

We Were Acting on Advice!

By Schon G Condon RFD

How often do you hear this? No doubt you're not unaccustomed to such a response when things don't actually go exactly to plan. It is almost a native human endeavour to avoid the blame or the responsibility.

Regrettably though when things have gone wrong the most common problem by far is the simple fact that the poor person involved actually never got any advice in the first place! Operating a business these days is a complex minefield of a continually striving for growth, meeting statutory obligations, coping with commercial reality, dealing with international competition, combating illegally operating competitors, coping with employment issues, all buried under a costly and ineffective rectification processes, even when there is clear evidence that you are being stung! If anyone thinks they can do all of this on their own they have rocks in their head, it is simply no longer humanly possible.

Interestingly though something that we have seen much more of recently is situations where people have actually gone and sought advice but for one reason or another the advice has been off the mark, irresponsible or simply incorrect. The experiences have been varied but the result in all of the cases has been the same; that is significant financial loss.

Regrettably I would say that the major cause of the problem has been the fact that the advisor has been more focused on their own opportunity rather than their client's specific needs, put simply they have seen the opportunity to gouge the client for fees and grabbed it. The advice has not done anything for the client or their circumstances and it has in many cases simply watered down what would otherwise have been available to creditors in a Liquidation, or the other party in a legal action.

In the very difficult financial market that a large part of small business is experiencing giving money away for nothing cannot be afforded. So some of the situations that we are seeing the effects of are as follows: -

- **The Unknowledgeable Expert** – This is where someone, given the opportunity to provide advice and be paid for it, does so even though they have essentially no real experience in the particular field in question.
- **The Been-There-Done-That Expert** – Having done something once themselves, like say going broke, they now have all the training, knowledge and expertise to advise others on how to hide it all from the authorities *“for a fee,”* or magically make things evaporate, commonly into their own hands.
- **The Fee-Gouger Expert** – Why give it to the liquidators, or the wife, or the creditors, or the lawyers, etc. (pick the one that suits your needs). *“By paying me fees you’ll have the pleasure of knowing you deprived them from getting anything.”*
- **The Abandoning Expert** – *“Mate you haven’t got the money to pay me so rather than help I’ll just stop billing you.”* Leaving the client now to the clutches of the first opportunist to pass the door.
- **The Con Expert** – Commonly someone with the gift of the gab. In reality no real expert at all but one with a marvellous control of the English language and with only one intent, to part the unsuspecting from their money and or assets.
- **The Don’t Care Expert** - People who just produce something of value but in reality it’s not what the client needs, doesn’t move anyone closer to a resolution and can simply hinder progress at a cost, potentially both in extremely valuable time and money.

When the going gets tough I can assure you, it is really important that you get the right advice, for a fair fee, in a timely manner. At the end of the day it’s all about **“GETTING THE RIGHT ADVICE.”**

To reinforce this point we put together a little video tale called **“Tina’s Storey;”** have a look at it through the blog on our website or by visiting us on YouTube, *Condon Associates* and make sure that YOU don’t get caught like so many others.

For Western Sydney Business ACCESS paper, June 2013 issue.