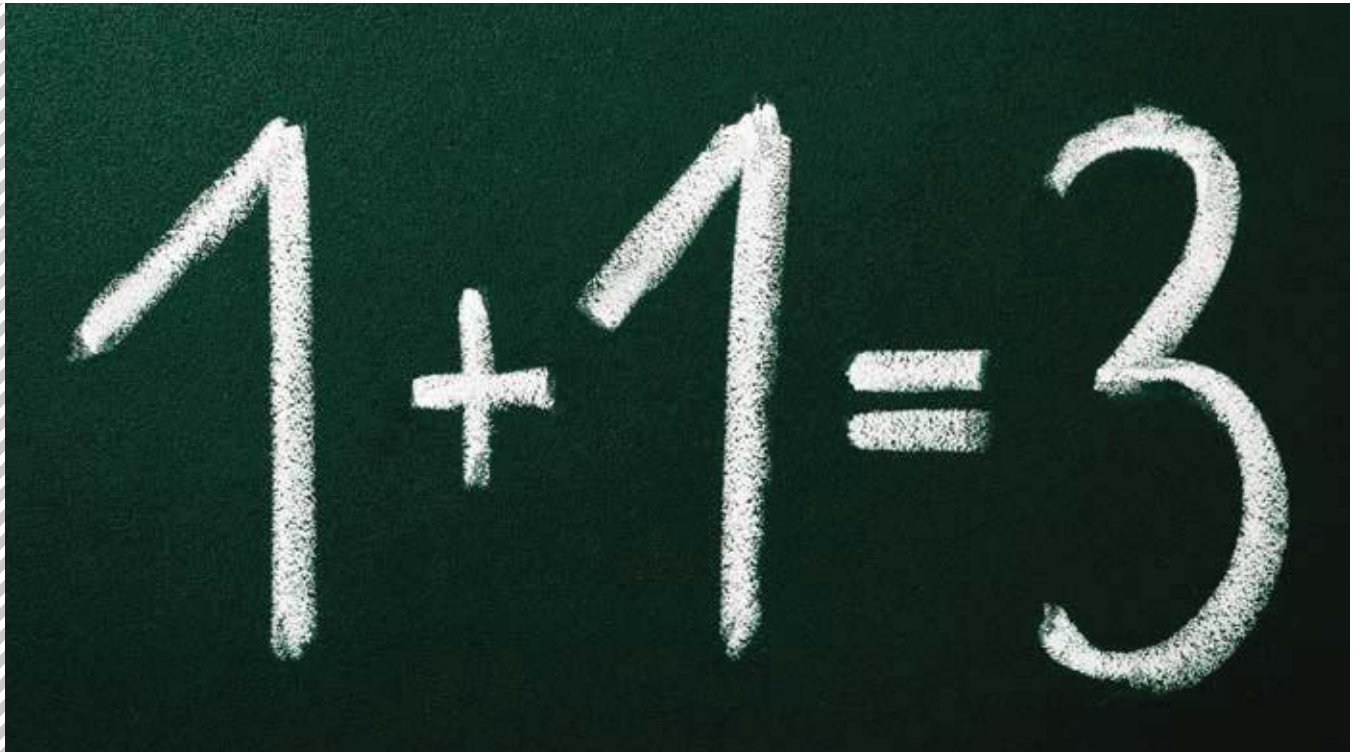


ERRORS AND OMISSIONS: WHAT TO DO WHEN YOU'VE MADE A MISTAKE



BY LAUREN BLOOM

Admitting a mistake may make you feel foolish in the short term, but it's the best way to build and maintain long-term trust.

Imagine this: You've been working for weeks on a major analysis to present to an important client. Your report has been submitted, and now you're presenting your recommendations to the plan's board of trustees. Finishing your presentation with a confident smile, you invite questions. About three minutes into the Q&A, one of the board members asks a question that raises an issue you don't remember taking into account when you prepared your analysis.

While an admitted mistake may rattle a client in the short run, most clients understand that even the best consultants are human and make an occasional error.

You suddenly realize that your work contains a potentially serious mistake, and that your entire analysis and series of recommendations could be entirely wrong. You also believe that it would be possible to adjust your future work so that your client would never discover the error. As these thoughts run through your head, the entire board waits for your answer to the board member's question.

WHAT SHOULD YOU DO?

While you might be tempted to answer, "say nothing, then correct for the error without telling my client," that response would violate ASPPA's Code of Professional Conduct. ASPPA's Code expressly requires ASPPA members to "perform professional services with honesty, integrity, skill, and care." An ASPPA member who covered up a potentially serious error would have a hard time arguing that she acted honestly or with integrity. When a mistake occurs, the ethical choice—and the one that satisfies ASPPA's Code—is to disclose the mistake to your client.

That doesn't mean, however, that the disclosure necessarily has to be immediate. After all, you've spent several weeks putting together a thorough and complex analysis. It's possible that your work product actually does address the board member's issue, but you've simply forgotten. It's also possible that

the issue is less critical or relevant than it seems at the moment. Leaping to the conclusion that your analysis is entirely wrong and your recommendations need to be changed could well be simply another mistake, and one that could seriously damage your client's confidence in your professional competence.

At the same time, you don't want to let your client act on your advice until you're comfortable that it's correct. Let's presume that the board of trustees is scheduled to vote on your recommendations at this meeting. If you fail to disclose the potential error now, your client could suffer a significant injury if the board approves recommendations that do, in fact, fail appropriately to reflect a critical issue.

In situations where you realize that you may have made a mistake, a good course of action can be to disclose that possibility to the client, then correct the error. You might respond to the board member by saying something like this:

"That's a good question and, as I stand here, I'm not entirely sure we've fully considered its implications. Before the board acts on our recommendation, I'd like the opportunity to review our work and ensure that it appropriately addresses the issue you've raised."

Once you've been given an opportunity to review your analysis, do so as quickly as you can without making additional

errors. Then present your client with your corrected analysis and recommendations, being prepared to answer additional questions until your client is satisfied that you've successfully addressed your mistake.

It can be embarrassing to admit to error, and some consultants worry that acknowledging mistakes will undercut their relationships with their clients. While an admitted mistake may rattle a client in the short run, most clients understand that even the best consultants are human and make an occasional error. Honestly admitting to a mistake and working effectively to rectify it usually leads clients to trust you more, because they know you can be relied upon to put their interests ahead of your own ego. It may not always be comfortable to admit that you've made a mistake, but it's the ethical thing to do. **PC**



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