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# Don't Think You Are Ready Immune: Watch Carefully Turkish Experience



It was the 1970's. People would swim on Yeniköy's coast in Istanbul, relax by the clear blue waters of the Marmara Sea. I remember I was 4 or 5 years old, together with my parents by the seaside.

Everyone was jumping into the sea from the pier, so I wanted to jump too. My mother said, "Jump then". So, I jumped but I started to struggle in the water since I didn't know how to swim.

I grabbed onto a small inflatable boat that was passing by. My mother and my father had watched the whole thing, ready to jump into the water to rescue me.

However, the boat did not dock where I wanted it, but a farther place, and I had to walk all the way back to my parents, the point where I unwisely jumped into the water.

## "I told you so"

That day, my parents taught me two important life lessons: The way to move less risky in life is to be prepared and learn in advance. And the solutions we create when we are in a difficult situation can lead to further complications.

As a person who had warned people long ago about the risks that are here today, I know for a fact that saying "I told you so" doesn't help anyone. So, I think it is wiser to help each other on how to deal with troubles that are waiting on our doorstep.

Not too long ago, I had offered some useful suggestions aimed especially at individual investors and small-scale enterprises, describing the measures that could be adopted when the circumstances get tough.

- Do not use your business revenue to cover your personal expenses since it's both an ethically wrong and economically harmful behaviour.
- Prioritise your spending. Use your resources for endeavours that can help keep your business afloat.

- Even if you cannot fully use the current capacity of your business, do not spend money to expand it any further.

- Improve collection rates and efficiency. Shorten your collection cycles. Develop effective debt collections methods.

- Today, the supply of a good is more important than its price. Take this matter seriously and don't put your fate in the hands of others.

- If you are a company that earns Turkish lira revenue against exchange-rate risk, you should avoid risky behaviours and, in accordance with your cash flow, take advantage of each moment when exchange rates go down.

## How to say "stop"?

Actually, these precautions should be taken before facing a financial bottleneck.

In today's Turkey, interest rates are very high. Non-bank financial institutions are pushing over 80% in loan interest rates.

So, my advice to companies is to ensure they do not lose their vital functions while continuing to produce with qualified staff. And it is equally essential to take advantage of any government incentive available and maintain effective communication with employees, suppliers, and customers in order to keep a constant finger on the pulse of the market.



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Considering the current economic circumstances, business owners and professionals should learn how to say "stop" to untimely demands and spending by both their households and everyone around them, for the sake of both ethics and rationality.

Imagine what people would think of you if all you thought about was buying a new car, a new watch, making luxury expenses all the time while people around you are having financial hardships?

Well, they would think that you are a very selfish person who has no touch, whatsoever, with the reality and lacks consideration for the struggles of others. You would lose your credibility and appear disconnected from society.

I know it could be difficult for some to do all these things. But let me tell you this, instead of renting expensive cars for executives, improving employees' commute to work and working conditions would be much more effective in increasing productivity.

Always remember, unhappy employees tend to be less productive and job dissatisfaction is a major productivity killer.