

## Rising from the ashes of a bust

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Survival strategy: among those who have adapted to hard times and come back stronger is former chief executive of Smart Oisín Fanning. Photographs: Frank Miller, Shannon Stapleton/Reuters

Photograph: The Irish Times

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I RECENTLY SOUGHT to bring a flicker of a smile to the face of a friend whose heady days as a Master of the Universe ended in the economic catastrophe of the past months. Knowing that he was counting losses in the millions, my small offering was to send him a copy of a letter to Robert and Ethel Kennedy that hangs above my desk, a document I came across in the private papers of the family's accountant.

Written to the wife of then US attorney general - remember, please, the figures relate to the early 1960s - the letter reads: "Dear Ethel . . . Disbursements in the day to day operations at Hickory Hill from January 1 to July 31 amounted to \$156,000. This means that if you hope to stay within your budget for this year, there is only \$12,000 left with which to operate your household over a period of five months. How you all can exist on \$12,000 from August 1 to the end of December is going to be miraculous . . . It will be necessary to consider some drastic action like getting rid of the horses (except one for Bob and two for the children), shoot all the ducks, send the dogs to the White House . . . Love . . . \$\$\$."

Seeing this letter afforded my friend a moment of respite from his own misfortune.

The economic meltdown, experts tell us, is a form of bereavement. The trauma is exacerbated by the fact that the sudden and calamitous nature of the downturn caught many in Ireland - particularly the young middle and professional class - off guard.

Harkening back to the bad old days of the recessionary 1980s, when those now aged 40 were still at school, doesn't resonate with the young titans of noughties Ireland.

Many do show symptoms of grief. The panic sown by daily headlines about further incompetence or perfidy, say trauma experts, immobilises some. Angry and frustrated, others look for culprits. Blame the banks. Blame the Brians. Blame greedy developers, hedge funders, grasping tradesmen, corrupt politicians. Blame the Saudis. Blame the Americans. Blame the Poles. Many simply feel resigned to a miserable fate.

Abbie Lane, the consultant psychiatrist who heads the Dublin County Stress Clinic, is seeing a dramatic increase in clients.

"The loss of a job, a home, huge debt - these are real traumas," Lane says. "Many will go into a period of shock and inaction that can last months. They need to reach out to experts, but also to family and friends. And we all need to be aware of the feelings they may be experiencing."

And yet. And yet. We all know there are people who will weather even this, and be found lying in a chaise longue with a cool drink when the rest of us finally pull our leaky dinghies on to the beach. Who are these people? More importantly, how can one ensure that one is among them?

"The first step," says Lane, "is that people need to realise there is help available if they're feeling very low. The first stop should be their GP, who can refer them on to appropriate treatment."

HOPE PLAYS A critical role in recovering from any setback, says psychologist Tim Dunne. He challenges his clients to think deeply, boil problems down to basics, then tackle them.

"The old cliché, 'Face the fear, then do it anyway!', is more relevant than people realise," Dunne says. In other words, acknowledge your worry but get to grips with the problem. Dunne and fellow psychologist Ellen O'Mahony specialise in cognitive behavioural therapy, working with clients to "reframe" their thinking, to look at life's challenges as potential opportunities.

"Human beings can develop very rigid ways of thinking," says O'Mahony. "To go down a new, positive, alternative route takes effort. People say, for example: 'That's the way I've always done business.' But if the economy changes you may have to change what you've always done. That requires effort and creativity. People can be taught to see their way out of these negative patterns."

There are examples, if you look for them, of people putting into practice the concepts Dunne and O'Mahony mention, such as optimism and creative thinking. At the height of the dot-com boom, Dublin-based businesswoman Morgan Pierce was headhunted away from a top executive job by a technology start-up that then went bust when the industry collapsed. A single mum, she found

herself unemployed, borrowing money from family to pay the rent and buy groceries, and spent two years looking for work.

Eventually, a serendipitous meeting made Pierce rethink her options and led to a partnership in an American fitness franchise that wanted to break into the Irish market. She reinvented herself. The technology kid became a health and fitness whiz, riding the spa craze of the last few years. She then grabbed the Power Plate distribution rights for Ireland before anyone else in the business had even heard of the fitness machine.

Luxury items might seem the first thing to go in these nervous times, but Pierce isn't wasting time fretting.

