

TRANSCRIPT

On Your Terms



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Episode 162:

REAL BUSINESS LIFE STORIES: CONTRACT CANCELLATIONS, REFUNDS, AND CHARGEBACK THREATS WITH RD, ERIN JUDGE

Sam Vander Wielen:

Hey there and welcome back to On Your Terms. I'm your host, Sam Vander Wielen. And today we have a very special guest. We have Erin Judge on the show to talk to you about a very real legal issue that she went through in her own coaching business. So Erin is an RD. She is a registered dietitian, nutritionist, who is an expert on gut issues and IBS issues. So you're going to hear a lot from her today. But she went through a contract issue with a client that is very real, very easy to navigate if you have the right pieces in place. And that, I imagine, will happen to you if it hasn't already.

So I wanted to bring Erin on to talk through a real-life scenario and in us talking through it, actually a whole number of different contract issues came up or things that have happened in her business. So I think this is going to be really helpful and like hands on for you today. Make sure you stick through until the end of the episode because at the end of today's episode, I'll share my three takeaways from everything that Erin shared, the three main things. If you don't take anything else away, I want you to focus on these three things. So stick through with me all the way till to the end.

And also, you want to keep your eyes peeled because next week, October 16th, I'm announcing a big, big deal on the Ultimate Bundle. That's only going to be around until that Friday. So for five days only, the 16th to the 20th. You're going to want to keep your eyes peeled for that. If you get my emails or if you listen here on the podcast, obviously you can always head to my website, samvanderwielen.com. But make sure you keep your eyes peeled for that.

All right. With that, I would like to welcome Erin Judge to the show. Erin is a registered dietitian, nutritionist, a certified personal trainer and

the founder of Gutivate, a virtual nutrition counseling practice for digestive disorders and gastrointestinal conditions. Erin's expertise is in providing medical nutrition therapy for functional gut disorders with a patient centered focus. She is proud of her work in education and advocacy for the IBS patient community through social media, as well as her work in providing resources for dietitians in the GI field. Let's welcome Erin to the show.

Hey, Erin, welcome to On Your Terms.

Erin Judge:

Hey. Thanks for having me.

Sam Vander Wielen:

I'm so glad that you're here. I would love if you would tell all the lovely people who you are and what you do.

Erin Judge:

Yeah, absolutely. So I'm Erin Judge. I'm a dietitian, and I work in the IBS digestive disorders space. So I've been running a virtual nutrition counseling practice for almost five years now, and we solely focus on IBS digestive disorders and help people through one-to-one programs, online membership programs, pop up programs, social media, everything that we can virtually.

Sam Vander Wielen:

Yes. And you do an epic job on social media of providing so much value. If anybody listening has any like IBS issues or you know someone who does, I'm always sending people your way. My massage therapist, Ashley, she was telling me about IBS stuff, and I was like, you have to follow my friend Erin. And like, now every single, I see her every Friday and she's like, did you see what Erin said this week about this? She's so cute. So she loves you. Yeah.

Erin Judge:

No, it's like poop girl or IBS girl, which is fun. I enjoy it.

Sam Vander Wielen:

Yeah. Well, I love that you're taking a topic that like I feel like you and I are similar in that respect of people don't want to talk about this kind of stuff. They run away from us for different reasons. People don't want to talk about poop and people don't want to talk to their lawyer. And I feel like we do a good job of being like, hey, come hang out with us. We can make this fun. If you have a poop pillow, I need a lawyer pillow. Yeah. So yeah.

Erin Judge:

Yeah. Have a colon pillow. I've got a poop outfit, poop socks, all the things.

Sam Vander Wielen:

Anything you got to do.

Erin Judge:

Yeah. Having fun. And life doesn't last that long. And so we have to have fun with something. And I like that my work is sort of taboo in some ways and stigmatized, but getting to have fun with it and break down some barriers has been a really cool thing to get to do.

Sam Vander Wielen:

Absolutely. Yes. And unfortunately, I mean, you and I have both been very personally affected and impacted by grief. And I do feel like that makes you, I don't know, have a little more fun with some of these things where we can. Right?

Erin Judge:

Yeah. Yeah. Oh absolutely.

Sam Vander Wielen:

Yeah. Yeah. Absolutely. Yeah. So you and I, so for full disclosure, Erin and I are friends, and so we were -- so I'll admit that up front, this is all a sham. We're actually friends, but she is also an Ultimate Bundle member, actually. You were in the bundle actually, before I knew you.

Erin Judge:

I was in the bundle before. I think I was in the bundle maybe before I even followed you on Instagram. So I think I was in the bundle before I knew even who you were, which is interesting. It was almost like very disconnected because I think even whenever we officially met in person, there were just moments of us becoming friends. So I was like, wait a second, this is connected. Like you're this person. I didn't realize that I even bought this forever ago and this is what I've been using. And that's you. I somehow never put the pieces together when we actually became friends.

Sam Vander Wielen:

Yeah, I know. Well, when people are tackling the legal part of their business, I think they're just like, let me just get this over with, so that makes sense to me. But we've since become friends and we went to Mexico in March. That was amazing. Can't wait to go back there. But I remember a couple of weeks ago you called me, and you were telling me this is a perk of being friends. And you were telling me that you had a little bit of a sticky contract issue going on. So could you fill everybody in as to what was going on? And then you and I can talk through it?

Erin Judge:

Yeah, yeah, definitely. And yes, the best thing about having friends one and business as a whole, getting to talk through hard things and fears, but also someone who understands legal stuff. Because I will say as a health practitioner in business, the legal side of things feels so incredibly scary and overwhelming and especially when you just want to help people. Sometimes I feel like the legal part, it feels very daunting and there's a lot of fears around that. So it's always helpful to communicate those.

