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**Efficiency of use of external
experts in Azerbaijani companies**
General overview and world practice,

What are the main reasons to invite external experts to companies

- Today, in the current complicated business environment in Azerbaijan after dramatic chute of world oil prices in 2014, the quest for cost optimization of companies has become crucial.
- So almost all companies have always been on a continuous search for efficiency.
- Lack of well prepared internal experts for reducing of general expenses, particularly for SMEs, exacerbate difficulties of companies in Azerbaijan

External experts and changing market

- It's well-known fact that in each country, as well as in Azerbaijan, the market dictates almost daily circumstances due to entering of new suppliers to market as well as appearing of new technologies, new best practices.
- In most of the companies, internal buyers will negotiate the contracts only once every two or three years. Between two tenders, it is almost a full time job to keep track of all the changes that occur in the market.

External experts and changing market

- So all the market-changes information is very precious and it can reduce general expenses of companies significantly.
- By hiring external experts, the companies could benefit from the expertise of consultants whom negotiate contracts on a daily basis.

Commerce and external experts

- Are the buyers absolutely sure that they have the best price on the market? It is basically impossible to know if the price the company negotiated is the absolute best it can have. Even the greatest buyer will only have an overview on the best results of a few companies. Thanks to a great variety of clients, external experts have a clear view over the market and know exactly what is the best price possible for a given client.

IT, HR, Logistics, Facilities, Energy and external experts

- Normally in all companies in Azerbaijan there are a great variety of general expenses related to IT, HR, Logistics, Facilities, Energy etc. It would be extremely difficult to master all these areas.
- All these categories of cost have their own specificities and require completely different approaches.
- So working with external consultants allows companies to concentrate their efforts on the strategic matters of companies and externalize the optimization of the general expenses

Recruitment, audit and external experts

- Historically in all countries, it has been widely accepted to hire external consultants for recruitment process. It bases on the stereotype of impartiality of external recruiters
- This experience is getting more and more popular in Azerbaijan.
- As concerns the audit issues, each internal auditor have to make sure that the operations of companies are being recorded fairly. But external auditor is to get assurance that the Financial statement are represents the financial position fairly.