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Crisis Management

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Through a series of interviews with expert legal practitioners, *Crisis Management* explores the key factors that businesses must consider when a crisis strikes, and how best to resolve it. Our global panel share their experiences of successfully navigating myriad crises and offer practical advice for preventing crises from arising in the first place.

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Japan

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Momo-o, Matsuo & Namba

Summary

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The word "crisis" carries with it the notion of the sudden and unanticipated, at least at the time of the occurrence. Yet with careful evaluation, most businesses can identify key categories of likely crises. What should a business do in advance of a crisis striking to ensure that it is best prepared to navigate it?

What key themes underlie the risk management analysis in your jurisdiction (for example, regulatory notice, critical response time, emergency response coordination)? How might this analysis evolve over time, in light of any emerging or potential future risks?

In a crisis, stakeholder expectations of an accurate explanation are high and the interests of various third-party groups are not necessarily aligned. How does a business meet varying expectations of what to say and when to say it? How does a business maintain an open narrative while best minimising legal risk?

Many crises are critical because they involve the potential for widespread civil liability and multiple claimants. How can lawyers balance the need for early disclosure with long-term client protections? What challenges arise in the resolution of multiparty claims and how does a defendant determine its strategy to meet them?

Alongside managing the crisis is the imperative to maintain 'business as usual' or, at the very least, to maintain operations in unaffected areas to offset losses and liabilities arising from the crisis. How can lawyers help to establish what went wrong and minimise the impact of those issues on the underlying business?

How do lawyers advise clients on the timing and management of engaging third-party experts, including coordinating the review of draft work product and finalising submissions to relevant agencies?

How are AI tools both leveraged for efficiency and resisted due to privilege or other concerns in the provision of real-time crisis management advice?

THE INSIDE TRACK

What traits, skills and experience do you think are critical for a lawyer advising on crisis management?

In your opinion, what expertise, attitudes, behaviours and practices characterise an effective legal team charged with crisis management?

What do you personally find most rewarding and most challenging about advising in this area?

Profiles

ABOUT

Ryota Asakura is a partner at Momo-o, Matsuo & Namba and is dually qualified in Japan and New York. He specialises in corporate crisis management and complex corporate dispute resolution, with particular experience in inspection-fraud scandals, large-scale data breaches, accounting-fraud scandals, labour-related misconduct and shareholder derivative actions arising out of such scandals. In addition to his disputes practice, he advises on intellectual property, information technology, privacy and data protection. He has also served as a member of corporate investigation committees in crisis situations. His work spans both domestic and cross-border matters, often involving technically intricate and business-critical mandates. He received his LLB from the University of Tokyo in 2013 and an LLM with the Business Law Certificate from the University of California, Berkeley School of Law in 2022.

Daiki Yamada earned his LLB from Keio University in 2022 and joined Momo-o, Matsuo & Namba in 2023 after admission to the Japan Bar. He focuses on corporate crisis management and dispute resolution, handling matters such as labour disputes, product liability and insurance cases. He also advises on internal policies from a risk management perspective, supports whistleblowing systems and harassment investigations, and provides general corporate advice, including on AI-related legal issues.

Q&A

THE WORD "CRISIS" CARRIES WITH IT THE NOTION OF THE SUDDEN AND UNANTICIPATED, AT LEAST AT THE TIME OF THE OCCURRENCE. YET WITH CAREFUL EVALUATION, MOST BUSINESSES CAN IDENTIFY KEY CATEGORIES OF LIKELY CRISES. WHAT SHOULD A BUSINESS DO IN ADVANCE OF A CRISIS STRIKING TO ENSURE THAT IT IS BEST PREPARED TO NAVIGATE IT?

Most serious corporate crises are not so unforeseeable. While the triggering event may be sudden and the underlying risk categories can be broad, major categories are usually identifiable in advance: accounting misconduct, product or quality issues, competition law breaches, harassment, data leaks, cyber incidents and natural disasters are familiar examples. In practice, companies need a pressure-proof preparedness framework, as the first hours of a crisis are critical and usually marked by incomplete facts, unstable information and intense time pressure. Under such circumstances, delay or poor judgement at the outset can itself be the real crisis.

