

A Chilling Problem

It was 10 AM Monday. Linda sounded panicky, almost hysterical. “Mike, we’ve got a real problem. You must come here straightaway and sort it out, before everything goes public!”

Mike felt irritated. He had spent most of Friday at the industrial estate, checking progress on development projects and tying up various loose ends with Linda. And it had been uncomfortably hot all weekend. He hadn’t enjoyed staying inside with the air conditioning.

Now Mike had a full set of commitments back at the office this week. He had firmly agreed with Linda and the site maintenance team on Friday that he wouldn’t be needed there again for some days. So what was this about? And why was it so urgent that he had to be pulled out of his meeting?

Linda refused to give any more detail over the telephone. “Mike, this needs your personal attention. You’ll understand when you get here. Please hurry!”

Reluctantly, Mike agreed. After all, Linda had always shown good judgement. Staying calm under pressure was normally one of her key strengths. What was going on? Mike adjourned the meeting until afternoon, got his car, and headed for the estate office.

During the half-hour drive, Mike reflected on the current situation. He had inherited the challenge to somehow realise value from the last asset remaining from a lengthy liquidation process. He remembered being given the assignment by Anthony, the firm’s Chief Executive. “Mike, what do you know about commercial property development?” Mike had answered truthfully. “Nothing.” “Good”, Anthony had replied, “then you’ll be starting without preconceived ideas.”

It had taken 18 months of creativity and hard work to transform a large dilapidated old factory site into something approaching a modern industrial estate. Each of the buildings had unique challenges that had been turned into solid business value by creatively trading off modernisation and refurbishment costs against future rentals. The maintenance staff had done a great job of taking on most tasks themselves, minimising the need for specialist contractors. And getting the local Council involved in creating low-cost “nursery units” for start-up businesses had generated great positive publicity. Now occupancy was over 90%, cash flows were strongly positive, and the entire estate could soon be put up for sale as a going concern.

Mike had enjoyed the entire process. Sure, there had been problems to sort out, like the time the action movie maker’s noisy shooting schedule had collided with the funeral director’s need for quiet ceremony. And the time that the huge old boilers had proved impossible to lift out with any normal equipment. And the time that the rock bands who enjoyed using the old offices for their noisy nighttime practice had set off all the fire alarms with their unauthorised dope smoking. But each of those challenges, and many others too, had been beaten.

In fact the biggest difficulty had been the lack of any maps whatsoever of the electrical lines, gas pipes and water supplies that ran haphazardly around and through the massive brick buildings. It was never obvious where those services ran,

making maintenance difficult, never mind altering anything or charging for services. Fortunately Bill, a retired factory foreman, had been persuaded to return to the workforce and apply his 45 years of experience and memory to those problems.

And Linda had done a great job of keeping track of everything that was going on amongst the various tenants. Usually she solved problems herself, needing only formal confirmation from Mike and often not even that. So today's call was strange.

Parking his car, Mike found Bill and Linda sitting around the office table. They looked worried. "Hi team! ", he said cheerily. "So what's going on?"

Linda spoke first. "What's going on is that we're going to be sued. And you won't like what the publicity will do to our reputation. Bill, explain what went wrong."

Bill was a man of few words, happier with a toolbox than a conversation. He bit his lip, and started slowly. "Mike, remember that problem on Friday afternoon with the electrics?"

"Yes, I remember. One of the contractors through a power cable by mistake, in that vacant area you're renovating. Bloody fool! So what? That work isn't urgent. No one got hurt, and none of the tenants were affected."

Bill looked embarrassed. "Yeah, that's what we thought. But I didn't realise that cable was also the power supply to one of them. In the outbuilding at the back. The power's been out there all weekend, and no one knew it until this morning."

Mike thought for a minute. "Oh, I know where you mean. That's Jim the funeral director's place, right? But I thought he doesn't use it very often, and certainly not at weekends."

Linda chimed in. "That's right Mike. But Jim has a funeral service scheduled for 2 PM this afternoon, and he can't change that. He came roaring in here with a thermometer showing 25°. That's the temperature in his cool room, he said. And Jim will definitely be suing us for damages when he can't hold the service. He said he was going to the newspapers, not just the courts."