But this particular situation, I'll give some context because I think whenever I mentioned this to you, there was this history of where the fear was coming from. So I remember one of my first clients that I took on, one of the first people I ever allowed to have a really long-term payment plan. So our services, we work in packages, so we create payment plans for clients in order to spread that payment out and they start paying before they meet with us. But once the payment plan starts, it kind of keeps going. And then we're meeting with them, we're providing the service, we're providing everything that we have agreed to. And then there's just mutual

trust, a little bit that we're providing our service and that they're also continuing to pay their payment plan. So this one client, we gave her a 12-month payment plan for a four-month program. And it was very --

Sam Vander Wielen:

Red flag alert.

Erin Judge:

Yeah, red alert. But I felt bad. I wanted to offer something people could afford. Like I was trying to do it out of compassion. And she kind of convinced -- it was one of those things where I was like, I think I trust her. And ultimately, she had a baby and decided that after she had her baby, even though we had finished our program together with success, she couldn't pay her payment plan anymore and she just ditched me. And it was so low. I think she probably owed me like \$300 or \$400.

My pricing overall was pretty low at that time, but I remember feeling just like almost robbed. I felt like someone came into my house and robbed me. And I remember getting so upset about it. And years later, she apologized, which I really appreciated, but I felt just so betrayed and frustrated. And that was the first time this had ever happened to me in business. So immediately, 12-month package was all taken away. It was like, we'll never do that again. Started charging more for payment plans because I didn't do that before, all those things because I was like, I can't take on that risk again.

So fast forward to a few weeks ago, months ago, we had a client who was signed up to work with us. So again, four months. Our contract is very solid in terms of this is four months. You are responsible for scheduling your appointments. We communicate that as clearly as we can. I always try to vet out, communicate what's involved. Like, it is going to be four months. We're committed to you. You're committed to us. Like we are a team for four total months.

And we had someone who, summer was busy, and wanted to pause her program. And we've dealt with pauses in the past. And it's okay that there are situations, and we can work with, but we like there to be boundaries. And so we tried to establish those boundaries. And in the meantime of us trying

to figure out, okay, when do we restart? Like what's the clear-cut communication about what this pause looks like? Her next payment and our payment plan was charged automatically. We charge automatically now. We keep credit card. We do all the right things now that we didn't do before.

And she reached out and this was the day I messaged you because she reached out and said, well, I thought we were pausing, but I just got charged. And our contract is very clear. And that, like the payment plan keeps going. We can talk about some other things we were discussing, but I had to communicate with so much fear because my biggest fear is like, okay, she's just going to ditch us.

And like, this is a client that was working with a member of my team as well. I'm already paying the team member. She's been doing the work. She's been reaching out. This person hasn't been responsive. Even so, we're putting in lots of work that is now kind of getting voided, all this communication. So it was a little bit messy. And my biggest fear was like, she's going to just cancel her card, maybe do a chargeback. We've never had that. It was a large amount of money. The fees on it alone are just so much.

And I was so afraid to say we need to accommodate your pause through a very clear cut date. Like we need a date now to say we can even allow a pause and we need to know what that looks like. We also do not allow payment plans to pause. Like the payment plan will continue as per the contract. So I messaged you, I was like, oh no, what do I do if she cancels on us or charges us back? Because at that time, before we opened up the communication channel a little bit more, it just felt really scary. And that was my biggest fear at that moment. It didn't happen. So I'll say it worked out. And the client was very considerate and understanding, so it was more me, but it still felt scary.

Sam Vander Wielen:

Yeah, of course. I mean, I think it's helpful in a way now that it's worked out that I feel like it's always helpful to look back at those situations. Like these things are always opportunities for us to clean up our own legal stuff back end systems, procedures, even of like what we do. And I think one of the things that I remember talking to you about was that we can't

anticipate every variable of every situation. We would have to have like 8000 contracts. Our contracts would be 8000 pages.

And so some of this is just first just releasing yourself. I feel like as a business owner to be like, I don't need to necessarily have a plan for every single thing. And then if we have the basics, then we can navigate it moving forward. And some of these things are just learning lessons, right? And you and I talked about that. You obviously learn from the first person who did this. You learned a lot and you adjusted. Right? So I just want everyone listening to realize, like, I feel like there's like a lot of shame sometimes. Like you were saying, there can be this like, oh, no, are they going to leave me? And then sometimes that can cause people to question themselves, their service, their quality of service, that kind of stuff.

So I think just embracing that that's normal and that we're always updating. On our team, we always call it the like, oh, didn't know we had to cover that kind of thing because we're always like, wow. Like people shock me, right? I think of every scenario and then somebody pulls a fast one on us, I'm like, wow, I did not think about saying that in my contract. So now we have that language. So these things are movable, breathable documents. So that's cool, right?

But I think it's a really good point that you bring up about the pause in your business, from your, I don't know, business policy was probably more to allow somebody to take time, right? Because they were too busy. Like in the example you gave, this woman was busy, right, or the other person had a baby. But you, financially, like what you and I were talking about was you financially were on the hook. So you had made space, you had paid the person. You had all of the things. And this person had gotten access to a lot of resources that technically speaking, they could have bounced with. Right?

So that's like Erin or other people like Erin who have these rules in place, they're not trying to be evil. This is part of the deal. And if you go to Target and you get a blanket and you pay for it, you can't be like, well, my summer got busy and now I'm tired. And I also had a baby. So like, I'll think about paying you later in the fall. It's just not how it works,

right? So I wanted to clear that up for you too, that this is not you being evil, but it's okay for you to have business boundaries, right?