Companies should streamline the sequence of their actions consistently across crises: initial response, fact-finding, root cause analysis, remedial action and external explanation. The details will differ from case to case, but the governance surrounding those stages should be designed beforehand. That means deciding in advance who has authority to launch an internal investigation, who decides whether a matter must be disclosed publicly, how the company escalates issues from business units and subsidiaries, and how legal, compliance, public relations and management work together. A written crisis manual is useful, but only if it is realistic and current. In many cases in Japan, the problem is not the absence of a manual but the gap between the manual and actual practice.

Regularly reviewing internal rules is especially important in Japan because misconduct often emerges from operational silos and remains undetected for long periods. Companies should not assume that the mere existence of internal rules is sufficient to deter misconduct. They need to assess whether employees actually understand them and whether those rules still reflect the company's current business, supply chain, data environment and reporting lines. Training, therefore, matters as much as drafting. That includes ordinary compliance education, post-training assessment of employees' understanding, and scenario exercises for situations that senior management may rarely face in daily business, such as a dawn raid, a major product safety issue or a large personal data breach. Contributor (Ryota Asakura), in fact, has recently provided his clients with legal advice on scenario exercises for security crisis situations, such as unauthorised access.

Whistleblowing arrangements are another core part of advance preparation. In Japan, a whistleblowing system can materially reduce legal and regulatory exposure if it allows the company to detect problems early enough to take preemptive measures such as self-reporting or co-operation. That may be particularly important in areas such as cartels or false financial reporting, where a delayed internal response can lead to a loss of opportunities to mitigate sanctions (eg, articles 7-4 and 7-5 of the Antimonopoly Act and article 185-7(14) of the Financial Instruments and Exchange Act (FIEA)). But the practical challenge is cultural as much as procedural. Despite legal protections provided for whistleblowers under the Whistleblower Protection Act in Japan, Japanese employees may feel reluctant to report due to fears of isolation, retaliation, or stigmatisation for being disloyal. For that reason, sustained communication about the purpose of the system, visible management support and, in many cases, an external lawyer hotline is essential to building system credibility. Contributors (Ryota Asakura and Daiki Yamada) and their law firm (Momo-o, Matsuo & Namba) act as an external hotline for some of their clients.

Finally, evidentiary readiness merits discussion. In Japan, crisis investigations often suffer not because evidence has been destroyed but because it is scattered, inaccessible, held only by a particular team, or difficult to search. Companies should therefore think not only about retention, but also about accessibility and searchability. Digitising paper records, maintaining coherent document management practices and being able to identify key custodians promptly can make a meaningful difference between a controlled response and a damaging scramble.

For listed companies, Japan Exchange Regulation (JPX-R) has published the "Principles for Preventing Corporate Scandals" (2019) and the *Handbook for Strengthening Internal Controls and Preventing Misconduct* (2026), both of which provide practical reference points for companies considering their internal control and crisis response frameworks. The documents serve as a navigation for companies to prepare their internal control system.

WHAT KEY THEMES UNDERLIE THE RISK MANAGEMENT ANALYSIS IN YOUR JURISDICTION (FOR EXAMPLE, REGULATORY NOTICE, CRITICAL RESPONSE TIME, EMERGENCY RESPONSE COORDINATION)? HOW MIGHT THIS ANALYSIS EVOLVE OVER TIME, IN LIGHT OF ANY EMERGING OR POTENTIAL FUTURE RISKS?

