

Smart Ways to Utilize Outside Professionals

How to Gain the Most Value from Attorneys, Accountants and Consultants

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In the course of leading U.S. subsidiary operations, a majority of Japanese executives will face circumstances that require assistance from outside professionals such as attorneys, accountants and consultants. In this article, I suggest ways to gain the most value from outside professionals through proper selection, careful management, and timely corrective action.

Why Use Outside Professionals?

There are several reasons to use outside professionals. For example, a problem may require special expertise not available within your company. You may need to handle an issue in a delicate and confidential manner. You may not have enough internal capacity to handle a crisis situation. Or you may need a firm to manage a turnaround or to promote a new initiative, partnership or acquisition. In order to succeed in such non-routine or urgent activities, you will need reliable outside professionals.

Selection Is a Critical First Step

Selection of the right professional is a critical first step. First, check that the professional has the right *skill set* for the challenge. For example, if you already have a corporate attorney, but the new issue is related to a termination of an employee, then you will need an attorney with employment law expertise. The corporate attorney's firm may or may not have labor law expertise. In addition to picking the right type of attorney, you have to be sure the law firm has the right *capacity*. Are there enough other capable attorneys in the firm – both knowledgeable in the specific legal area and in sufficient number to be able to back up the primary attorney?

The most important factor is to determine from the start whether a professional is the *right fit* for working with a Japanese company. For all professionals, it is most convenient to work with bilingual professionals, if available. For attorneys, consider if they have a *business mind* – do they focus on the business question and give their legal opinion on matters directly related to that question, or do they offer only general advice? Can the professional work at the *pace* of the Japanese customer? For instance, is the professional flexible and able to communicate in a timely manner or is it necessary to schedule appointments weeks in advance. Is the professional *responsive* to help the Japanese executive deal with the evolving situation? Are they sensitive to the need to provide timely advice to the parent company? And most importantly can the professional *clearly define issues and solution scenarios* in a brief and clear way, so the executive can consider available options?

Of course, cost of service is important. Be sure to establish in advance the billing rate, and try to receive estimates for specific assignments in advance.

Proper Scope Management Is Essential

There are other considerations for working with professionals such as IT and market research specialists. At the start, it is very important to clearly convey what you want to achieve by the end of the assignment. Both sides should share the same expectations. It is best to define activities, specific team members and what will be delivered. It is essential to summarize such points in a Scope of Work document that reflects clear understanding of customer needs and describes specific measures of success.

A key success factor is a clear *communication plan*. This includes assigning key contact persons (madoguchi) for both organizations and using formal and informal methods of communicating project status on a regular basis. Just as important is a *change authorization document*. This should be signed only by designated representatives of each party and should describe approved changes and also explain any impact on project delivery schedule and price. In some cases a scope change may be reason to reevaluate whether the current firm has sufficient knowledge to address the new need; or whether a different firm may be more suitable for the new work.

Corrective Action That Builds Relationships

The test of a successful working relationship with outside professionals is the ability to collaboratively take corrective action when things do not go well. If the parties have mutually set expectations and project scope, and are communicating well, then both parties should recognize problems as they arise. At these times it is important to address problems quickly and clearly. It is also important to set the right tone for discussions of these problems and to avoid making excuses. For professionals not accustomed to working with Japanese firms, it is best to admit a mistake sincerely, to emphasize the importance of the relationship, and to make a commitment to solve the problem. By assuming responsibility you show the customer that you are serious to fix the situation and to move forward in the right direction.

By following these suggestions, Japanese executives and outside professionals should have a cooperative basis for staying on course to solve problems and to achieve business goals. Most importantly they will have built positive relationships.

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About the Author

Sylvester Di Diego is President of Strategy Dynamix. He is an expert of Foreign Direct Investment and global operations with over 20 years experience in the Americas and Asia with funding, starting-up, expanding, digitizing, and repositioning companies in the manufacturing, technology, distribution, and service sectors. He actively advises CEOs, CFOs and other executives to grow and turnaround their operations and speaks to various audiences on related topics. Previously, Sylvester held senior leadership and advisory roles with Scient Corporation and Mitsubishi Corporation. He is proficient in Japanese and lived in Japan on 4 assignments. He is a graduate of Harvard and was awarded a Harvard-Rockefeller Graduate Fellowship to Japan.

Strategy Dynamix is a bilingual professional service firm (Japanese and English) that provides hands on support to CEOs, CFOs, and HR Managers of Japanese and U.S. owned subsidiaries in order to successfully grow and turnaround businesses. Clients call upon us to assist them to set direction, identify resources (people, products, capital) and to implement new initiatives and solutions. Services include: Subsidiary Support, Advisory, Sourcing, Recruiting, HR Consulting, Training, Communication and Sales Support.



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