

Where Size Doesn't Matter

Management Services Consultants LLC



In the rocky world of business, it is hard to know where to turn in times of distress. Coming to the aid of companies that have fallen on lean times or experiencing a growing spurt faster than they can handle is Management Services Consultants (MSC). Specializing in crisis management for troubled companies, forensic accounting, internal management accounting, controls and MIS systems, MSC are seasoned professionals equipped to handle any situation with a hands on approach and vast knowledge.

Founded in 1993, MSC was the result of David Mandelbaum and Barry Sorrentino. Having met and worked together for six months over a large bankruptcy, the two were recommended by a big five accounting firm to start their own business. With their individual reputations as accounting and business experts, the two took on the challenge. They were immediately sent clients from that accounting firm and began receiving clients from various accounting firms, banks, and lawyers. Since then, the partnership has proven to be a strong merger of talents. "Our strengths and weaknesses match up very well and compliment one another. We have a lot of fun. From the beginning it was based on mutual trust and respect. In those first six months we were locked in a room together, we started to realize we both had a good sense of humor and we both knew the value of doing a professional job. Sure, we have fun, but when it's time to work, we don't look at the clock. We've put in 24 hour days. David has put in a 48 hour day - and thankfully, the guys we have also have the same professional attitude," explains Sorrentino.

With a staff of 10, MSC's experts culminate many years of experience. All staff members have backgrounds as CEOs, CFOs or controllers, many of them with CPAs, and have a minimum of 7 years experience. They all bring to the table a good mixture of experience and knowledge to help clients in any areas of crisis. Preferring to take a hands on approach with all their clients, MSC prides themselves on being able to offer personalized service. Mandelbaum explains, "We don't do questionnaires. We don't do upper level meetings. We just go in there, roll up our sleeves and do the job. We act as the CEO or CFO of the company and review the situation, develop a strategy and then assign the right team to take concrete steps in stabilizing the situation and redirect the problems."

Among their most memorable stories is a crisis management situation with a lamp company that owed several millions of dollars to the bank. Also at the time the company was sitting on 200,000 square feet of warehouse space filled with 30 year old inventory parts. The clients having thrown their hands up and at the brink of laying off most of their employees, brought in MSC to salvage the situation.

Realizing the current situation was only going to get the company 10 cents on the dollar, Sorrentino came up with the idea to hire an engineer

to examine all the parts and make working lamps. MSC then negotiated additional credit with a bank and was able to restart the company's production line. With all the necessary parts already there, the company was able to convert its parts inventory into finished goods. The company successfully sold its inventory at an average price of 86 cents per dollar. Mandelbaum adds, "By selling the inventory, raising the capital and adding more efficiency, it made the company a viable entity. Eventually a division was sold and the core company remained intact. Employees kept their jobs and the bank kept the credit at its own bank - and got repaid dollar for dollar."

On the flip side of aiding companies on the decline, MSC is also there to help when companies are growing too fast - which can be just as detrimental. By offering back office support to companies that cannot yet afford to hire their own CEOs and CFOs the expert team of MSC can lend a temporary hand in all areas of accounting and management. Then, when MSC have safely stabilized the company, they even aid in hiring the right upper management team. "By the nature of our business we are transient. We rarely keep long term clients. We go into a situation, support them and then train them. We approach it more like a partnership - We enjoy winning and the measure of our success in winning is not the fee. It is saying to the client that we have accomplished our goals - that's the satisfaction. To have come into a troubled situation and have managed through a lot of hard work and sweat to make something that survives," states Mandelbaum.

Sorrentino adds, "We have gone into places where the banks, accountants and other professionals didn't believe we can turn it around, but we don't give up. I don't know if we like winning or we hate losing more, but we will come up with a way to make it work."

With such strong convictions, MSC is proud of their record with a slew of satisfied clients. For the future, the company just keeps planning to expand their team and keep having fun. Mandelbaum concludes, "Our reputation is all that we have. Even though the size of our firm to a lot of outsider companies appears bigger because we produce a professional product, we are actually a small firm - but size doesn't matter. It's rewarding to have the large accounting firms and banks look at us and give us so much respect. All those hours you put in, it doesn't matter if you can get those accolades."

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