Japanese risk analysis is still built around three forms of exposure that frequently move in parallel: criminal, administrative, and civil. The categories are familiar everywhere, but their balance in Japan has some distinctive features. Criminal liability for corporations

is generally not framed in the same way as in some western jurisdictions. Because the Japanese Penal Code does not provide for corporate criminal liability, the usual route is sector-specific dual liability provisions under individual statutes, rather than a broad doctrine of direct corporate criminal liability. Even so, that does not mean the criminal dimension can be ignored – in some regulated areas, the maximum amount of a criminal fine has been recently increased: for example, up to ¥1 billion for a corporation under article 22(1)(i) of the Unfair Competition Prevention Act and up to ¥700 million under article 207(1)(i) of the FIEA.

With respect to administrative liability, many Japanese crises are ultimately shaped by powerful regulators mandating business improvement, suspension of operations, issuance of public findings or, in serious cases, revocation of licences or permissions. Monetary surcharges (administrative fines) can also be substantial, especially in areas such as antimonopoly enforcement and securities regulation. In 2022, the Japan Fair Trade Commission investigated Kyushu Electric Power Co and other regional utilities for forming cartels, which resulted in a record total fine of more than ¥100 million against the companies involved in 2023.

Civil liability is also gaining greater importance in the overall balance. Indeed, Japan does not offer a robust plaintiff-side litigation environment like the US, particularly because there are no expansive discovery and US-style class action models. However, that should not create a false sense of security. Claims by business partners, consumers, shareholders and other impacted parties can bear serious consequences, and one crisis may generate multiple layers of liability at the same time. A single event may give rise to product liability claims, contractual claims, tort claims, and investor claims under securities law. Management liability is an additional issue. For instance, shareholder derivative actions may arise when the company suffers losses due to alleged failures by directors or officers.

Reputational risks also hold particular legal significance in Japan. Once the market or the media starts to suspect concealment, the company's position can weaken rapidly. A company perceived as having caused trouble is one thing, but a company perceived as having concealed it is much harder to defend. Recent public controversies in Japan have reinforced the perception that a poorly handled press conference, a limited disclosure, or vague answers can be treated as part of the misconduct narrative. In 2025, following reports of severe sexual misconduct by a TV presenter against a Fuji Television employee, the company held a press conference attended by only a limited number of media outlets, during which it repeatedly declined to answer questions or provided vague responses. The press conference triggered strong public backlash and distrust, fuelled by suspicions of a cover-up, ultimately leading to sponsor withdrawals and the resignation of senior management.

Going forward, the analysis will likely evolve in three directions. First, digital evidence and cyber-related incidents will continue to raise the stakes on time pressure. Facts are stored and developed electronically, and stakeholders expect prompt responses. Second, social expectations of compliance in Japan embody a broader range of concepts than legality alone, increasingly encompassing conduct towards customers, employees and business partners. Third, in cross-border matters, crises faced by Japanese companies may implicate investigations or litigations in multiple jurisdictions, which means that the Japanese risk analysis must also incorporate considerations of overseas privilege, disclosure and enforcement consequences.

IN A CRISIS, STAKEHOLDER EXPECTATIONS OF AN ACCURATE EXPLANATION ARE HIGH AND THE INTERESTS OF VARIOUS THIRD-PARTY GROUPS ARE NOT NECESSARILY ALIGNED. HOW DOES A BUSINESS MEET VARYING EXPECTATIONS OF WHAT TO SAY AND WHEN TO SAY IT? HOW DOES A BUSINESS MAINTAIN AN OPEN NARRATIVE WHILE BEST MINIMISING LEGAL RISK?

The first practical consideration is whether disclosure is legally required. In Japan, the answer is not always yes. Companies must be aware of their disclosure obligations and distinguish mandatory disclosures from voluntary ones.

For listed companies, timely disclosure obligations under the FIEA and relevant stock exchange rules are often the most immediate issue. A serious scandal may trigger an obligation to file an amendment to corporate disclosure documents, such as annual security reports under the FIEA (eg, articles 24-2 and 7 of the FIEA). Otherwise, the scandal may also fall within the category of information that could materially affect investors' decisions, under which listed companies are obliged to immediately disclose such scandals under article 402 of the Securities Listing Regulations of the Tokyo Stock Exchange. JPX-R also puts emphasis on "disclosing information in a prompt, accurate manner" when a company responds to a scandal under its "Principles for Responding to Corporate Scandals" (2016).