Erin Judge:

Yeah. Oh, I'm glad that you said that. And I think that that's so true. I mean, most of the business owners I know are that way where we get into business to help people, right? We get in, especially in health care. It's like we get into business to do good. And I always say if money wasn't a thing and I could do all the work that I do for free for people, I would 100 percent would, because it is so fulfilling, and I understand. But I also know how hard it is when you are coming into a business relationship as a client. Like sometimes you don't see what all goes on behind the scenes and it's easy just to think like, oh, this doesn't matter, or like whatever it may be, that goes through your mind.

And obviously, if you're not getting a service that you were supposed to be getting, that's a different conversation. But whenever you are and you're just not responding to people or you're not understanding that there's an assistant that's taking time that costs money, there are credit card fees that are a lot of money that if someone's not charging you those fees, like we eat it as business owners and we pay a lot of money to work with people. And sometimes there's licensure fees that we pay on our end. And there's so many things that go into it.

And I never want to be the person to say guilt trip somebody, as like, oh, you should feel guilty because you are trying to cancel on me. And like, I'm losing money. But I think if people could really see how much money could be lost and is lost often from these situations before they're protected, there's a lot of situations like that in our business where now we're protecting them.

And I know you and I talked about that of like, how do we protect this if my flexibility of allowing pauses and allowing space to maybe spread things out and just like being really reasonable with somebody, that can come back and hurt me for wanting to be reasonable. And so now it's like, okay, well now I have to put that language in a contract, which you read it and you might think, that sounds so silly as a client, but at the same time it's like, well, you don't know what people have been capable of and you may not

even know what you do to someone, to a business owner because it's just hard to see it until you've walked those shoes.

Sam Vander Wielen:

Yeah, absolutely. I mean, I think that's one of the things I like about having legal protection in place is that to me it depersonalizes it a little bit and makes it a little bit more businessy, right? Like, it's not you, Erin, that's making this choice. It's like you have a company, this is the policy. You agreed to it and that's that. Yeah. I mean, so much of what you're talking about is about accommodation. And I think that accommodating people can be really nice. And I think what's so unfortunate about -- I feel like what I've learned, what you've learned in business is that unfortunately, sometimes when you accommodate people, it can go sideways, right? And there are lots of people we've accommodated, and everything's been fine, that's great. But then there are people you accommodate who it doesn't go the same way.

So to Erin's point, what we talked about was writing something into your contracts that say we don't allow like a pause. Typically speaking, however, it's at our discretion, for example, that like the member or the customer will be granted a one-time 30 day pause or maximum 60-day pause. You can even put a limit on how long. For everybody listening who's a coach, this is absolutely something you would have to address because people asked to pause all the time. This is very common. So you would put a limit and you would say that it's also a one-time thing. Just like what Erin said, you would also say your payments will continue. Or like if they paid you upfront, you're not returning any money or something like that. So you would say that that has to continue.

But I know that one of the things that we talked about was saying about how you would also put an end date, regardless of the extension or whatever, all the customer's entire program must be completed by. And then you would put the date, let's say it was it was a four-month program, it would be like five months or six months out or however long of an extension you're willing to give. But I think having that language upfront could help you in the future now to navigate this kind of issue.

Erin Judge:

Absolutely. And we definitely started working on that right after. And I think this particular client definitely understood and appreciated the pause. Will she restart with that? That's always the to be continued. I don't know. But the fact that she is paid I do think helps because she's more motivated and it's a win-win for both sides where my dietitian is being paid properly and we have our side of that contract and that spot she took. But also, now, she has this covered and there's motivation to get what she came for in the program, because at the end of the day, she signed up for a reason. And like we truly do believe that we know we provide good service. So ultimately, it does work out.

All of our clients who've gotten pauses for reasonable reasons. It always works out really well and people do really appreciate it. It's just making sure you're protected in that so that we're not constantly accommodating to the point where, and I've done this in the past, you're making no money and you're working countless hours, and you can't take on new clients and you're stuck in a place that's hard to get out of because you just want to help. You can't help if we're all just bleeding money. The business can't survive. That's helping the people. So yeah, it's a lot of lessons that I've had to learn along the way.

Sam Vander Wielen:

Yeah. Yeah. You're definitely not alone in that. And like, yeah, I guess it is unfortunate that one person kind of spoil it for others. And I think all of us have been burned at some point or another. And so that's why we've had to put rules in place. But if you hadn't had that contract in place with the language that it had, you wouldn't have been able to enforce it because she would have just stopped paying. And to be honest, too, if she would have done a chargeback threat because you provide a service and not a physical product or a good of some sort, if she had done a chargeback threat without a contract in place, she would have won because no service was being provided.

So I wanted to talk to you about chargeback threats because we had talked about this earlier. And so chargeback threat for anybody who doesn't know is like when you charge somebody's credit card for something and then that person goes to their credit card company and complains about the charge on their card to try to get that charge off of their card. And I think

sometimes people think that the credit card companies are really nice and that they just eat the fees. But no, that actually comes back to us. So they take the money back from us as the business owners, the merchant.

So in order to properly like fight a chargeback threat, you actually have to have chargeback language in your contract, which was in your contract. So I remember that was something that you and I talked about was like, if she does a chargeback threat, you have language right there that says that you don't accept chargeback threats and that that wouldn't be tolerated.

Erin Judge:

Yeah, yeah, which is always a fear. I'm like always afraid of charge. I've never had a chargeback ever. I think with chargebacks, the biggest fear is that feeling of almost like you never -- you're in high school and someone goes to the crowd of friends and tells a lie and starts a rumor about you. Chargebacks feel like that way as a business owner. Or it's like, I did provide you this service. I did give you this, I did offer what I was supposed to. And I don't know what happened, but like that type of fear is always so strong.

