

# Recession: Nigerian businesses can remain profitable

LAGOS, Nigeria - For companies in Nigeria currently battling the recession, the challenges are slowing sales and reduced earnings due to spiralling costs from high inflation and forex rates. To manage cash flows, businesses may have had to reduce or halt spending totally.



Image by 123RF

However, the companies that will come out of the recession stronger must master the delicate balance between cutting costs to survive today and investing to grow tomorrow. According to a survey by the *Harvard Business Review*, companies that deploy a specific combination of conservative and progressive strategies have the highest probability - 37% - of breaking away from the pack.

These companies reduce costs selectively by focusing more on operational efficiency than their rivals do, even as they invest comprehensively in the future by spending on marketing, R&D, and new assets. This multipronged strategy is believed to be the best approach to surviving a recession and growing stronger into the future.

How can businesses enhance their operational efficiency, while investing selectively? What options does digital technology offer African Enterprises? What impact does outsourced technology have on businesses, especially on cost-savings and efficiency? How is colocation and cloud computing a business optimisation strategy?

right balance between the technologies they want and the ones they need.

MainOne has outlined some of the ways outsourced data centre and cloud services have helped their clients to maintain long term profitability:

- Adopting digital technologies is a cost effective strategy to optimize processes and drive new and improved measurable business results.
- Outsourced data centre and cloud services speeds up a company's time to market and improves service delivery.
- Companies can be reassured that their data is protected according to the highest standards thus minimising their risk.

For more, visit: <https://www.bizcommunity.com>