"There's no point in worrying," she said. "Instead I get myself to my desk a little earlier every day. I know how many sales we have to make every week and to do that in this environment means you have to be constantly inventive. But I know I can do it. I've just got to make potential customers the offer they can't refuse. And I've got to keep doing that every single week until we're out the other end of this crunch."

OISÍN FANNING IS another entrepreneur who has stayed successful because of a consistent ability to adapt. When his first business collapsed in the late 1990s, Fanning sold at a loss, leaving him with financial worries, including the possible loss of his home. He was back in the game within months, however, with a new idea - Smart Telecom - and fresh funding.

"I've moved on," Fanning said at the height of Smart's success. "I invested everything in that business and it didn't work and I had to sell it for nothing. I'm very glad to have a second chance in life."

Fanning's involvement with Smart in turn ended unhappily, but he recently resurrected himself again - as head of an oil and gas exploration venture, San Leon Energy.

Fanning's story resonates with life coach Therese Ryan of Renewal Consultants.

"It is important to restore self-confidence," she says. "I try to get people to make a mental balance sheet of their lives, to remember that no matter what dreadful thing has happened, they're still successful as human beings. The people who recover most quickly are those who can get that perspective. Failure doesn't weigh heavily on them. They're able to use even bad experiences as tools to re-evaluate their priorities."

OTHERS, AS RYAN (and every other professional I spoke to) suggests, use job loss or the disappearance of a nest egg as an opportunity to change direction. In a world in which necessities cost so much and the line between needs and wants has become so blurred, it is an opportunity that can be overlooked.

"Quiet reflection," says Fr Richard Kelly, a Franciscan who works as a pastoral counsellor, "can be a valuable tool. Taking that time can help people re-evaluate."

Another spiritual counsellor, Fr Pat Duffy, suggests that the current crisis is a chance to explore the question: "What does this situation teach us about what is really important in life?"

But such reflection need not mean running off to an ashram or donning a hairshirt. An architect I know is using the slowdown in her business to do something worthwhile as she sorts out her future. She left last week for a stint in Africa, building houses for the poor.

And my friend, he who has just seen his paper millions blown away in the tempest? After initial panic, he too has settled into a new rhythm without losing the "oomph" that made him those millions in the first place. He hasn't abandoned finance, but he is concentrating hard on new, more concrete, ventures. Perhaps I wasn't far wrong in sending him that Kennedy letter. Humour and a network of good friends are also important assets on the road to recovery.

Those who triumph in adversity "see the important things in life", says Ellen O'Mahony. "Family, friends, health, a roof over their heads, and the opportunity to do the best they can and be the best they can each day . . . They accept that all they have could disappear and yet know that if that happens, they will cope. They will overcome."

### **Second acts: four who bounced back in style**

F Scott Fitzgerald was wrong. For many, there are second acts in life. Here are but a few: by 1950, **Frank Sinatra** was "down and over and out". His music had become passé, while scandal over his links to the Mafia and his abandonment of his wife and children for actress Ava Gardner had driven away even his most loyal fans. He was broke. Then he sought and won the part of scrappy soldier Maggio in the film *From Here to Eternity*. At the same time, he returned to the recording studio to make the first of the albums that would become his musical legacy. In 1954, he won an Oscar for *Eternity* and his *Songs for Young Lovers* topped the charts.

In the 1970s and 1980s, **Donald Trump** built a multi-million-dollar property empire. By the late 1980s, however, a recession and real-estate slump had forced him into bankruptcy. Ever the deal-maker, Trump came to terms with his creditors, reorganised his company and - as viewers of *The Apprentice* know - turned things around.

Our own **Gay Byrne** entrusted his finances to accountant Russell Murphy. When the accountant died in 1986, Byrne discovered that Murphy had spent much of his, Byrne's, life savings.

The loss doesn't seem to have done Byrne any long-term harm, and it reportedly gave him the impetus he needed to request a raise from RTÉ. The "retired" Byrne, who serves as chairman of the Road Safety Authority, is to return to television in 2009.

Singer-songwriter **Leonard Cohen** was defrauded of millions of dollars by a former business manager.

His parlous financial state may have been what forced 73-year-old Cohen back on to the stage, but a series of extraordinary performances - including a gig in Dublin last summer - delighted fans and won critical praise.

And Hallelujah, Cohen's own recording of his song, made it into the charts over Christmas along with cover versions by Jeff Buckley and X Factor winner Alexandra Burke.