

Taking a proactive approach to risk

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Q1

How can proactive risk management strategies help businesses navigate regulatory and economic uncertainties?

Proactive risk management strategies can help businesses navigate regulatory and economic uncertainties by allowing them to pre-assess potential risks and implement preventative measures with very little lead time, thereby minimising reaction “lag time”. The goal is to already have a variety of potential strategies in place so that when something unexpected hits, the business can seamlessly implement the new strategies and minimise the disruption to the flow of their business. The best way to do this is to monitor, in real time, trends in agency and governmental action and to closely follow potential legislation both nationally and abroad. Specifically observe the tendencies of various countries who present themselves as leaders in innovation and regulation in a particular industry. How do they legislate and regulate your business’s sector? This also means analysing what the public’s reception is to these state laws, and adapting to the most stringent, being mindful that additional, and maybe more stringent, state and federal regulation may soon follow.

For example, businesses who implemented plans to adapt to the European Union’s General Data Protection Regulation implemented in 2018 had significantly more success in adapting to similar state laws, such as the

California Consumer Privacy Act. While not every country or state has passed their own version of a data privacy law, it is best practice for businesses to adapt their operations to have the ability to comply with the most stringent of regulations. As the laws and regulations continue to ramp up to stricter standards, the business can stay ahead of the game in terms of compliance.

An early identification of these regulatory and economic risks allows a business to address a potential problem before it has a chance to significantly impact operations. By maintaining an awareness of the issues that legislatures are addressing, businesses can stay on top of regulatory standards, and possibly even bring their practices in compliance with the new standards before they become mandatory. This paves the way for a business to efficiently comply with new



I have developed my practice over the past three decades, focusing primarily on bankruptcy and insolvency proceedings. I often represent secured and unsecured creditors, committees of creditors, trustees and equity security holders in bankruptcy and insolvency proceedings, as well as financial institutions and other lenders in out-of-court loan restructurings, assignments for the benefit of creditors, foreclosures, repossessions, and the sale of distressed assets and businesses. I also have experience representing business debtors in workout, restructuring and bankruptcy matters.

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KEY TAKEAWAYS

- Proactive risk management for resilience:** Businesses can minimise disruptions by proactively monitoring regulatory and economic trends, preparing for stringent standards, and implementing contingency plans. Early adaptation to frameworks like the EU’s GDPR or CCPA helps businesses stay ahead of evolving regulations.
- Leveraging uncertainty as opportunity:** By leading in compliance and innovation, businesses can gain a competitive edge, build consumer trust, and enhance their market position. Collaboration with stakeholders ensures strategies align with industry trends and unique business goals.
- Expert guidance for strategic planning:** Partnering with professional services firms enables businesses to anticipate risks, craft tailored strategies and adapt seamlessly to changes. This ensures efficient operations, and positions businesses as industry leaders in navigating uncertainties.

regulations, and to become an industry leader when it comes to compliance.

Q2

In times of economic distress and change, how can professional services firms assist in maximising value while minimising disruptions?

We can assist in maximising value and minimising disruptions by helping our clients develop actionable strategies to implement in times of uncertainty. As a law firm, we strive to develop a strong relationship with our clients and a robust understanding of their particular business sector. Through this understanding we can assist in monitoring the regulatory and economic environment and collaborate with our clients to anticipate the most imminent risks. This includes anticipating imminent regulation and crafting new approaches that can be implemented immediately after, or even before, the new regulations take effect. Developing contingency plans for various scenarios, such as new regulations or economic uncertainty,

“Developing contingency plans for various scenarios, such as new regulations or economic uncertainty, helps businesses respond efficiently.”

helps businesses respond efficiently and to manage risks before they occur. These plans allow a business to seamlessly transition their approach as the uncertainty hits. A business’s ability to quickly transition their approach is essential to minimise disruptions.

with their consumers. Building trust with consumers and capitalising on opportunities to lead innovation in the industry allows businesses the chance to increase their market share and goodwill amongst consumers, legislators, and other stakeholders in the industry.

Clients can also embrace uncertainty by taking the opportunity to collaborate with key stakeholders. These include employees, consumers, and outside service providers or partners. These key groups will generally have unique perspectives as to how the business can operate more effectively and will provide insights on how to grow within the regulatory environment, while still being true to the goals and unique selling points of the business.

Q3

How can clients approach the risk of uncertainty and turn it into opportunity?

Our clients can take the risk of uncertainty and turn it into opportunity by leading their industry with their approach. By developing these actionable strategies before uncertain circumstances or new regulations happen, clients can not only minimise disruptions in their operations but serve as a model for other businesses in the industry. Being first to market, so to speak, in the implementation of these strategies allows clients to lead on the industry front, and in the eye of its customers and constituents. While competing companies may be scrambling to comply with new or proposed regulations, we develop actionable strategies that will allow clients to build trust

Conclusion

Businesses can stay ahead of both regulatory and economic risks by staying up to date on global markets and trends in regulation. Using the critical information they observe, they can work with legal services to develop contingency plans to implement and stay ahead of the risk. Legal services can help ensure that these contingency plans are the most efficient and effective way to minimise disruptions and maximise opportunity, while maintaining compliance with any and all current and future regulatory mandates.

ABOUT US...

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With offices in Austin, Boston, New York and London, **Thomas H. Curran Associates, LLC** represents a wide variety of individuals, businesses, corporate entities, and governmental agencies in litigation and transactional matters throughout the United States and Western Europe. We have navigated

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a broad range of commercial litigation cases, including cross border insolvency, institutional creditors’ rights, bet the company litigation, and have earned a winning track record throughout the United States.