Depending on the crisis, other forms of disclosure may become pertinent. Data breaches, crises that are becoming increasingly salient in recent days, may require reporting to the Personal Information Protection Commission (PPC) and notice to affected data subjects under article 26 of the Act on the Protection of Personal Information (APPI) in Japan if such a breach is likely to materially affect individuals' rights and interests. This reporting obligation to the PPC is twofold: companies must promptly submit an initial report (typically within three to five days), followed by a complete report within either 30 or 60 days, depending on the breach category. In some cases involving food safety or misleading representations, an administrative order itself may lead to public announcement by authorities (eg, article 69 of the Food Sanitation Act, article 6 of the Act against Unjustifiable Premiums and Misleading Representations).

Even if disclosure is not strictly mandatory, timely and voluntary disclosure remains a viable strategic option as well. The central question is whether disclosure is needed to prevent harm, reduce liability, or maintain trust. If there is a product or service issue that could affect health, safety, or property, early public warning may not only be helpful but necessary to mitigate damage and potential claims. Even where physical damages are not an issue, voluntary disclosure may still be desirable if the facts are likely to be publicised eventually through the media, an affected counterparty, or public enforcement. In Japan, subsequent criticism often focuses on why the company did not speak sooner and whether it was trying to conceal the problem.

On the other hand, over-disclosure could become detrimental to a company. Companies in Japan can and should state clearly what is known, what is not yet known, what the company is doing to investigate, and when it expects to provide a further update. That approach often allows sufficient information for stakeholders to understand the circumstances without entrapping the company into statements it may later have to correct. The discipline is to keep the narrative accurate, incremental and credible.

Segmenting communications by audience is also a practical option. Regulators, investors, key customers, employees, lenders and the media do not all need the same level of detail at the same time. In practice, companies often need to notify competent regulators and major commercial counterparties before or alongside a broader public statement. The legal team's role is to maintain consistency across those communications while avoiding admissions that needlessly prejudice later litigation or enforcement responses.

MANY CRISES ARE CRITICAL BECAUSE THEY INVOLVE THE POTENTIAL FOR WIDESPREAD CIVIL LIABILITY AND MULTIPLE CLAIMANTS. HOW CAN LAWYERS BALANCE THE NEED FOR EARLY DISCLOSURE WITH LONG-TERM CLIENT PROTECTIONS? WHAT CHALLENGES ARISE IN THE RESOLUTION OF MULTIPARTY CLAIMS AND HOW DOES A DEFENDANT DETERMINE ITS STRATEGY TO MEET THEM?

In Japan, companies often face a series of overlapping risks from different stakeholders: shareholders, trading partners, consumers and other affected parties. The absence of expansive discovery and the relative limits of collective procedures affect how these claims develop. However, a coherent early defence strategy may still be necessary.

From the shareholder side, companies could be exposed to two recurring risks. The first is the derivative action route, where shareholders may notify the company of its demand that the company pursue claims against directors or officers, and, if the company does not do so within the 60-day statutory period, shareholders may sue on the company's behalf (under articles 847(1) and 847(3) of the Companies Act). That creates an immediate pressure on the company's decision-makers, because the company has to assess within a relatively short period whether it should itself bring claims against management. In Japan, it is an established practice especially for listed companies that a company receiving a shareholder's notice sets up a liability investigation committee, often comprising its auditors and external lawyers, to seek guidance as to whether it should itself sue its management. The second route is securities litigation involving allegations of false statements and material omissions in disclosure documents. Such cases can be particularly sensitive due to several plaintiff-friendly devices in Japanese securities law, including statutory approaches to causation and damages (under articles 18, 19, 21, 21-2 and 22 of the FIEA). One example is damages. Under article 19(1) of the FIEA, the difference between the market price at the time of the claim for damages and the acquisition price of the shares, or between the disposal price and the acquisition price, is deemed to be the amount of damages. In recent years, there has been an increase in cases where plaintiff-side lawyers reach out to shareholders to recruit investor-plaintiffs and initiate securities lawsuits under the FIEA, such as class actions.