And yeah, we do have that in our language. We haven't had to use it. Thankfully, no one has done that, which has been really great. It is still always a fear though, so it's like nice. I think that's what I asked. It's like, wait, what happens if they do a chargeback? What do I do? And I know all of our like, I use Stripe and they have places to easily work on that dispute. We keep really good documentation of our check ins. We do things through email, so we have threads of that available. We don't typically handle things on the phone. So that always helps. But yeah, it is a big fear.

Sam Vander Wielen:

Yeah. I don't blame you because like you said, it's like you've done all the work and then the idea that somebody could just come and take back the money is really scary. You need to be able, as a business owner, you have to be able to rely on the money you've generated for your business and you're making decisions based on that. What we talked about was that when somebody like Stripe or PayPal comes to you and they'll let you know, so

you'll get an email, usually they'll say like, oh, there's a chargeback threat that's been made by this person.

They have to make a claim, a reason. There's usually like codes or something. And it's like product not as described or service not provided because they actually have to have a reason. And so what sucks about this is the handful of times that this has happened to me. I mean, we've processed thousands and thousands of payments and this only happened a handful of times. People will always say that the product wasn't as described or that they didn't like it or something like this. And we just submit the contract that they agreed to when they sign up and we have a 100 percent success rate with the chargeback threats.

I know that all the other people in the Ultimate Bundle who have talked about this, it's just like you have to have the right paperwork. So the contract would be the one thing that you would have turned into them. Like you said, any emails, any communication, even if you do deal with anybody on the phone, write them an email after you talk to them on the phone and say, this is just a follow up from our earlier conversation in which you asked me for a one-month extension of your contract, which we agreed to, but you also understood that your payments will continue on time.

Literally, it's called memorializing. So we literally just memorialize our conversations. Even if you have like a DM, or they write in your Facebook group, that's probably something that I would do is have somebody on your team follow up and you write something more formal. And then that's all the kind of stuff that you would submit. And you will have a 100 percent success rate with fighting any sort of chargeback threats. They're annoying, but they can be so easily handled if you have the right stuff in place.

Erin Judge:

Yeah, that's always good to know. Like it takes away some of those fears to just focus on the actual people, like focus on the actual work, instead of feeling like you're always on edge or wanting to be reactive. Yeah.

Sam Vander Wielen:

Yeah, absolutely. I think that something you were talking about earlier would be really helpful to hear your thoughts on that. You were talking about how you -- you're a very heart centered person. I know you're very kind and loving and giving person. Right? And you are doing the work that you are doing because you want to help other people. How do you balance that with having boundaries as a business owner at the same time and having to have maybe like toughen up a little bit in that respect, right? And like, we can't be nice all the time.

Erin Judge:

Yeah. Oh, that's been so hard. I think in some ways, I've done it well. In some ways, I haven't done it well at all. Right around five years in and I would say it's been a journey. So at first, it was very much accommodate everybody, people pleaser, someone's not happy, I'll give them even more, very low charges, overdoing it like most people do at the start. Then I think I got into a little bit of resentment where it's like, whatever, I don't need you as a client. I'll cut you out if you're me. I got through that phase of my life, which wasn't much, but it was there.

I think the biggest game changer for me was actually hiring help and empowering the team that I hired to really help me do that well. So what I mean by that is like, yeah, getting my contracts in place helped, people agreeing to money and payment plans, and all that stuff is so important. It helps at least take it out of like me having to talk about it all the time. And it's just like, okay, this is how the process goes.

But I have my assistant, my virtual assistant who helps with some of our communication and she does the payment plan. She does our client onboarding now and she handles a payment was declined. How do we handle that? And she also sends rescheduling reminders. So she's the one really keeping up with like, okay, what's this timeline? What is the payment plan? What's going on? And we've talked in length about my weaknesses, where I will just keep extending people and just keep giving them more and more of my time beyond what I should, according to the agreement.

And so she's very good about, one, handling some of those conversations for me so it doesn't mess up my relationship with my client as much as she can until I need to step in as the owner. And that always works out super well.

But then she also is really great at telling me like, hey, do you realize this person's been on, they're coming up on their four months. Are they doing a continuation month with you? Do we need to set up that package and that payment? What else do we need to do here? And she has really helped empower me to say, okay, you're right, we do need to do that. So like accountability, more than anything.

And then we do offer continuation packages because we used to extend people. And I realized like, okay, they paid for that amount of time. I can't keep giving my services without being paid. And so we started offering these different packages. And when I've had successes with clients who've been on top of it, that's super encouraging to me. So I've built a lot of my own confidence, like, oh yeah.

And I don't work with -- like I always say, I don't work with the richest people in the world. I work with people who are sacrificing to work with me, which is so hard. It's not just like a drop in the bucket for them. It is a really big deal. But I've had clients who are so willing to pay me when I should be paid in order to get that service. And that is a reminder of like, oh yeah, this is valuable, this is important, this is expected from this person. It's not just me in my head thinking like they can't do it, or they won't do it, or whatever it may be, or that I need to just give them all of me for whatever that small price was at the beginning. So yeah, accountability plus more confidence the more that people have actually done it.

Sam Vander Wielen:

Yeah, absolutely. I think confidence goes a long way. I think the more you practice this, but I could also see how not -- I feel like you have to make a lot of decisions as a business owner day to day. And so you have decision fatigue like on a good day. So not having to constantly be like, oh, this person's going to be mad at me, should I do this? Or what if this person leaves? What if they just end up canceling their card? Like you just get out of having to make all those decisions by delegating that to somebody who's not so like wrapped up in it. Right. And they're not dealing with these people day to day.

