



Brexit Impacts

Mitigating the Brexit challenges through proven methodologies. “Are you doing the right things and are you doing them well?”

Focus on:

- Business continuity
- Managing uncertainty
- Managing external factors
- Managing risk (reputational, financial, market, supplier, customer, legal, regulatory, tax, etc.)
- Highlighting resourcing challenges
- Other strategies

Brexit Challenge:

- The single most significant domestic event for the UK and European Union in 40 years
- Untried and unknown process creates unpredictability
- Timeline: transition period to run to end of December 2020 with timeline unlikely to be extended. Analysts estimate that there is still c.40% chance of a no-deal. Unlikely that trade deal can be negotiated within transition period.
- Failure to agree results in UK reverting to WTO Rules. WTO does not cover financial services.
- Consequences: Undoing 40 years of commercial practice and embedded corporate behaviours with the potential to create inertia within the economy and institutions with consequences for businesses of all scale

- Change of Perspective: Consider the changing dynamic of the UK's relationship with the EU as a whole and with individual member states. Consider the UK's relationship with the rest of the world and then reverse the prism to consider how the rest of the world will define relationship with the UK
- Political Risk is a more significant factor in the UK than any time since the 1970's
- Information overload distinguishing rhetoric from fact
- Knowing what to do and when to act.

Business Challenges

1. Exploit business opportunities
2. Ensure business continuity and resilience
3. Minimise business risk and cost
4. Satisfy employees, suppliers, customers, regulators, funders and shareholders that the organisation is 'Brexit ready'
5. Retain key resources.
6. Make sense of Brexit and shift the focus to a post Brexit marketplace

When to use SoluxR?

- You need an independent, data driven, review
- You have limited capacity to address Brexit
- You are time challenged to be 'Brexit ready'
- You are missing skills and methods around Brexit
- You are facing complex Brexit challenges
- You need to inform public sector debate/context
- You need to influence your supply chain and / or customers to act
- Brexit is forcing you to innovate your business strategy and model
- Brexit is forcing you to significantly change your customer base and/or supply chain
- You are served by ill-prepared suppliers / partners
- You need to change your value proposition or create a new one for Brexit

Principal Outcomes from using SoluxR

1. **Direction setting:** Executive & board agreement and understanding of major Brexit requirements including:
 - a. Scenario analysis
 - b. Critical risks, issues, opportunities and impacts
 - c. Quantification of financial implications for an organisation (optional)
 - d. Implications for current strategy and business model
 - e. Risk modelling (optional - see 3 below)
2. **Discovery:**
 - a. Brexit mobilisation
 - b. Brexit analysis and planning:
 - i. Scenario analysis
 - ii. Detailed evidence-based impact and risk assessment (across business entire business model)
 - c. Brexit strategy developed and aligned with existing strategic imperatives
 - d. Brexit programme plan and governance defined

3. Risk modelling:

- a. Scenario analysis
- b. Stress testing

4. Contingency planning and execution:

- a. Potential for failure and disruption identified and analysed within business, customer base, supply chain and wider eco-system for major Brexit scenarios
- b. Strategic, financial and operational quantification of risks
- c. Crisis war gaming
- d. Risk mitigation strategy prioritised, defined and 'desk stress-tested' in line with organisation's risk appetite
- e. Risk monitoring processes defined and established
- f. Execution of contingency plans

5. Programme review:

- a. Brexit programme benchmarked and assessed versus best practice and organisation's risk appetite
- b. Quality review of key planning assumptions, decisions, deliverables and progress
- c. Controls assurance & reviews
- d. Contingency plans reviewed versus current high probability scenarios
- e. Key programme risks and mitigating actions identified and defined

Using **Agile Risk Management (ARM)** practices SoluxR delivers ERM results at scale, in less time, at less cost, more effectively and more reliably than other methods.

Immediate results begin to emerge when practical issues are addressed against Big and Basic Questions (over 150 detailed questions) across:

1. **Stakeholder Analysis** including Brexit impacts, volumes and risks across stakeholders (customers, partners, suppliers, investors, banks ...) and associated action plans
2. **Products & Services** impacted directly through tariffs or indirectly through customers, partners, suppliers,
3. **Contract** impacts including trigger strategies and trigger strategy action planning, renegotiation strategies and action planning, repapering and fallback strategies.
4. **Business Functions**, process and systems impacts, risk assessments, overall and detailed action planning,

Powerful insights from automated assessments conducted across large numbers of front line decision makers have a hugely positive on the quality of thinking and decision making.

Steps

Dynamic links are distributed across the organisation, and its associated ecosystem of partners and suppliers to:

1. Initially map and scope the Brexit impacts landscape. The more links that are shared across front line decision makers the more automated assessments are undertaken. And, the more complete the enterprise wide picture of risks associated with the achievement of business objectives.
2. Thereafter decision makers undertake more assessments which over time produce automated trend analysis leading to deeper insights and enhanced scenario development and stress testing.
3. Consistently reliable enterprise wide (front-line) assessments conducted over even 2-3 quarter's results in a pooling of information on trends and insights leading to an organisational ability to anticipate and respond to changing conditions ahead of less adaptive competitors.