For defendant companies, the challenge is not only the legal structure of the claims, but the interaction between litigation and the company's own investigation record. In Japan, a company encountering a serious scandal usually sets up an investigation committee (as a form of an internal committee or a more independent committee), and an investigation report made by such committee is often publicised. 55 investigation committees were established in 2025, based on Daisansha linkai Dot Com, an information platform compiling data on third-party committees. Those reports can be highly influential in subsequent litigation, even where they are not formally determinative – in fact, such reports are usually submitted as evidence in a derivative lawsuit or securities litigation. If the report sets out detailed facts that support the plaintiff's theory, it may be practically difficult for the company

to dispute those findings. That means the company must think from the outset how to align disclosure, investigation design, and its posture in subsequent litigation together.

For business partners, the more usual and conventional pathway is litigation: contractual claims and tort claims, including, in some situations, vicarious liability for employee conduct. A recurrent issue in Japan is balancing engagement with counterparties during the fact-finding stage without making potentially self-incriminating statements. In practice, companies may need the cooperation of suppliers, customers or other partners to assess the situation. That dialogue, however, has to be managed carefully and consistently with legal professionals, to avoid providing a basis for the counterparty to claim damages.

Early disclosure can still be a desirable protective measure, particularly because, under the FIEA, companies are exempt from liability if they can prove that shareholder-plaintiffs were aware of misstatements in the disclosure documents at the time of the acquisition of shares. In other words, prompt and accurate disclosure may help limit the class of investors who can later claim that they purchased shares in ignorance of the issue. This, however, makes way for an additional tension: if the company speaks too early, it risks getting the facts wrong; if it waits too long, it may amplify liability and reputational damage. The solution is not to choose between disclosure and protection, but to stage disclosure properly and save room for later refinement with appropriate assistance of outside counsel.

As for resolution strategy, Japanese practice still favours negotiated outcomes in many product and customer matters. Companies often try to address individual customer concerns directly, including through voluntary recalls, replacement measures or compensation. That can be more effective than pushing disputes towards litigation and may reduce broader reputational costs. However, where management liability or investor claims are involved, the company also needs to consider D&O insurance coverage, indemnification arrangements and whether defending individuals is truly aligned with the company's own interests.

ALONGSIDE MANAGING THE CRISIS IS THE IMPERATIVE TO MAINTAIN 'BUSINESS AS USUAL' OR, AT THE VERY LEAST, TO MAINTAIN OPERATIONS IN UNAFFECTED AREAS TO OFFSET LOSSES AND LIABILITIES ARISING FROM THE CRISIS. HOW CAN LAWYERS HELP TO ESTABLISH WHAT WENT WRONG AND MINIMISE THE IMPACT OF THOSE ISSUES ON THE UNDERLYING BUSINESS?

Lawyers with expertise in crisis management can help clients maintain business as usual in two related ways. First, they can help establish what happened, the extent of its ramifications, and any immediate mitigating measures. Second, they can help separate the affected part of the business from the unaffected part, so that the crisis does not unnecessarily consume the entire enterprise. In Japan, those two tasks are closely linked, because an overbroad or poorly organised response can damage customer confidence and internal operations almost as much as the original event (as with Fuji Television's scandal in 2025).

At the start of a crisis, counsel should focus on a practical triage: who should be reported and who should take the lead, what conduct or product needs to be stopped immediately, what evidence must be preserved, which functions or locations are implicated, which regulators must be notified, and what the company can safely continue doing. For example, if the issue relates to a specific product line or data set, it may be possible to suspend

that part of the business while making clear that other services or operations continue as normal. Such disciplined scoping is often essential to avoid commercial paralysis.

