DOWNLOAD PDF RESTRUCTURING FOR CORPORATE SUCCESS

Chapter 1 : What Is Needed for a Business Restructuring Plan? | blog.quintoapp.com

*Restructuring for Corporate Success: A Socially Sensitive Approach [Nikolai Rogovsky] on blog.quintoapp.com *FREE* shipping on qualifying offers. Both civil society and the market are demanding that commercial enterprises exercise a socially sensitive approach to the way they conduct business and treat their workers.*

Companies are increasingly talking of cost cutting programmes, capacity adjustments and shorter working hours. In some industries, the double dip scenario discussed when the financial crisis first erupted is already a harsh reality. The combination of gloomier economic prospects, greater uncertainty about lending and the need for companies to have more equity mean that market players are drawing up restructuring plans and thinking about how they are going to implement the measures and considerations involved. The gloomy economic prospects and higher financing requirements can be expected to reinforce the relevance of drawing up and implementing successful restructuring plans. The details of how each individual plan is drawn up and implemented depend on the severity of the crisis and the stakeholder structure of the company in question. It is nevertheless possible to pick out key elements that significantly increase the likelihood of operating or financial restructuring being successful. To set out what is expected of stakeholders such as lending banks , anyone drawing up a restructuring plan has to bear in mind legal precedents from the highest court and guidance from professional groups. The protective shield proceedings this has introduced are a sign of the intention to focus more on restructuring viable companies and treat insolvency as a real opportunity than has previously been the case. It allows three months from filing for insolvency to draw up a restructuring plan under the supervision of a temporary administrator, during which no enforcement proceedings can be launched; this can then be implemented as an insolvency plan. Restructuring plans typically use a modular, two-stage approach: The first stage involves drawing up operational measures to ensure viability, i. In the second stage the aim is to develop a model for the restructured company that ensures it is sustainably competitive and profitable ongoing viability. Key elements to include in a restructuring plan are: A description of the subject matter and scope of the task A description and analysis of the business background An analysis of the causes of the crisis and the stage it has reached A model for the restructured company A programme of measures to be taken An integrated restructuring plan An assessment of whether the restructuring is viable, i. The content and measures included in a restructuring plan depend on the stage and extent of the crisis and the specific stakeholder structure. Apart from meeting the minimum requirements mentioned for restructuring plans and allowing for specific individual features, it is possible to identify general characteristics of effective restructuring advice that significantly increases the likelihood of success: Focus on what matters While it is essential that the documentation and analyses mentioned are provided, care must always be taken to ensure that the focus is on information which is relevant to taking decisions and that this lies at the heart of the restructuring plan. Providing the right degree of transparency for the people being addressed: The strategic focus of the plan must be spelled out: The central anchor has to be developing and implementing immediate operational measures and planning the model for the restructured company to make it sustainably viable. There has to be a focus on action: The programme of measures is effectively the blueprint for implementing the plan and so must be compatible with it. This should be summarised in a robust business plan. The results of all analyses and restructuring measures must be shown in an integrated business plan, along with their impact on the balance sheet, income statement and cash flow. The plan must be resilient, i. Be practical Plans must always be designed so the objectives and action on which the programme of measures is based can be achieved and implemented within the relevant timeframe. Each measure must be based on a realistic objective. It can be an advantage if a plan is drawn up using skills and experience gained in successfully implementing other plans: Practice has shown that it is not sufficient to set out the restructuring measures proposed by the company management in a restructuring report. Their practicality and how long they will take must also be scrutinised critically. For the latter in particular, having an experienced restructuring advisor is a key advantage. Depending on the stage of the crisis, this applies to measures focused on liquidity just as much as adaptations to organisational structures and processes all the way through to setting a new focus and designing business models to give competitive advantage. Interact with all stakeholders: The CRO position is that of an interim manager and normally brings together all the tasks involved in total crisis management, from implementing structural and operational measures to negotiating refinancing. An experienced CRO can relieve the burden on managers who are often not specialists in this area. The CRO also takes on managing the restructuring process and coordinates and communicates with all relevant stakeholders. The greatest impact often comes from being directly responsible for implementing the crisis measures and acting as an honest broker on behalf of all interest groups. Management and communication skills are essential. A CRO can reduce mistrust between the parties involved by creating transparency and setting priorities. When it comes to questions on change processes in the company, the CRO is a knowledgeable and informed point of contact. Their involvement is time-limited from the start and linked to measurable objectives; once these have been achieved, the exit process starts. The CRO ensures the implementation of the operational, structural and financial measures set out in the plan and is a central success factor in re-orienting the company. SUMMARY Skilled restructuring management that uses an advisor who can get things done to ensure the measures in the plan are carried out, involves all relevant stakeholders, creates transparency and regains trust and security, is a key driver when it comes to successfully restructuring a company going through a crisis. The more closely a restructuring is focused on the key issues for survival, and the more realistic the measures chosen when drawing up the plan, the greater the chances of success. It is no use drawing up the right plan for a crisis and making the right recommendations for action unless liquidity can be generated, debt serviced on time and cost cutting implemented. Efficiency improvements also have to be clearly felt in improved cash flow and profitability. Appointing a temporary CRO can be an important aid in this.

