

How Finance Leaders Are Countering Tariff Volatility

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“We’ve seen tariff rates change multiple times in a week. It’s created a lot of uncertainty,” said **Michael Greenfield, CPA, CGMA**, an accounting and advisory partner focused on consumer products at U.S. firm Anchin.



“Many of my clients have taken a wait-and-see approach to things before really doing anything drastic. Some companies have put a halt on putting things into production, but that’s also going to create challenges.”

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Greenfield advised examining a range of scenarios, from best case to worst case. For each possible case, make predictions about company performance based on past revenue and expenses as well as assets and liabilities. For some companies, the pandemic or earlier tariffs might provide a proxy for tariff impacts.

“What’s the future going to look like for me? What’s my anticipated revenue growth? What are the tariffs going to be?” Greenfield asked.

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Responding to high-volatility factors like tariffs requires working with teams across the organization.

“One person can’t do it on their own,” Greenfield said. One team might need to negotiate with retailers and producers, while others are tracking inventory on hand and auditing the company’s pipeline.

“Is the inventory on hand that we have right now sufficient to fulfil the orders that we brought in,” Greenfield said. “If not, do we need to pivot and start bringing in inventory faster than we anticipated?”

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Companies should also be prepared for secondary shocks — for example, Greenfield said, some manufacturers may have stopped production due to tariffs, which could result in shortages and shifted ordering windows for the holidays.

“The goods are available, it’s just more of an issue of companies delaying the process of bringing goods in,” he said, referring to his specialty in the apparel industry. “It’s a domino effect.”

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Greenfield said that finance leaders should show their work, rather than presenting forecasts and plans as infallible.

“You need to be very transparent in explaining the assumptions that are going into these projections, not only to your team, but to the owners, the CFOs, and to the lenders,” he said. “They need to be part of the process, so they’re not surprised in the end.”