



## **“Business Downturns - Advantages of Retaining a Turnaround Professional”**

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**E**conomic distress has ripple-down effects that present significant challenges to most business management teams. Not only do these larger economic events indirectly stress managerial abilities, but they may also introduce legal and financial issues that can impact the turnaround process.

With today’s rapidly increasing global competition and what appears to be a business-toxic government administration in Washington, no business owner can sit back and assume their company will remain stable and unscathed by the hostile business climate that is evolving.

As formerly profitable and viable businesses struggle to make a profit, the skills of business turnaround pros are becoming more critical in this economic climate. Businesses that find themselves in trouble and in need of a successful turnaround will significantly increase their chances of a successful turnaround if they utilize external professionals to assist them with the process.

While many failing businesses have chosen to downsize in an attempt to improve their viability, cutting staff alone has its own drawbacks. Also, a poor and deteriorating economy, along with what seems to be an anti-business political administration, causes normally growth-aggressive business leaders to retrench.

Many business owners find themselves in need of a complete business turnaround, and although they may have accounting or legal expertise within your organization, they should seriously consider hiring experts who are external to your organization.



This will eliminate any conflicts internal personnel may have with the turnaround process. For example, the accounting department may deserve some of the blame for the current predicament, and they may be motivated to cover this up. This would clearly be an internal conflict.

The controller or a C-level accounting manager can be included on the turnaround team, but it is best that the external expertise is available so the business will not be solely reliant on someone who may be partially responsible for the problems causing the need for the turnaround in the first place.

The other reason to seriously consider outside help is because it is likely that a certified accountant is not working within an organization, or one who has experience working on a company turnaround, or an attorney familiar with the unique issues associated with a turnaround.

I am not suggesting that a business in need of a turnaround hire all three individuals. The business may be able to accomplish its goals with an attorney who is also a CPA and has experience with turnarounds.

The other reason to retain external assistance is because it will help offload some of the extreme emotional (and physical, time-wise) burden associated with a turnaround. Remember, people will likely be losing their jobs as part of the restructuring, and futures will be changing.

To learn more about company turnarounds and other related topics, order Andre's books directly from Amazon.com, or get details here:

[www.AndreLarabie.com](http://www.AndreLarabie.com)

Andre Larabie is a published writer and successful business coach. Get a free excerpt from his book on commercial debt reduction at:

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**About The Author**

André Larabie, PhD, is distinguished for his expertise in Teaching, Coaching, Business Turnaround and Consulting, Commercial Debt Resolution, Consumer Debt Collection, Mediation and Arbitration. He has owned and operated 2 collection agencies, a Factoring Organization, and a Business/Management Consulting Practice in both the USA and Canada.

Dr. Larabie has authored many college-level publications in Canada, including the following Doctorate Dissertations: “Starting a Factoring/Financing Company,” “The Opening of a Business College,” and “The Psychological Ramifications of Online Education.”