

CUTTING THROUGH THE NOISE

HOW THE ACT'S ANNUAL CONFERENCE CAN HELP TREASURERS ADDRESS INFORMATION OVERLOAD

> The current era of 'alternative facts' and 'fake news' means that we need to work harder than ever to determine what really matters. Is it that the economic, political and technological environments are more fast-moving and volatile than they were? Or is it just that we are bombarded with a relentless stream of commentary and opinion from the mainstream media and social media, so it feels like the world is ever-more restless? How do we sort the wheat from the chaff?

Like many of you, I expect, I accidentally fell into treasury. It was my fourth job on the Shell finance graduate rotation, and I wasn't expecting it to be radically different from the other three. But managing FX risk and cash forecasts for Shell's North Sea subsidiary was different and exciting. It was the early 1990s and there was still a lot of production in the North Sea, so the numbers were large. And even as a junior treasury analyst, the key elements of what makes treasury so interesting were there – treasury being forward looking and externally focused, and getting to see the results of your decisions.

The external environment I encountered in my first job in treasury seems eerily familiar – sterling had just fallen out of the Exchange Rate Mechanism and lost 20% of its value, and the Conservatives had a narrow majority, a weak leader and were fighting internal battles over the country's relationship with Europe!

Fast forward 25 years after a wide variety of treasury roles in global natural resources companies. The world around has, of course, changed immeasurably – the technology that we use at our desks and in our hands, the banks and the markets that we deal with, the regulations and the societal expectations of companies. But treasury is still recognisable – the basic concepts of managing cash, debt, FX, interest rate and commodity exposures are relatively



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unchanged, even if the way we do things has moved on dramatically – no more paper deal tickets or faxes to the bank.

One thing is for sure – the amount of information that we all receive has gone up exponentially. So, how do you decide which geopolitical and economic factors require your immediate action now, which need to stay on the radar and be monitored closely, and which are simply not worth your limited time and resources (or at least not at the moment)?

> At the same time, we're inundated with groundbreaking technological developments – be it blockchain or artificial intelligence – that promise to revolutionise treasury as we know it, and many certainly will. Yet again, for us treasurers with limited time and resources at our hands, it all boils down to the question of which developments really matter to our business and where

they will add value. The sheer number of alternatives to choose from risk adding to the clutter of an already complex environment rather than serving their purpose; which is to simplify the treasurer's life. For some treasurers this information overload can become unhelpful to the point of paralysis.

In these noisy times, the ACT is committed to providing its membership and the treasury profession with guidance and support. It offers consistent input to help with strategy and has had a significant part to play in making treasury an essential part of the business. The ACT is built on the expertise of its members, and many give significant time and effort to the ACT. I am delighted to have been a member myself for more than 20 years – the ACT has been a source of professional guidance and personal networking that has helped me throughout my career.

'Cutting through the noise' is the theme of the much-anticipated ACT Annual Conference, taking place on 15-16 May in Liverpool. And this year, more than ever, we've made it our goal to focus on what really matters to treasurers and help them cut through the noisy wall of challenges and opportunities in front of them.

I look forward to welcoming you to Liverpool as the incoming ACT president – and to engaging with as many of you as possible professionally and socially, throughout the conference. ♥



Ian Chisholm is the ACT's incoming president, and vice president corporate finance at BHP Billiton