



### **“YOU Protecting YOU During a Business Failure”**

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Another thing to consider during a business failure or business turn-around situation is that you may need to protect yourself. This is because sometimes you can ultimately be blamed with things that you are not responsible for. For example, if you are a main proponent in a medium-sized corporation, and things go bad, you may think it is a good option for you to resign your position and move on to greener pastures.

First of all, this would only be the case if the corporate structure was such that there were several other proponents who owned equal or larger shares, or if together they controlled a larger portion of the company than you did. The company could have evolved this way. If the environment gets hostile, and you decide to resign, you may discover later that everyone at the failing company blamed you for all the failure and you have to answer for it legally.

This can turn into a very bad situation, so it sometimes may be necessary to remain in your position, even if it seems like it is a good time to leave. You may have to stay in your role so that you can document events yourself and protect your interests if/when the situation deteriorates. If you vacate the position for greener pastures, you may find out later that once you were gone, all the fingers pointed at you when it came to the blame game, which everyone plays, and especially so when it comes to failing companies.

Keep this in mind if your business is entering a troubled period of operation.