Erin Judge:

Yeah, she comes in to onboard them at the start. So she's kind of known as being the assistant. So it's helpful because she's already from the starting point. But she's the one that you go to for technology issues or those little things that as the provider, it make you get in your head of like, oh, they're not happy, they're upset, whatever. When they're not, it's just they couldn't log into their account. It's such a small thing that they need help with but having that a bit separated has been helpful.

And then I'm that person for my team often where like this instance that we talked about, the client messaged both the dietitian she was working with and myself, I'm the one that handled it and put the language in place and then put them together to decide, starting date, based on the dietitian's comfort, too. But having that person who can kind of handle that like, hey, your card was declined, do you have another card you want to use? Like simply just making that statement is so much easier with someone who's not the provider. And we've had zero issues really with that.

Every time I thought, now we also charge -- we have a fee if you try to cancel your contract before you begin with us, because that's a problem we've seen in the past. I know you and I talked about that where I didn't have it before, and I had someone, and then their card was declined whenever I went to charge it. And I was like, oh, no, they gave me a false card, I spiraled again.

This is all the same week. So I was like, bad week already. It was like, oh no, they're just going to like not even message me back and I can't even enforce this thing I have in my contract. And they were so reasonable, and they fixed the problem, and it worked out and it was fine. And so, and she helped me handle that to help like, okay, she put the credit card in there, She's working to charge it. She's following up with people. And it takes that weight off of me to feel like I have to do that and also have that emotional connection with this person based on their health care needs.

Sam Vander Wielen:

Yeah, it's kind of hard to continue to serve somebody when you're a little pissed about their contract sub or payment or whatever it can be. It's a little too close to home. So I like that idea. At what point in your

business did you end up hiring a VA? How were you able to go from being you, like to not handling that yourself?

Erin Judge:

Yeah. I've hired some assistants before this person, but she was the first one who started doing that. And I think she came on, oh, two to three years into my business. She was actually one of my first clients.

Sam Vander Wielen:

Oh, that's cool.

Erin Judge:

That alone, like, the trust is built. She knew my company. I knew she had a virtual assistant business because of our work together. So I reached out to her to see if she had extra room or just what that would look like. And because she had already worked on the back end, she had a background in health insurance billing before. I don't remember how long it took for her to really do that part of it, maybe two years ago. So I guess the first like three years of my business.

But yeah, and it's always been sort of automated, but the handling of, okay, this didn't go through, or all that stuff was something I was doing before that. So it's definitely been a game changer having that. And even the onboarding part, like outside of money, technology is huge. It's just like, can someone log in, are they frustrated with that process, because technology can be really frustrating, and how to log their food in the platform that we use and how to access things.

Like having to deal with those frustrations as someone that's also now coming in as the provider, I feel like sometimes it did put a little bit of a -- it was just a sour taste or it felt like me as the provider, felt like I was always on edge. Like, oh no, here we go again. Like that was wrong. And then maybe I miscommunicated something. It made me feel like the load was getting heavier for me, even if the client never felt that way.

But it just at least allowed the client to have someone to go to for those separate issues and took some of that weight off of me so that I could work on, okay, the actual relationship. And the struggles I get to handle are

the ones of the health care process or things like that, which do come up in my work too. So yeah, it's been such a game changer.

Sam Vander Wielen:

Yeah. Lets you stay in your zone of genius and that's why I'm making notes on. And then like I'm also seeing that separating you from that more stressful stuff in the business. Like, I know for me, it was a game changer for me when I let go of that part of the business and brought somebody on to handle it because that was the stuff that was making me resent the business or work or creating content or creating for my email list or whatever. And now I don't see. If somebody writes me a really bad email, they take care of it. I don't see it. I see all the other emails and I reply to that stuff, but I don't see the really bad stuff. Or if somebody doesn't pay, I don't know.

So I can continue to just show up and serve because I don't know about you, Erin but like for me, I also felt like I had thousands of people in the Ultimate Bundle, right? I do have thousands of people in it. And if one person would say, write something mean or not pay or cancel their card, I would make up this whole big story about how this applied to everyone.

And then I would be like, this isn't fair to everybody else. Like all these people do is want from me, and they take, and they don't mind not paying and blah blah, blah. And I was like, wait, we're talking about one person out of thousands of people, right? And so just like in your DMS, you get some interesting ones, and then -- but you have way more people who are there being respectful and are interested and thanking you and all that kind of stuff. Right? It's like hard to balance that, not applying it to everyone.

Erin Judge:

Oh, absolutely. And I don't think that changes right, no matter how personal your business is or not. Mine is extremely personal because it is based on my knowledge and my experience and even my own history with ideas and my personal connection to everything there. And you're right, sometimes people are frustrated, and we don't get a lot of negative reviews from clients. That did happen a little bit more with a team and transitioning people to different levels of care, especially in the past.

But whenever that has happened, even if I can tell myself, they're frustrated because they didn't do the work, or they're frustrated because this curve ball came in in their life that threw them off from what the work that we're doing. It's still so easy to take it personally of like, well, I must be a terrible provider because they had a family death and then they had school changes and then their kids got sick for months on end. So it must be my fault that I couldn't help them do perfectly through that situation. It's so easy to take that on.

And even if a client doesn't even blame me for it, there are often times where I would blame myself that it is my fault or all of that. And especially a bad review, which doesn't happen often. It happened once from a mother named Karen of a child who --.

Sam Vander Wielen:
That's hilarious.

Erin Judge:
For something that said two payments and she thought she only needed to make one payment, that whole situation. So it's one of my Yelp reviews. But it's funny because it's clearly fake and just charge. But even when -- I remember whenever that happened, that was my first year of business, I think, or second. And just being told that you're like a fraud and lying to everyone, even though I literally have a screenshot of this is the page that she signed, it literally says two payments. Here's the agreement. It does get to you, and it hurts a bit. And the legal side I think helps add that layer of protection so that it doesn't truly hurt you completely. But the emotional mental side of it is still very hard. I wish we had a contract for that.