Chapter 2 : The 7 principles of a successful restructure -

Both civil society and the market are demanding that commercial enterprises exercise a socially sensitive approach to the way they conduct business and treat their workers, particularly when they.

Companies should be ready to make the necessary corrections, as many times as needed. Typical mistakes in planning and implementation of the organisational restructuring process Some project objectives do not meet SMART criteria and results of restructuring are not fully measured and analysed properly. Insufficient internal communication destabilises the organisation too much during the process. Limited co-ownership of the project at all organisational levels negatively affects the implementation. In the worst case scenario restructuring is tactical, with vague objectives, planned at top level only, without collecting feedback from all levels of the organisation, and with diluted responsibility. A great recipe for a total failure! It can serve as a perfect example and inspiration for numerous organisational restructuring processes implemented in its year history. From business units to category management Nike started as a company selling footwear for runners. Nike quickly realised that its consumers need specialised apparel and equipment to practice their sports, so the two business units were added to the product portfolio. The main reason was that, for example, products for soccer differ significantly from products for running by: It was much easier to respond to consumer needs and to grow distinctive category markets when the organisation reflected the category approach. Each sports category division includes footwear, apparel and equipment, but has also a team to manage category marketing, retail, visual merchandising, product development, and so on. The transformation from footwear to BU divisions took several years, but the reorganisation from BU to categories was executed within 1 year. The competition followed by doing the same, but was unable to regain strategic initiative. It soon expanded to all other states, and then started business in Western Europe and on other continents. The big organisational restructuring innovation was the European headquarters as a service centre for all European countries which enable countries to be less staffed, more focused on sales and with less headcount needed to cover all functional departments in each country. Nike worked as a matrix, where all functional and category positions are represented at all levels global, geography, country. Marketing activities were integrated across all departments sales, marketing and retail and executed in each country, according to global guidelines, and with local adjustments. All Nike global factories shipped their products to Laakdal, and then, outsourced logistics companies delivered seasonal orders to the doors of Nike European customers. In the 90s, opening a huge warehouse facility in the middle of nowhere in Belgium, but close to the sea ports was a huge supply chain innovation, which simplified logistics and was a labour and operational cost saving compared to having warehouses in each country. The system did not work perfectly from day one, but gradually, Nike made it very functional and partly automated. The idea of making customers order products, with the help of product samples and catalogues, 6 months before each of 4 seasons was revolutionary. It enabled better demand-based, supply planning, with less cash and logistics constraints. From wholesale model to direct-to-consumer Any success in business depends on good interaction with consumers and high gross margin. As the founder of Nike, Phil Knight, used to say: In the past, the main business partners for Nike were: Nike sales departments clearly reflected that approach. In a way, Nike was partly dependent on customer experience that their partners offered. Many of them were far from being brand enhancers and frequently decreased prices through aggressive discounting. The company did not have its own retail, except few Nike Towns or factory outlet stores. With the growing role of e-commerce and periodic market overstocking due to the aggressive strategic goals, Nike decided to strengthen its direct-to-consumer presence on global market by opening Nike-only stores, its own online store www. These actions required considerable restructuring of Nike organisation to cope with new tasks like channel and space planning, category directive assortments for its own stores, product differentiation in retail, return logistics, among a number of other challenges. It was applied for a group of smaller countries or the whole Nike regions. The shared services were applied to HR, customer service, logistics, IT, procurement, etc. It is nothing new these days, but 20 years ago, it was a very innovative solution. Global or regional headcount reduction is a bit primitive type of reorganisation to reduce labour cost.