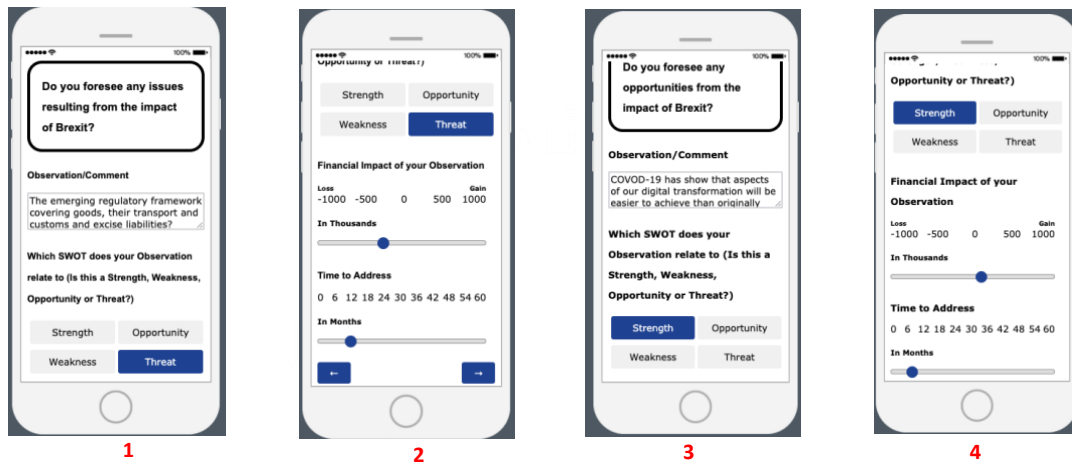
Useful Approaches

1. **Point Solutions for small numbers of people:** You know and understand your issues. They are complicated but you have a plan. You know what questions to ask and the people who can answer them. You just want information fast so you can make a concrete decision now. Examples include supply chain impacts arising from pandemics, business disruption ...

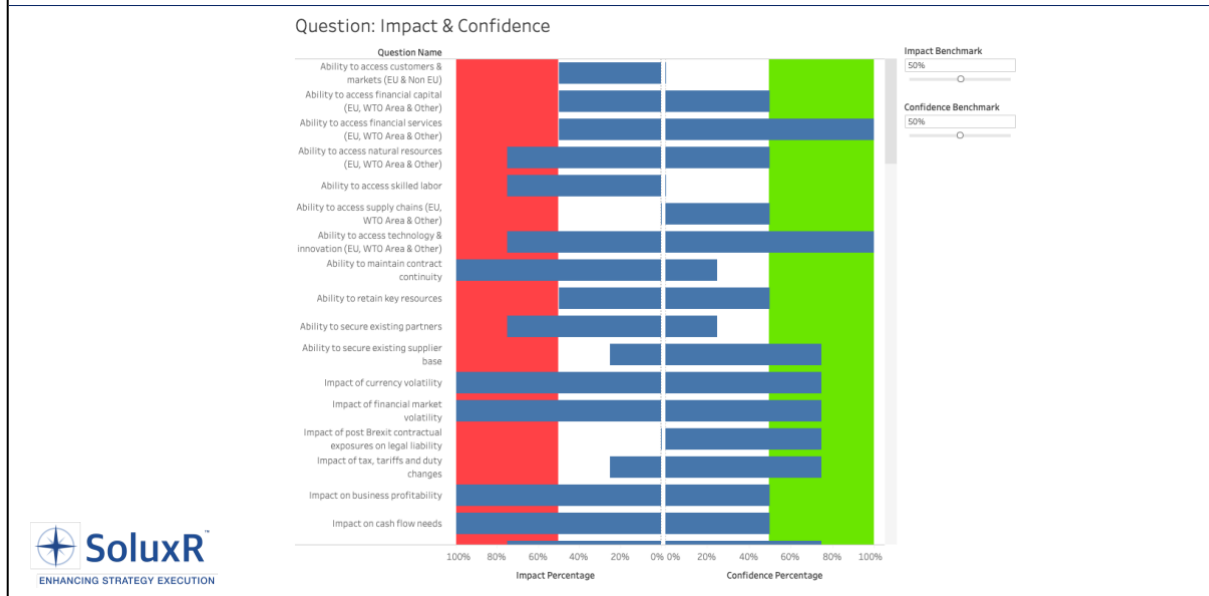
2. **Extended Solutions for an unlimited number of people:** Issues are arising and they are complex. There is little or no precedent so the right path is not always clear. You need different people, from different departments and different countries/locations to pool knowledge and experience to help arrive at the right decisions for management consideration. Examples include business and operating model disruptions arising from geo-political tensions, weather, technology, regulatory change (Libor Transition ...)