"Okay, I understand." Mike paused to think. He remembered approving the special air conditioning for the cool room. "Bill, we can get the power back on by afternoon, can't we? Or rig up a portable generator or something if we have to?"

Bill looked sheepish and said nothing. Linda spoke more urgently. "Mike, you're not getting it. His power's been off since Friday. When he left, he had the deceased all made up, stored in his refrigerated room and ready for display at the service that starts in a couple of hours. But it's been hot in there all weekend!"

Mike slumped in his chair. "Now I see the problem. Can't he just fix things up?"

Bill shook his head and stared ahead. "Mike, I've seen what's there. Believe me – it's just not on..."

Linda shuddered. “Mike, Jim’s not easy to deal with at the best of times. And you know what he thinks of ‘bloody accountants’ – he’ll take you to the cleaners on this, and love doing it. And I’m expecting him back here any time now.”

They were silent for a few minutes. Mike thought it through, stood up, and spoke calmly.

“Okay, I’ve got a plan. Here’s what we’ll do. Bill, can you promise Jim to get his power working normally in time for the service, and get that done?” Bill nodded and looked determined.

“Linda, you have the toughest job. You need to convince Jim that any legal action or publicity will hurt him a lot more than it hurts us. Explain that for the sake of his professional reputation, there is no way Jim can allow the family to see the body. He has to find some way around that. Promise him a reasonable financial settlement from us, like a rent holiday.”

Linda brightened up a bit. “Okay Mike, I can try. But what are you going to do?”

Mike headed for the door. “I’m getting out of here, before Jim sees me and goes ballistic. I’ll be back at the office, working in meetings. You can call me there any time – I’ll leave instructions to put you through. Feel free to agree with Jim’s low opinion of me as a “bloody accountant”. Don’t tell him I was here. Tell him instead that I was an insensitive bugger who was too busy to come out and see him myself.”

Driving back to the office, Mike wasn’t feeling calm at all. This was likely to blow up in his face somehow! But the plan was good and his staff could be counted on to try.

Back at the office and tied up in his meetings, Mike tried hard to hide his distraction. When would a call come through? 1 PM came and went. So did 2 PM.

Mike escaped the meetings at 2.45. He immediately called Linda. “What’s happened?”, he asked, dreading the answer.

Linda was cheerfully non-committal. “What do you mean, what happened? Nothing much.”

“But what about the funeral service?”, Mike asked anxiously.

“Oh that’s all fine”, said Linda. “Jim came roaring back here before noon, just after you left. I got him to sit down and made him a cup of tea. I think he’d been having second thoughts already. I explained things just as you told me, and we agreed that you are not only just a bloody accountant but also a heartless bugger. Bill came in to say the power was back on. Jim brightened up, said he had an idea, and went out to call someone.”

“So what about the funeral service?”, Mike asked again, more cautiously.

“Jim came back to say he’d fixed things up, but it had been hard work and he would want a lot of compensation for that and for all the upset. We haven’t finished that negotiation – I offered three months’ rent holiday and he’s holding out for six months. He said to tell you he won’t accept a penny less. Anyway we can tidy that up later.”

Mike felt a wave of relief wash over him. “Terrific, Linda. You’re a star!” Then a thought struck him. “But what about the funeral service?”, he asked once more.

Linda laughed. “I’ll quote Jim on that. I wrote down what he told me. I’ll read it.”

“I told the family that I had been thinking over the weekend about the best way to hold the service. I suggested that the sight of the dear departed would be just too harrowing for them, and urged them to have a closed coffin service instead. And I could say that with complete truthfulness. In the end they agreed.”

Mike started laughing too. “Great work Linda. Thank you very much, and pass congratulations on to Bill and the team. And remember, this stays inside the walls.”

Mike personally settled the deal at the estate the next day. Responding to Jim’s grumbles and abuse with humble apologies and giving him a six-month rent holiday was a cheap exit from his (non-)chilling problem...