Sam Vander Wielen:
Yeah, I know, right? That would be nice. I know.

Erin Judge:
Fake news contract.

Sam Vander Wielen:

Yeah. Yeah, exactly. I mean, you're right. It's the personal side. I think it's like we take it personally, and that makes a lot of sense to me as to why. I think when it's your business, you've just put everything into it. And then your face is plastered all over it and you and your poop pillow. So it's hard not to take it personally when something goes wrong. And so that makes sense.

The only two things that have helped me in this arena, like you and I have talked about this, but like continuing to practice that separation of me and my business, just period. That's like across the board. That's really helpful. Just like my business is my business. I'm a separate person and like, whatever, I just kind of run my business. So that helps.

And then I think the second thing that's helped me when I've -- we had only like one interesting person who wrote a bad review in the like seven years who was nine months after she bought the Ultimate Bundle, suddenly realized that she didn't want it and she had logged in like a whole bunch of times and then just threw a fit. And so she went on one of these public social media tirades where she posted about us and tagged us and tried to smear me online. It's whatever. But it was helpful to have that attitude of let her have her tantrum, right?

Sometimes people, sometimes your clients are going to just have tantrums and it actually has nothing to do with us, like you were saying. They could be going through all this other stuff and so let them have their tantrum. And I don't need to control other people's narrative of me. Like that's been a huge one for me to just come back and be like, it's okay for them to think that about me. And if it's okay for them to think something that I don't see as being true or consistent with my character or whatever, like it's all right. And just like practicing releasing that control. It's way easier said than done. But that's like, really the only thing that's helped.

Erin Judge:

Yeah. Oh, absolutely. And what helps me is sometimes remembering just having to give myself that conversation of like, this is not worth my time. My clients that are showing up, they're truly my clients. I don't have clients that are acting like that. It's like, that's not worth my time. I

can handle it. If I lose money over it, I can move on. I've gone through it before. It all will get better, but it only gets better if I focus on what's really important.

And I've had those periods where I've let it get to me with bitterness and it shows up where then that becomes true a little bit, where you're not the best practitioner or provider or the content you put out kind of sucks because you were bitter and guarded and you were frustrated of yourself. And I've done the whole go to Instagram stories, like can you believe someone commented this about me? And even that sometimes I usually delete it right after I'm like, wait, that doesn't feel good. Nor is it really helpful. It's like it's more helpful just to delete it, block them, move on. They're not worth it. They're not worth that energy.

What's worth it is like, okay, how can I show up and educate? How can I give to the people that actually care? Because that's where when I'll make money as a business owner, but also, it's where I'll end up feeling better and like I'm truly valued. I'm not valued by the person that thinks I'm stupid online or whatever it might be. I don't get that often. That's also my assistant. She does a lot of that. She does filtering, because she follows me and will like comment or interact. She lets me know if people are reaching out to my audience.

That happens all the time. Practitioners using my comment section, leave the same comment every day to try to boost their own profile. All those little things that are just so annoying and can lead you to compare yourself, she handles that and we have a process for it and it very much is you're blocked or restricted. No one's going to see your stuff. I'm not giving you any of my attention and we're moving on because it's just not worth it.

Sam Vander Wielen:

Yeah, definitely. I call that Instagram sharking. It's really annoying. There's like waiting in the waters to see, like, can I jump into Erin's clients?

Erin Judge:

I ask somebody once. I was like, does everyone else see this? Do you recognize this? Or is it just me that, like, this same person leaves a clappy hand every day or always has to bring it back to like, this is what I help my clients do.

Sam Vander Wielen:

This is what I always do.

Erin Judge:

Things like that. It's not even that. Like a lot of times they're agreeing, but more often than not, it's not them. It's someone that's trying to help them grow. And it feels kind of dirty.

Sam Vander Wielen:

Oh, absolutely. If it makes you feel any better, I was just writing this in my book yesterday when I first -- it was after I started my business. But I would say it was like when it first started to take off, a girl from my law school wrote to me and was like, oh, I'm so inspired by you. I'm so impressed that you left the law, blah, blah, blah. I want to leave the law too, but like, don't worry, I'm doing something totally different. I want to become a health coach. And I'm like, okay.

So she joins my Facebook community and proceeds to -- I had thousands of people in there at the time. It was like this free Facebook community. She proceeded to Facebook message every single person in the community to sell them fat loss pills and told them that her and I were friends from law school. So everybody thought that it was like I was helping her to do this. Not good. And let's just say she did not get the best part of my personality. When I found out about this, I was like, what are you doing? That is not okay. Yeah, it's not cool. So it does happen to people.

Erin Judge:

I know. It happens. So I mean, it's taught by coaches. And remember my first, the business coach that helped me start on Instagram, there were some things that were just not really great. It probably happened on you. But there are some things that weren't great, but it did help me start my business.

But one of the methods was like, oh, you go find people who are doing the same thing, and you basically mimic their posts, and you do all this. And it was -- thankfully, I mean I'm very hard core. I have to be authentic, like emo band, that's me. And so my being cannot fully copy someone and feel good about it. But I remember I tried that a few times where I was like, okay, I'm going to comment on all these people's posts. I was like, I don't have anything to say. And I feel --

Sam Vander Wielen:

This is so weird.

