

5 WAYS FINANCIAL DIRECTORS ARE MANAGING BREXIT FX VOLATILITY



There are endless times Financial Directors are called into meetings to explain the impact of the latest headline on business operations. Here are 4 tips to manage the hysteria surrounding Brexit and ensure focus on solid financial practices.

1. Clearly Communicate Financial Situations

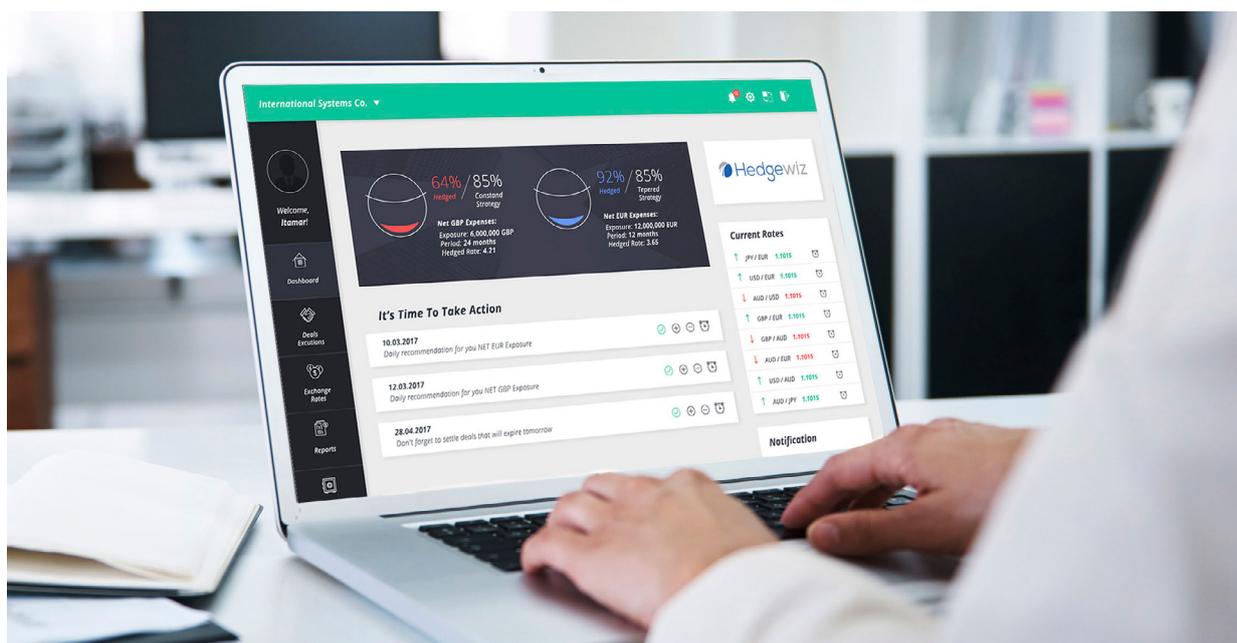
Discussing financial realities is more critical than ever. This is true for both internal audiences, such as executive management, and external ones like directors, shareholders and key stakeholders require a new level of transparency. Ensure that financial documentation (like stress tests) is shared regularly and timely. This builds credibility and alignment towards handling difficult external realities like Brexit.

2. Provide Longer Term Perspective

While news cycles are very short, FDs must show a longer trajectory and stability. Financial directors can help manage hype and hysteria by providing a historical view and a longer term outlook for the business and the financials.

3. Anticipate Potential Risks And Model Them

There are many possible consequences of Brexit. While it is impossible to anticipate and manage all of them, some of them are clear and have already been impacting UK SMEs. There are several online tools that make identifying these risks and neutralizing them easier. Hedgewiz has a free online currency risk management tool that enables FDs to map all their exposures and model the impact here.



4. Create Operational Plans For Different Scenarios

Financial Directors can show leadership by creating a base case and alternatives for managing different functions in different scenarios. Depending on the scale and scope of the exposure, FDs would be well served to have a 'back pocket' plan for scaling or curtailing sales, staff, production, marketing, and the like. Some forethought as to the critical resources to achieve targets and manage political and economic uncertainty will go a long way in providing a stable hand through Brexit's volatility.

5. Be Proactive About Risk Management

FD's can already take action to neutralize certain risks. Specifically, currency risks can be mitigated using payment service providers like CurrencyTransfer.com. It is important for FDs to understand the nature of their exposures and have enable a company-tailored plan for reducing currency risks.

What you can do now: Control your business's currency risks in 30 minutes

Join currency risk management experts Pavel Soifer (CEO & Founder of Hedgewiz) and Paul Pewman (Business currency solution expert at Currency Transfer) for a 30 minute live web event about the impact of Brexit on your business.

April 26th 3pm. Free registration

In this short web event, you will come to understand:

- Best practices for Brexit risk identification & management
- Common currency risk management mistakes
- How to manage risks and save costs during this period

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