

Ambassador Investment Captive **CUSTODIANS**

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Subject: Dealing with Customer Complaints, Objections, and Criticisms.

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In any Industry where there are Customers interactions, there will be "situations" that rise into problems.

1. Customers SOMETIMES complain or are ungrateful.
2. Customers generally get things WRONG.
3. Customers get CONFUSED and DISORIENTATED.
4. Customers can't work out the Capital System.

Not much more needs to be said, so lets look at why this problem arises.

The single most cause is Customers failure to be compliant to the Capitalist System, and particularly to Banking ratios, thus the Customer starts to have liquidity and credit restrictions which causes business failure if not corrected, Banks monitor Customers ratios monthly or quarterly.

Theses problems originate from;

- Directors letting the company grow too fast and overheat the company.
- Customer miss-timing the market or product releases.
- Customer over gearing the company with debt, instead of a debt/equity mix.
- Director's fundamental inability to manage due to lack of business acumen.
- Directors greed for "flashy" lifestyle, such a 4 WD cars in a city, or prestige cars to drive to work, tricky gadgets, excessive residential mortgages, family disintegration etc.
- Directors pushing the company outside Bank credit ratios.
- Director's lack of strategy, thinking the company will always survive.

Customers generally PANIC at the last minute or go through one catastrophe to the next looking for a bail out situation. Rarely do you see a healthy SME company making profits gearing up for the next round of capital. However Public Company Directors do the opposite since they don't dominate the company by more than 51% equity they are forced to look ahead and start capitalising earlier in boom-times to make profits for the shareholders.

Mostly Customers seek to blame some one, hence they 'fire off a shot' at the Financier, on the basis that;

- The Financier was too slow or costly.
- Didn't advance enough, according to the Customer.
- The facility terms were too restrictive.

The best way to deal with Customer complaints is to ensure the Customer has signed every thing that has been done and ensure there is adequate correspondence on file from the Customer, so that a later explanation can resolve the problem.

- Avoid correspondence with the Customers solicitor, which should be via your superior or another Solicitor.
- Avoid giving any advice or opinions that creates an entrapment situation against yourself.
- Ensure your Mandate is NOT PERFORMANCE driven, issue invoices to establish considerations.

Mostly the Customer knows they have erred and just want to let of some steam, therefore talk to them, be friendly and comforting, avoid being hostile, even apologise since an apology is not an admission of guilt, only comfort. In time they will appreciate your services and diligence.