When the top line went back to normal and headcount limits were eased, the total number of headcount usually came back to the number from previous level or more. This task was surprisingly easy to execute by Nike countries, despite their initial resistance, as long as the exercise was not repeated in the following year. The company made several mistakes on its way, but constant product and systems innovation as part of bold strategic plan gave Nike a permanent, competitive advantage in the market. Nike always behaved like a market leader and was able to quickly adjust its organisation to serve consumers better than its competition. Reorganisation is a necessary process to respond to external market developments or to take any company to the next, higher level. What do you think of this article? Please let us know your thoughts in the comments below.

Chapter 3 : Restructuring & Turnaround Success Stories | NextLevel

Restructuring for corporate success. A socially sensitive approach Looks at the reasons for workforce reduction and its impact on the individual and the company and sets out alternative options that managers should consider.

Jennifer Tice is a Learning and Development executive with experience in major corporations including one of our clients, Fidelity Investments. Why do companies embark in restructuring and reorganization efforts? What are some common factors that determine the success or failure of a restructuring process? What are some common challenges mid-level managers face during reorganizations? How do you help them balance their personal agenda and the company agenda? What would you advise a top-level executive who is considering restructuring the organization? What should they definitely do? What should they definitely not do? How should change management be used during a reorganization effort? What usually drives that? There are a few main reasons. The most commonly talked about is usually to improve cost, process, etc. For example, the leader may think that the company is stale and wants to drive some innovation and believe that reorganizing will drive innovation. Whether it will or not may be an empirical questionâ€¦there may be other ways to drive innovation. But there are two other reasons that may not be talked about, one is power and control of assets, and another one is career advancement for an executive. First, we think of organizations as eco systems but organizations are also geo political systems â€" leaders have some amount of organizational capital or sovereignty i. Another reason usually not talked about openly, but rather in closed-door succession planning or retention meetings, is a reorganization to give a leader an opportunity to grow. They have growth potential that they need to develop. Then, the leader will want to put their stamp on the organization by reorganizing. I think creating clarity for urgency of change. We have to be so clear and so crisp as to why the organization has to do this. Sure failure is to just send the memo out and let people experience it. Make everyone a part of it. So we want to involve the people and by doing that, they will adopt change faster as they are part of it. Be clear and honest about the loss and clear about the change. You have to honor the loss. The time you save in lost productivity more than makes up for the time spent doing real focused data gathering, real involvement. If you have the right strategy, implementation becomes very easy. They are responsible for implementation and they are the ones that are really stuck delivering the message from the top. Their challenge is that they have to put on the good face, the face of the company, when they may not even believe or understand what they are being asked to do. Mid Managers feel the same as everyone, yet they have to put on the good face for everyone else. So having a good mid-level manager is gold. You want to seek them out and have them be your ambassadors. Mid-level managers are like the shock absorber in the organization. Having a really good leader and change management skills at that level is very important. And being very clear about their role in the change and their outcome is imperative. Clarify the cost vs. Are we willing to go through the loss of production? Then see who besides the immediate organization function is going to gain or lose, who will benefit and who will lose? Have clear answers to these key questions. Pushing a vision will not work. You are not the only game in town. You can loose employee engagement easily during this time. Create better urgency and create that buy-in. I have to askâ€¦how should change management be used during a reorganization effort? Also, remember that change management and a communications plan are two different things; they are both important but different. The effort should be thoughtful and have a beginning and an end. A change management plan should set a goal; you have to have a finish. Hope you find this information useful.

Chapter 4 : Debt restructuring - Wikipedia

The following excerpt is taken from the "Lessons of Restructuring" section of Gilson's introduction to Creating Value through Corporate Restructuring. Although the case studies in this book span a wide range of companies, industries, and contexts, some common issues and themes emerge. Taken together.