3. **Enterprise Solutions:** Yours is a complex and distributed organisation. You are spread across countries and operate in a highly competitive industry sector. You are agile and data driven. You want a consistently reliable way of solving complex and complicated problems. You need scenario driven insights underpinned by evidence based, actionable information to provide sufficient certainty that business objectives can be achieved. Examples include multiple combinations of the above delivered in a seamless and structured way.

BREXIT Impact Assessments (Mobile Screen Captures)



Level of Confidence of Principal Impacts ahead



Ability to Demonstrate Impacts



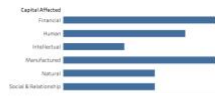
Brexit Impact Assessments: Data Outputs

Business Question: What are our principal Brexit issues and opportunities?

Opportunities on the Horizon



Opportunities/Issues	Strengths	Risks
Essential skills shortage in the post of attrition from the labour market will reduce productivity based on the existing gaps from the European	We will try and find suitable candidates within the UK	May not find suitable candidates within the UK
Yes, there will be some legal and compliance requirements based on the existing gaps from the European	Getting this compliance within the supply chain from outside the UK	It may be difficult to get this compliance within the supply chain from outside the UK
Yes, there are some of our customers who will not be able to do so	We will be able to get valuable feedback from customers which we can improve the offering	The way we do things may change
Yes, the organisation has looked at expanding into new markets but they have not yet entered a market other than the European markets	The organisation will look to enter larger markets and countries within the European, such as Germany, France, Spain and Italy	Need to ensure we have the right resources and capabilities to enter these markets
Yes, the organisation has not yet assessed whether Brexit will create outside opportunities for the business	Yes, there will be potential strengths but they are not well understood	Need to ensure we have the right resources and capabilities to enter these markets



RAG Actions

Overall Count: 80 Count of Red: 42 Count of Amber: 25 Count of Green: 13

Section Name	Question Name	Action
Channel	Ability to access customers & markets (EU & Non EU)	We will need to find alternative sources, but our systems and processes will continue for existing business
Cost Structure	Ability to access financial capital (EU, WTO Area & Other)	Our Internal Quality Standards will not need to change Post Brexit
Customer Relations	Ability to access financial services (EU, WTO Area & Other)	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit
Key Activities	Ability to access financial services (EU, WTO Area & Other)	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit
Key Partners	Access to customer market/resources (EU, WTO Area & Other)	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit
Key Resources	Access to customer market/resources (EU, WTO Area & Other)	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit
Markets & Customer Segments	Access to customer market/resources (EU, WTO Area & Other)	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit

Contingency Planning

Section/Opportunity	Impact	Confidence	Impact	Confidence	Contingency/Action
Access to customer market/resources (EU, WTO Area & Other)	4	2	4	2	We will need to find alternative sources, but our systems and processes will continue for existing business
Ability to access financial capital (EU, WTO Area & Other)	4	4	4	4	Our Internal Quality Standards will not need to change Post Brexit
Ability to access financial services (EU, WTO Area & Other)	4	4	4	4	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit
Access to customer market/resources (EU, WTO Area & Other)	4	3	4	3	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit
Access to customer market/resources (EU, WTO Area & Other)	4	4	4	4	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit
Access to customer market/resources (EU, WTO Area & Other)	4	4	4	4	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit
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Access to customer market/resources (EU, WTO Area & Other)	4	4	4	4	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit
Access to customer market/resources (EU, WTO Area & Other)	4	4	4	4	Our Data Governance Policies, Processes, Accountabilities, Controls will not change Post Brexit

What do you get from SoluxR?

1. Robust scenario analysis and modelling impacts, risks and mitigations
2. Early foresight and insight of issues and opportunities before they develop
3. Significantly lower cost, faster and better analysis and planning
4. A single comprehensive view of what's actually going on across organisations and wider ecosystem
5. Ability to understand, anticipate, respond, recover and quickly adapt as further cyclical pandemics occur
6. Rapidly assess the impact and effectiveness of urgent remediations
7. Detect systemic issues across the organisation.
8. Dynamically fulfil regulatory & compliance obligations/requirements

Why use SoluxR?

1. Secure, fully mobile optimised, easy to use and manageable
2. Very fast deployment
3. Greatly reduced costs
4. No interruption to business-as-usual
5. More reliable information
6. Seamless infusion with other data sets

SoluxR Return on Investment:

1. Ability to maintain effective and efficient battle readiness for enterprise wide Brexit impacts, opportunities, challenges and scenarios,
2. Sustainability of organisational resilience by aligning and shifting organisational decision making from top-down hierarchical to the front line distributing fast, data driven, scenario based pathways to long-term viability,
3. Increased buy-in of people up and down the decision chain of command with continuous feedback, testing, failing and learning during execution.

Request a Demo

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