in many of the organisations in which I've worked around the world.

I recently heard a conversation between two senior executives as they discussed some significant challenges coming the organisation's way. Their response as senior leaders – 'We're doomed!! I wonder if there will be any early retirement deals.'

Now while I paraphrase with slight tongue in cheek, the gist is spot-on. 'Potential issue' corresponds automatically to 'impending disaster'. How you and the leaders in your organisations respond to bad news is pivotal to an organisation's success. How can you use the energy and focus created as a force for good; innovating, gathering teams of people together and having radical conversations that create real opportunities, for instance.

The second and connected point is that this is likely to be the start of more 'bad news' stories that may flood in to your coffee bars, water coolers and office meetings. With the public sector spending cuts around the corner, the impact of which we have no real gauge for yet, you and your colleagues will undoubtedly be impacted.

The scaremongers and doom merchants in your organisations (you know who they are) will have a field day. Stay focused on what you can influence and ignore what you can't, and continue to do a great job.