Enter your email to reset your password Or sign up using: Getty Financial restructuring is often a last resort, but invariably the most effective one. The environment in which a business must grow is an unpredictable terrain. If your company is lucky enough to survive its initial entry into this volatile mix, it will invariably have to face unexpected fluctuations in the market. In many cases, debt burdens and a matrix of suspicious creditors can completely negate the goals of a once-profitable business. Financial restructuring is the most effective way of coping with these stressors, and a complicated apparatus of financial and legal safety nets are available to the savvy corporation. A carefully considered strategy, which includes bringing in qualified leadership, providing honest forecasts, and encouraging administrative transparency, is the only reliable way to ensure long-term viability in an unpredictable marketplace. Financial restructuring is often a last resort, but invariably the most effective one. How to Undertake a Financial Restructuring: Redefine Your Goals Most business models do not have a ready-made solution to drastic changes in an individual market or a severe downturn in the greater economy. Success is planned for; survival is often resorted to. This might sound grim, but success and survival go hand in hand. Facing a market environment that can change overnight due to the introduction of new technologies and outlets such as social media is a daunting task for any business manager, and often the initial measures taken are not enough. The consequences of continued dependence on obsolete resources and the shock of sudden market change are challenging, but they can be dealt with. Before the steps listed below can be taken, executives and employees must accept the realities of financial and corporate restructuring, which can include downsizing, departmental re-organization, and changes at the highest levels of management. The key concepts that should define your new goal are accuracy and honesty. Interested parties who have a financial stake in the success or failure of a company will demand precise predictions and clear objectives. The importance of accurate forecasting is critical to the success of any restructuring plan. Reductions in operating costs and emergency budgeting are short-term measures intended to solidify long-term profits. Without a plan, the channels of credit and liquidity will quickly dry up, and debt burdens will only continue to accrue. Recognize the Challenges and Bring in Help Before business models are revamped and organizational systems overhauled, an experienced financial advisor should be brought in to assess the current situation and propose solutions. Here is where financial consultants come to the rescue. If debt obligations and burdensome operating costs become overwhelming and threaten the immediate viability of your company, financial restructuring is often the only remaining option to keep your business afloat. Fortunately, there are experts available whose job it is to provide reasonable solutions. If financial forecasts do not predict acceptable timetables for creditors, a plan for debt restructuring is often a necessary procedure. Nizami points out that the process of restructuring is in many ways similar to product rebranding, and the public face of the endeavor is an important aspect of its success. To avoid this, experienced consultants must find ways to replenish the coffers while providing evidence of success to investors. Without the specific knowledge brought by experts into a business to review their process, that company will not find it easy to do. In many ways the essential goal of restructuring is to convince creditors and stockholders that your company is willing and able to make drastic changes in order to satisfy outstanding debt with repositioning the business within its core market. Sustainability and profit must be a realistic goal; without creditor and shareholder confidence, the outlook will not be favorable in the long or short term. Creating and preserving financial support from the vested interests is job 1. Identify Leadership Once the goals are set, there will invariably be some difficult decisions to be made. A financial overhaul might feel like converting an airplane into a helicopter in mid-air, and strong leadership is required to meet the demands of a financial re-boot. Many corporations have found success in turning to a "hired gun": Whether or not your company decides to seek help from outside or continues to rely on internal resources, the CEO should posses a few fundamental qualities. Nizami breaks down the fundamental skill set that the right CEO will bring to the table: Until the wagons are circled around leadership and advisory agents that can be relied on with confidence, the specter of imminent bankruptcy will continue to cast a long shadow over the day-to-day challenges of running a business. Prepare to Face the External Challenges Not only will the new leadership have to deal with amplified scrutiny on behalf of creditors and shareholders, but also the challenges of the hour news cycle. In many cases, those most affected by potential restructuring find out from the media before internal communication has been advanced. Fear spreads quickly, especially when the overall economy is experiencing a downturn. The antidote is a clear vision of emergence that management and staff can get behind and implement with determination. Getting ahead of the media is often a necessary first step in stemming disaster. Bankruptcy and re-organization, especially when undertaken by major corporations, will naturally result in media attention and probably more that any resulting success will receive. All involved- management, vested interests, and staff- will need to develop a thick skin. Open the Lines of Communication The two major lines that need constant and transparent communication are between: In order for financial and debt restructuring to work, all hands need to be on deck. The often-necessary downsizing and overhaul of familiar protocols and processes can create disorientation, stress, and apprehension company-wide. The solution is transparency and the fostering of a community effort. Financial consultants and creditors: It is the responsibility of the financial consultant, in tandem with the CEO, to present a clear and focused strategy for reducing debt and costs while maintaining market viability. Creditors ensure operation and must be convinced that the compass is pointing in the right direction. It is equally important for those responsible for the plan to present a clear and honest agenda to the staff who will be ultimately responsible for implementing it. When a blanket "save money" type order comes from HQ or the CEO, management has a tendency to do the things that show immediately often staff reductions rather than stepping back and looking at the whole picture. Stay Committed and Know That Restructuring Works It is likely that some aspects of restructuring- systemic change, outsourcing, staff reduction- can sow doubt, both internally and externally. Although many companies emerge from the darkness of bankruptcy and debt restructuring with less resources and staff than they started out with, there are many examples of the rapid recovery and success that results. An experienced consultant and a focused CEO should be able sustain a corporate juggling act: Although never easy, the ultimate dividends from financial restructuring are ultimately worth the struggle.