As ordinary practice upon scandals, Japanese companies adopt establishing an investigation committee (usually comprising lawyers and other experts if necessary), particularly where the case is sensitive, serious or publicly visible, and where an investigation independent from the management is considered to be necessary to restore trust. Such committees do more than collecting facts; they often analyse causes and recommend recurrence-prevention measures. That can be valuable not only for accountability but also for business continuity, because it gives the company a credible basis to identify the problem area and implement reforms without treating the whole organisation as compromised.

If a company has decided that unaffected operations will continue, it should say so in a clear and appropriately measured manner to customers, business partners and the market. That can help reduce unnecessary anxiety and deter rumours from generating issues beyond the practical footprint of the crisis. The message should be that the affected area is being investigated seriously and independently, while the rest of the business remains stable and controlled.

External lawyers are particularly useful where legal risk and communications risk pull in different directions. An experienced crisis counsel can usually strike a more effective balance. In the Japanese context, that means helping the client communicate sincerely and concretely, while staying disciplined about admissions, factual uncertainties and future commitments.

In the remediation phase, the company should turn those findings into governance, reporting, training, and control measures that regulators, customers and investors will view as credible. An investigation report prepared by the investigation committee mentioned above can serve as useful guidance during this phase, and legal counsel can also provide valuable support.

HOW DO LAWYERS ADVISE CLIENTS ON THE TIMING AND MANAGEMENT OF ENGAGING THIRD-PARTY EXPERTS, INCLUDING COORDINATING THE REVIEW OF DRAFT WORK PRODUCT AND FINALISING SUBMISSIONS TO RELEVANT AGENCIES?

Under a corporate crisis scenario, third-party experts should be engaged when they are needed to establish facts that lawyers cannot responsibly establish alone. In Japan, this need often arises early, but the timing depends on the type of crisis. In the case of an accounting issue, for example, forensic accountants or certified public accountants may need to be engaged simultaneously, because the company must assess whether prior financial statements need correction and whether securities law or exchange disclosure issues are involved. In Japan, it is also common practice to engage experienced accountants from big accounting firms, alongside lawyers, as a member of an investigation committee when a major scandal occurs. In the case of a cyber- or data-related issue, digital forensic specialists may need to be promptly engaged to preserve logs, analyse intrusions and determine the extent of the compromise. In its “Guidelines for Third-Party Committees Relating to Corporate Scandals”, the Japan Federation of Bar Associations emphasises the necessity of retaining digital forensic specialists. A forensic investigation is usually required if a company has to report its data breach to the PPC. In a product-

or quality-related case, technical experts or industry experts may be needed to evaluate whether the issue is isolated or systemic. In some cases, former officials or sector experts may be engaged where their technical knowledge of the subject matter is genuinely useful.

If the gravity of the crisis demands an investigation committee, the committee should coordinate third-party experts and design the process surrounding them. The role of such experts must be clearly defined, such as helping the company make operational decisions, assisting lawyers with fact development, supporting a committee investigation, and/or preparing material that can be presented to regulators. This definition affects scope, reporting lines, confidentiality arrangements and document handling. In cross-border matters, it may also affect privilege strategy – work products under investigation must be carefully drafted so that it could be protected under privilege, because materials created in Japan may later be scrutinised elsewhere under different rules. Especially in Japan, such privilege strategies must be kept in mind because Japanese law does not have a strict and broad attorney-client/work product privilege, unlike certain common law jurisdictions.

HOW ARE AI TOOLS BOTH LEVERAGED FOR EFFICIENCY AND RESISTED DUE TO PRIVILEGE OR OTHER CONCERNS IN THE PROVISION OF REAL-TIME CRISIS MANAGEMENT ADVICE?

Given that the core challenge is speed and volume, generative AI has proved particularly useful in Japanese crisis work. A serious investigation may involve large quantities of interview recordings, internal communications and draft chronology materials. Generative AI can help with transcription, initial summaries, issue spotting and the preparation of draft interview memoranda or management updates. Used carefully, it can save significant time when management needs to rapidly develop situational awareness.

