

# Why You Should Hire a Lawyer When You Need Corporate Restructuring

**Corporate restructuring** is essential for enterprises to survive in this continuously changing environment. However, corporate restructuring is complicated. Enterprises are strongly recommended to seek advice from lawyers, to limit errors and restructure correctly.

One of the most important mistakes in **corporate restructuring** is that enterprises only focus on short-term goals instead of long-term goals. It is caused by incorrect analysis of the current business environment. Hence enterprises may not realise how compatible or divergent the current structure towards the business environment might be. Therefore, enterprises just make short-term plans to deal with urgent problems of structure, human resource, divestment, etc. The role of a lawyer is to orientate businesses in the right direction from the beginning, and help to avoid such mistake.

Enterprises could also not making mistakes in determining the core of structuring plan. Instead, they should carry out some solutions such as re-arranging, changing human resources, or divestment, which are against the core of the structuring plan. Lawyers who specialise in corporate restructuring can help to determine errors and make the structuring plan go on the right way.

Besides, many enterprises focus on reducing fees and costs of production to increase benefit. This does not work for the real necessity of restructuring. Reducing fees is a regular activity of every enterprise. There is no need to wait for the restructuring to reducing fees. Moreover, if we consider reducing fees the core target of the restructuring plan, we will lose our goals of improving technology, improving the management system, or hiring high-quality employees. Advising lawyers joining the restructuring plan will supervise the whole process and direct it the right way.

What's more, lawyers keeping track of the corporate restructuring plan will help enterprises avoid the wrong divestment. Many enterprises do divest even in projects that are losing in plan but could potentially benefit in the future. Therefore, enterprises divesting these projects may lose profit by selling at a lower price.

For the above-mentioned reasons, in order to restructuring effectively, enterprises need the advice of lawyers throughout the process of the corporate restructuring. The role of lawyers is to avoid mistakes that enterprises commit frequently when restructuring.

*If you are having difficulty in **corporate restructuring**, please contact us: P & Associates is a **professional law firm established in Vietnam** and currently has nearly 100 members working at three offices in Ho Chi Minh City, Hanoi and Da Nang. P & Associates are also considered to be one of the **leading law firms specialising in law on business in Vietnam**, which has a number of notable practice fields in the legal market such as **Labour and Employment, Banking Law, Taxes, Purchases, Selling and Merging, Litigation**, and **IPO advisory services**. We are confident to provide clients with legal services optimally and effectively.*