DOWNLOAD PDF RESTRUCTURING FOR CORPORATE SUCCESS

Chapter 5 : Benefits of Restructuring a Company & Restructuring Process

Get this from a library! Restructuring for corporate success: a socially sensitive approach. [Nikolai Rogovsky; International Labour Office.;] -- "Replete with numerous examples and case studies featuring good practice, this book demonstrates how many companies around the world have managed restructuring in a socially sensitive manner with.

As with everything in business, restructures can be done well and they can be done poorly. Here are seven principles to help you avoid unnecessary complications. Even as the economic outlook appears to brighten, the fact remains that many organisations can no longer operate as they had been. A key feature of this changing landscape is the need for organisations to restructure. Here are seven broad restructuring principles to help make any restructure a successful one. Align structure to strategy All restructures must align to strategy. This may seem self-evident, yet a significant number of organisations fail to do so. For example, if local conditions are a predominant factor, then stress local sales and marketing functions rather than a centralised behemoth that then tries to matrix with local elements. Reduce complexity Simply put, complexity costs. Whether it is a complex organisational structure, a complex product offering or complex transactional processes, the added cost of complexity can be a drag on performance. To mitigate complexity, there are three considerations that help with organisational design: Design structure for strategy before you design for specific personnel. Organisational redesigns which are a compromise between strategic intent and line management preferences inevitably add complexity. So, while internal political intrigue is unavoidable, at least start with a clean and clear design that matches to strategy. Avoid making leadership roles too complex see principle 5. Minimise the use of matrices. They introduce measurement overhead and a lack of clear direction to the staff. Focus on core activity Remove noise inefficiency in processes and enhance core before restructuring roles. This means that you will need to know what people are doing today by obtaining a detailed understanding of tasks by role. This ensures that no value-added activities are thrown out when removing a role. Similarly, duplication and redundant activity can be removed at the time of the restructure. When restructuring to reduce headcount, make sure you understand the current workload of employees. This will help to ensure you design roles that are neither too heavily laden nor indeed too light. Furthermore, role design must take into account realistic groupings of skills. Packing a role with too many distinct skill-sets reduces the pool of durable candidates. Often, the inability of managers to focus on leadership tasks due to increased output requirements can create significant problems for an organisation. For example, time spent mentoring and coaching staff drops off, staff become disengaged, more issues arise due to staff errors and managers end up spending more time resolving them. The number of staff directly managed or supervised. Staff ability to perform work without supervision. Implement with clarity Often there is confusion in the first weeks and months after an initial restructure. After all, who is supposed to be responsible for what? The answer is to clarify roles and responsibilities from the beginning, identify all functions activities, tasks and decisions that have to be accomplished for effective operation, clarify who should be involved and be specific about accountability. Maintain flexibility Finally, it is important not to cut your resources too fine. If the organisational change is material, you will need resource flexibility in the first few months. So even as you strive to operate more efficiently, be sure to give yourself some wriggle room in your staffing. Flexibility applies not only to staff members, but to staff capability. Leave yourself and your leadership team some room to respond to capability gaps in the new structure. Common ways to do this include: The Group was established in , and has refined its methods in over assignments. Want to become a more persuasive presenter? Want to master social media? Is it time to overhaul your website? Unlock the library to get free access to free cheat sheets and business tools. Click here for free business tools.

DOWNLOAD PDF RESTRUCTURING FOR CORPORATE SUCCESS

Chapter 6 : Holdings : Restructuring for corporate success : | York University Libraries

Get this from a library! Restructuring for Corporate Success: a Socially Sensitive Approach.. [Nikolai Rogovsky; Patrick Ozoux; Daniel Esser] -- Provides guidance on establishing a strategy of worker retention and worker displacement that will minimize the negative social impact of enterprise restructuring and respect the provisions of.