Erin Judge:

Again, I don't feel like myself. Like I feel like I'm trying to do something that I can't do. I'm trying to be funny in ways that I'm just not. I don't understand what I'm even saying. And it was a waste of my time. It's so draining. And so thankfully, early, I was like, I'm not doing that. And then I held the badge of pride of like, well, I've never done that, so you shouldn't have to do that. And now it's like, okay, I have grace for people. Like, I get it. They're hustling. They're trying to do what they're trying to do.

But I've asked -- my assistant is a great example. She'll tell me all the time. She's like, That's just so strange. I don't understand. Like anyone who messaged, I don't get it. What are they -- I don't trust them because they're like trying to use you and like, it's weird. And it's like, yeah, it really is. It feels very insecure. And then as me being on that side of it, because I've gotten to see that, it's like I have a very strong I don't want to use my friends. I didn't ask to be on your podcast. You asked me. It's like, I don't want to use my friends for their following or use people for what they have to offer in their communities. Because at the end of the day, I think it does show and everything becomes public. I think we see that on TikTok now, everyone knows all your business and things will come back to haunt you if you're trying to.

Sam Vander Wielen:

What's happening over on TikTok? Fill us in. For those of us who aren't there.

Erin Judge:

Ruthless, right? It's like you try to sneak around and they will dig you up. It's like a ton of reporters or everyone can look at what you posted ten years ago and follow you along, which that in of itself, maybe don't go too wild on people because like everyone has had a past. But at the same time, it's like I think it shows and people will see it. It's not like you can hide yourself trying to message people, steal things from people.

And you talk about that a lot, like the copycats. I don't think I've ever had that. I used to panic about it and try to search all the keywords. And now I'm like, okay, no, I can't care about that because it's going to waste my energy. So I haven't had that yet. But things like even just mimicking posts, I used to get so mad at people. Like, why are you copying me? And now it's like, you know what, let them do what they're going to do. People see it and honestly, I don't care at the end of the day, because if they didn't have the creativity to come up with it, they're not going to have the creativity to sustain it. And that's fine.

Sam Vander Wielen:

Yeah, absolutely.

Erin Judge:

The Tiktokers will find them.

Sam Vander Wielen:

Yeah. Apparently. Like this little investigative side of TikTok. It's intriguing. Maybe I should be on TikTok.

Erin Judge:

It's like everyone finding out anything. It's like all the hot topics. There's a lot of cancel culture to it, which I think would be a little --

Sam Vander Wielen:

I hate --

Erin Judge:

Ganging up on people, but at the same time, it's like you can't be fake because the more maybe you get in the spotlight, the more people, one,

don't want that. And so people will be there to try to bring you down, which is really rough. But if you get there in a way that's not truly authentic, like there's no way you can stay there.

Sam Vander Wielen:

Absolutely. Yeah. Well, I think this has been such an interesting conversation. I hope so helpful for people about navigating some of these sticky issues. Are there any other legal questions or anything you have for me before we go today?

Erin Judge:

Do I have any other legal questions? I don't think so. Probably because I haven't thought enough about them. I have a situation if we have time.

Sam Vander Wielen:

Yeah, go for it.

Erin Judge:

Because I didn't know how to --.

Sam Vander Wielen:

A situationship.

Erin Judge:

So hiring, and we'll talk employees because contractors, we're in the contract model now. It was smarter. Should have done that to start. I did employees at first and I had an employee once full time that was not working 40 hours when that was agreed to, and I knew it the whole time. I didn't enforce that, kept trying to follow up on it, didn't know how to handle it. Well, then when she left, which was fairly abrupt, I lost so much money having to refund people above even what I needed to because she wasn't fulfilling their contracts.

Sam Vander Wielen:

So like, people were trying to book with her, but she wouldn't schedule?

Erin Judge:

She wasn't showing up on time. She wasn't responding to emails on time. Like all of that's in our contract of what we are responsible for. And so she just wasn't working. And I'm still a little like hurt by it because that again, felt like a slit throat of like, oh my gosh, you stole from me, you betrayed me, and I let it go. Because at the end of the day, it's like I'm not going to take any legal action against this person, nor do I have true proof, I guess, that that happened. But how do you handle that? Or like, what do you do to set yourself up, especially in employees versus contractor situations where there's a salary and time that they're committed to?

Sam Vander Wielen:

Yeah, that's a really good question. So okay. So on the -- I'll answer it kind of a little bit of both, so that if people -- I know a lot of people are hiring contractors like you said. So if you are hiring contractors, the way that you would handle this is that in the contract which I saw the template for, but in the contract, you would have it spelled out about how they get paid and when they get paid and they would only get payment once they fulfill. So whenever you're dealing with contractors that we would prevent this situation from happening in the future by making sure like she wouldn't have gotten paid until she actually fulfilled those hours, had those sessions, the client money was already in the bank, that kind of thing.

With employees, employees are so much trickier in terms of like documentation and having to really like be so much more formal than even I probably appreciated before I started hiring full time employees. Because again, back to the beginning of our conversation, I think we all come at this thinking everyone's good and means well and we like people and we're just trying to help and yada yada. And unfortunately, not everyone is like that.

So with employees, first, you would have an employment contract, right, where it would spell out like what the hours are, what the expectations are and what has to be fulfilled. From there, like you were saying that you had hints all along that you felt like that this was not what was happening, she wasn't doing stuff. So if and when you had had those hints and you looked into it and you had something to actually like show, first, you

would have had like a meeting with her to discuss it. And then you would have followed up with that little memorialization email saying, this is to follow up on our conversation earlier today.

After that would probably become a verbal warning. And the verbal warning would be a verbal warning you give like in a Zoom call, but then you follow up with an email to say, I gave you a verbal warning. Like it would be a formal verbal warning. After that, you could say like, I'm going to write you up. This is going in your employment file. And at that point, you're just building a case. So like hopefully, the goal would be that somewhere along that way she would snap to and be like, I have to fulfill these hours. If she didn't though, and you kept documenting it, then you would be in a good position to fire her.