The value of generative AI, therefore, lies not in replacing legal judgment, but in accelerating the mechanics around it. AI can help generate first passes, especially under an initial fact-finding investigation phase, allowing lawyers to spend more time on evaluation, strategic choices and stakeholder communications. In multilingual or cross-border matters, the efficiency gains can be particularly attractive.

However, AI tools inevitably entail risks at the same time. The first is confidentiality. Crisis matters often involve highly sensitive internal information, personal data, trade secrets and communications that a company would not want to circulate beyond a tightly controlled environment. Careless use of AI tools could lead to input of such sensitive information, which may result in a leak of trade secrets, breach of confidentiality obligations and breach of the APPI (ultimately triggering the reporting obligation to the PPC). Therefore, the choice of platform and the terms of use should be carefully reviewed before a certain AI tool is used. Whether prompts or outputs are used for model training and segregation of data are all pertinent to this issue. At a minimum, companies should control inputs, limit access and regulate use environments with appropriate contractual and technical safeguards. If those safeguards are not available, the efficiency benefits may simply not justify the risk.

The second concern is privilege and work-product strategy. Japan does not offer a broad US-style attorney-client privilege across all contexts, and that makes process discipline especially important. While there is limited protection for certain lawyer-client communications in antimonopoly investigations (under article 23-2(1) of the Rules on Japan Fair Trade Commission Investigations), companies should not assume that all

AI-assisted legal materials will be insulated from later scrutiny. For that reason, many lawyers are cautious about feeding sensitive legal analysis or witness material into external AI systems unless the governance is robust and the need is clear.

The third issue is reliability. Under a crisis, accurate fact-finding is no doubt critical. AI-generated texts can contain false statements (ie, hallucinations), overlook contexts, oversimplify ambiguities or sound overly confident than what the source material supports. That is particularly risky in interviews, chronology building and draft disclosures. Therefore, AI outputs should be treated as working drafts only. Human review remains essential, especially where the output may influence legal rights, regulatory submissions or public statements.

The Inside Track

WHAT TRAITS, SKILLS AND EXPERIENCE DO YOU THINK ARE CRITICAL FOR A LAWYER ADVISING ON CRISIS MANAGEMENT?

Good crisis lawyers have responsiveness and calm judgement. Dispute resolution experience is essential, as well as regulatory and corporate experience to see several risks at once. In Japan, we would add that credibility and judgement in communications are indispensable. Clients under pressure do not just need legal analysis, but need someone who can help them make defensible decisions quickly, explain those decisions clearly and keep the situation from becoming worse through hesitation or overreaction.

IN YOUR OPINION, WHAT EXPERTISE, ATTITUDES, BEHAVIOURS AND PRACTICES CHARACTERISE AN EFFECTIVE LEGAL TEAM CHARGED WITH CRISIS MANAGEMENT?

An effective crisis team functions as a genuinely integrated unit, rather than a loose collection of specialists. Legal analysis, fact-finding, regulatory strategy and communications must be closely aligned, reinforcing one another in both direction and substance. Achieving this coherence typically requires decisive leadership, a clear allocation of responsibilities, and individuals who can act with speed without becoming territorial. At the same time, each member is expected to exercise independent judgment, anticipating issues and taking initiative, rather than waiting passively for instructions.

WHAT DO YOU PERSONALLY FIND MOST REWARDING AND MOST CHALLENGING ABOUT ADVISING IN THIS AREA?

The most rewarding aspect of this work is helping a client restore its business from a state of chaos and criticism. As crisis lawyers often advise senior management, including the CEO, appreciation is felt directly at the top. Sound advice can safeguard a broad range of stakeholders, which we also feel rewarding.

The challenge is that the legally correct answer is seldom sufficient. In Japan in particular, advice sits at the intersection of law, governance, media scrutiny and public trust – forces that do not always align. The real difficulty lies in guiding decisions when facts are incomplete and every word or delay may later be judged with hindsight.



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