However, these strategies need an evaluation from time to time. Leave the task to experts while you focus on the core aspects of the business. With C-Level leaders who are highly experienced in serving varied industries and sectors, our business advisors know the right need to take your business to the next level. Equipped with the necessary technology, manpower and skill-set, we are available whenever and wherever you need them. Our international expansion strategy, advisory, corporate finance and business restructuring services are delivered through regional hubs in Asia Pacific Region, Europe, North America, Latin America and Africa. We are a cohesive consultancy organisation with executives that bring immense experience to the table to make your business strategies a success. We are focused on initiatives like process improvement, cost reduction, turnaround, revenue growth and succession planning and leadership training. Our clients value us for the immediate value we deliver. IMCI Consultancy is unique for having a clear understanding of changing business realities and is aware of local trends too. Whether you need business support in the form of financing, business intelligence, business development or management know-how, we are the right choice. We serve clients for Mergers and Acquisition, operational excellence, strategic alliances, international expansion strategy, and offer the required financial support too. You can rely on our expertise to create a critical tailor-made consultancy programme with clear milestones and expected outcomes. The skills of our advisors are right to serve any size of business organisation for Building Strategies Corporate Restructuring We Follow a Holistic Approach We are here to support our clients for business expansion and specialize in bringing out optimum performance. IMCI consultancy adopts a holistic approach and supports business leaders to boost productivity with measurable parameters and apt solutions. By optimising management issues, our advisors leave no stone unturned to make things go in the right direction. We are as eager to bring in maximum profit from the resources deployed. But what is more important is that we are specialised in this task. IMCI develops the right product portfolio and devises a marketing strategy to attain the desired outputs. Furthermore, we chart out the required actions to achieve the goals laid down. We implement it in a manner that the growth can be quantified.

Chapter 7 : Business expansion, Corporate restructuring | International expansion strategy

Restructuring for corporate success A socially sensitive approach Nikolai Rogovsky Patrick Ozoux Daniel Esser Tory Marpe Andrea Broughton INTERNATIONAL LABOUR OFFICE â€¢ GENEVA.

Motivation[edit] A debt restructuring, which involves a reduction of debt and an extension of payment terms, is usually a less expensive alternative to bankruptcy. The main costs associated with debt restructuring are the time and effort negotiating with bankers, creditors, vendors, and tax authorities. Like debt restructuring, debt mediation is a business-to-business activity and should not be considered the same as individual debt reduction involving credit cards , unpaid taxes, and defaulted mortgages. In debt mediation has become a primary way for small businesses to refinance in light of reduced lines of credit and direct borrowing. Debt mediation can be cost-effective for small businesses, help end or avoid litigation, and is preferable to filing for bankruptcy. While there are numerous companies providing restructuring for large corporations, there are few legitimate firms working for small businesses. Legitimate debt restructuring firms only work for the debtor client not as a debt collection agency and should charge fees based on success. Among the debt situations that can be worked out in business-to-business debt mediation are: Debt for equity deals often occur when large companies run into serious financial trouble, and often result in these companies being taken over by their principal creditors. This is because both the debt and the remaining assets in these companies are so large that there is no advantage for the creditors to drive the company into bankruptcy. Instead the creditors prefer to take control of the business as a going concern. Debt-for-equity swaps are one way of dealing with sub-prime mortgages. Bondholder haircuts[edit] A debt-for-equity swap may also be called a "bondholder haircut ". Bondholder haircuts at large banks were advocated as a potential solution for the subprime mortgage crisis by prominent economists: Economist Joseph Stiglitz testified that bank bailouts "are really bailouts not of the enterprises but of the shareholders and especially bondholders. There is no reason that American taxpayers should be doing this". He wrote that reducing bank debt levels by converting debt into equity will increase confidence in the financial system. He believes that addressing bank solvency in this way would help address credit market liquidity issues. The Fed and other bank regulators would insist that bad loans be written down on the books. Bondholders would take haircuts, but these losses are already priced into deeply discounted bond prices. Not only is debt reduced along with interest payments, but equity is simultaneously increased. Investors can then have more confidence that the bank and financial system more broadly is solvent, helping unfreeze credit markets. Taxpayers do not have to contribute dollars and the government may be able to just provide guarantees in the short term to buttress confidence in the recapitalized institution. Informal debt repayment agreements[edit] Most defendants who cannot pay the enforcement officer in full at once enter into negotiations with the officer to pay by installments. This process is informal but cheaper and quicker than an application to the court. Payment by this method relies on the cooperation of the creditor and the enforcement officer. It is therefore important not to offer more than you can afford or to fall behind with the payments you agree. If you do fall behind with the payments and the enforcement officer has seized goods, they may remove them to the sale room for auction. In various jurisdictions[edit].

Chapter 8 : Restructuring Again? Why Restructure & Factors of Success

The corporate crises that often make a restructuring plan necessary can generally be divided into strategy, success and liquidity. The content and measures included in a restructuring plan depend on the stage and extent of the crisis and the specific stakeholder structure.

Chapter 9 : How to Undertake a Financial Restructuring | blog.quintoapp.com

Corporate restructuring can be driven by a need for change in the organizational structure or business model of a company, or it can be driven by the necessity to make financial adjustments to its assets and liabilities.