Unfortunately, when it comes to an employee like that and you fire them, you can't be like, I fired -- like this happened to me. It's like we let somebody go and they didn't do good work. And there's just nothing you can do. Like, I can't say give me my money back. I could have extended her some sort of payment for leaving for a certain time. I decided not to do that in light of what I found out. So you can make certain decisions like that, but otherwise there's really not anything you can do within it's an employee role to go back and penalize them.

I guess unless they worked on commission, that would maybe be if you structured an employee like a commission, which I could see for some coaches that that might work because if they bring in the client, then maybe they make a different payment. And then you could have something in your contract that's like you only get paid for your commission once the client, work has been performed or the money has been received and stuff like that. So that's kind of what I'm thinking. Does that all make sense?

Erin Judge:

Yeah, that definitely makes sense. Yeah, we have better process in place for contractors.

Sam Vander Wielen:

Would it have been helpful? Yeah. Yeah.

Erin Judge:

Now, the big lesson of like, oh, don't let things keep going. As the business owner, don't just try to scoot around it. If you feel like the business is in jeopardy, you need to take action on it sooner. But yeah, interesting things to learn.

Sam Vander Wielen:

And I think what a lot of business owners don't know is that you actually have what we call a fiduciary duty to do that kind of stuff. So when you start a company, it's almost like you take on a caretaker role for something and you actually have a legal obligation to protect it. And so in that case, for example, you know someone's doing something to harm your business, or maybe in somebody else's case, it's like someone's stealing from them, or like doing bad to their clients or whatever, you actually have an obligation to do something about it.

So if that helps anybody, any other people pleasers out there like me and Erin who are like, well, we don't want to upset anybody, so we don't say anything. Well, it's kind of not your choice. That kind of took a lot of pressure off of me. I remember when I had a sour situation, I just felt like a weight of responsibility towards my business. And it was no longer like, oh, I don't want to hurt anybody's feelings. It's like, this thing is bigger than me and I owe it this obligation. And I have other people who are relying on it. You have other people who are relying on it, not only your clients, but you have other contractors now who are working for you. So I think it's helpful to think about it that way, too.

Erin Judge:

Yeah. Absolutely.

Sam Vander Wielen:

Absolutely. Well, thank you, Erin. This has been so helpful. I'm going to share my top three takeaways after we go today. But will you let everybody know where to find you? And if you have like an IBS freebie or anything, any resources for them where you think we should point them, that would be really helpful.

Erin Judge:

Yeah. So you can find me on social media, Instagram, TikTok at @ErinJudge.rd. And then we do have a free mini course for IBS. So if you're interested in that, it's linked on the social medias. Or if you go to gutivate.com/hello, that's kind of our little link tree, so you can see that free course. We also have a membership for if you're looking for help and guidance, it's very easy to access and get into, but that free course is a little part of that membership, just to get a taste of it.

Sam Vander Wielen:

Perfect. I'll link to everything down below. Thank you so much for doing this. I so appreciate you.

Erin Judge:

I appreciate you and thank you for having me.

Sam Vander Wielen:

I hope that that episode was as helpful for you as I'm wanting it to be because I just really wanted to, my goal with this little series and I'm going to be doing where I bring on some guests who have gone through some different legal hiccups or have their own legal questions is that I really want to get to the root of what you're dealing with in your business on the ground every day. These are the real things that are happening, so you don't have to take it from me.

I know it can sometimes feel like, oh, is this stuff really going to happen to me? Like, is this stuff true? Is it really that big of a deal? I just want you to hear it from people who are actually experiencing this on the ground. So I thought that was really helpful. Okay. Here are my three takeaways from my interview with Erin.

Number one, I think it's really hard in our businesses to balance compassion with boundaries. I thought she had a lot of good takeaways about that. But I think my takeaway here is just like that it is difficult, and I want to recognize that and that I know you come from a good place, but I also want to normalize that you can be a nice, compassionate person while having boundaries.

The second thing that I thought was most impactful about what Erin shared was that I see the power in separating yourself from the legal side or the more technical, enforcing boundaries, enforcing rules, enforcing your contract side of your business so that you can stay in your zone of genius, but that so you also can continue to serve people. I thought something that Erin kept coming back to was that she wanted to make sure she could still serve her clients fully without being tainted by all the stuff that might be going on in the background. So I thought that was really helpful.

The third thing that I thought was great about what Erin said today was that having the right legal pieces in place is really what ended up saving her. I mean, in every single example that she shared, it was the fact that she had a contract or had the right contract or had the right language in it or had a policy already set up for it and had made things available to people. She had all the stuff in place and she really crossed her T's and dotted her eyes and she knew what she was doing and that's what allowed her to get paid, continued to run her business, continue to grow her business and serve her clients at the same time.

So like I mentioned earlier, Erin is a part of the Ultimate Bundle program. If you've been checking out the Ultimate Bundle program for a while, you're going to want to keep your eyes peeled next Monday, October 16th through the 20th. I have a very special deal coming for you on the bundle, but it's only good for those five days only.

If you don't know what the Ultimate Bundle is, that's my signature program that gives you over 10 DIY contract templates, all the fill in the blank contract templates for your website, for working with clients, selling courses, a membership program. All that kind of stuff is included. Plus, you get access to over 35 on demand trainings from me, teaching you everything from how to legally form your business to getting paid to what to do if somebody doesn't pay you to how to protect your intellectual property. That is going to be on major sale next week for one week only. So keep your eyes peeled for that. If you have any questions at all, of course, reach out to me. Otherwise, I hope you loved this episode and I'll see you in a few days.

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