# 4 things that companies can do to deal with the current geopolitical situation

## Amid global uncertainty, companies must move beyond frustration and take practical steps to be prepared for whatever comes next.



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If you read the news, the geopolitical situation in the world is tremendously complex today. Some people think it's more complex today than it has been in most of our lives or at least in our business lives. If we look at what's going on, we can react with anger, dismay, even rage. But how useful is all of that?

From a business point of view, at some point we have to recognize the reality we're living in, move on, and try to figure out what to do about it.

For companies, in my view, there are a few things that business leaders need to do.

# 1. Think about scenarios

One thing is to **think about scenarios.** We do not know what's going to happen next. We don't know what's going to happen next in Ukraine. We don't know what's going to happen next in Gaza. We certainly don't know what's going to happen in the U.S. midterm elections (in November 2026). So there's a lot of uncertainty in the world, and we just need to live with that — but the best way to do that is by looking at different scenarios for the future.

# 2. Identify your experts

Companies also need to make sure that there are **people in their organizations who understand this geopolitical reality** — people with deep expertise; people who studied history, for example, which is very important.

# 3. Optimize for resilience

Equally, the whole issue of what do you optimize for? For years, many companies were optimizing for cost. Perhaps today — and even yesterday — it was time to start **optimizing for resilience,** to make sure that, whatever Trump's tariffs are or whatever interruptions they may have on the high seas, our businesses will still be able to function, will still be able to keep our customers satisfied, and will still be able to keep the lights on.

# 4. Develop your leaders

Finally, there's the whole issue of public affairs or corporate affairs, which has been, for many years, explaining the company to governments. Perhaps now we also need to **develop a capability of explaining the world to senior leadership.**

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If you want more information about some of what's going on around the world, there is an interactive map in *IESE Business School Insight* online magazine No. 170 (Sept.-Dec. 2025) on Navigating Geopolitics, which talks about many of the things that companies can do to deal with the current geopolitical situation.



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