

Journeys to Treasury partnership marks its 5th year, with the launch of its latest report Brussels, 21 September 2020.

Innovation, Agility and Resilience

As the Journeys to Treasury partnership, comprising BNP Paribas, the European Association of Corporate Treasurers (EACT), PwC and SAP, marks its fifth year, the value of diverse, practical insights to support treasurers during good times and bad has never been more important. With the launch of the 2020-21 report, following on from the special COVID-19 series earlier in the year, the Journeys to Treasury partners are helping treasurers globally at every step through a tumultuous journey.

Once again, this year's report explores the key themes, priorities and challenges with which treasurers are faced, whether during 'business as usual' or more challenging times, as revealed in the results of an EACT Survey of 200 treasury professionals, conducted at the start of the crisis.

Looking back, thinking ahead

The COVID-19 crisis has emphasised the critical role of treasury, and treasurers around the world have stepped up to provide liquidity to their organisations, manage risk and help stabilise supply chains. Their ability to do this has been based on the investment they had already put into skills, organisational resilience, treasury strategies and digital technologies for transparency, analytics and automation, often over many years, as this year's report explores. As Didier Vandenhaute, Partner, PwC comments,

"Treasuries that were more digitally agile have been better prepared to cope with the crisis, both operationally, such as an easier transition to homeworking, and strategically, through better cash flow forecasting and scenario modelling. It is likely that treasurers seeking to pursue further technology and digital adoption plans in the future will receive greater senior management and budgetary support given treasurers' demonstrably business-critical role during the crisis and the value of automated technologies in fulfilling this role."

Didier Vandenhaute, PwC

Shaping the working capital agenda

- *37% reported that while working capital management is a significant priority for treasury, over half (56%) had either no role or responsibility for working capital decision-making*

Traditionally, many treasurers have been involved in working capital only to the extent of managing the outcomes of decisions made by other business functions. As working capital has become more constrained, and treasurers' role elevated, some treasurers are now

engaging more closely with the functions that ‘own’ different elements of working capital, and exploring opportunities for working capital enhancement. Francois Masquelier, EACT, comments,

“The crisis has emphasised the importance not only of measuring and explaining working capital metrics, but taking positive action to improve, anticipate and respond to different scenarios that will impact them.”

Making a success of treasury centralisation

- *28% of treasurers said that treasury centralisation is still a priority, even after many years*

While treasury centralisation has been a trend for a decade or more, rarely can treasurers say they have ‘completed’ centralisation, particularly in organisations engaged in M&A. Today, centralisation is an organisational ambition for a wide spectrum of companies to enhance cash visibility, manage cash, liquidity and risk on a groupwide basis, create economies of scale and improve operational efficiency and control. In this year’s report, expert *Journeys to Treasury* representatives shared their insights on the opportunities and common pitfalls of treasury centralisation initiatives. Christian Mnich, SAP highlights,

“At their core, treasury centralisation projects should aim to deliver: better visibility of information and faster access to data; enhanced cash mobility across countries, currencies and entities; better, more consistent controls, such as bank account management, digital signatures, segregated approvals and multi-factor authentication, and stewardship across the finance function though access to data that supports the corporate strategy.”

Enabling treasury on demand

- *62% use, or plan to use, data analytics, compared with 43% in 2019.*
- *52% of treasurers are interested in real-time information, and 47% in real-time liquidity, payments and collections.*

Digitisation has risen in treasurers’ list of priorities over recent years, but expectations have been raised as new opportunities for real-time and faster payments and data flows have emerged more strongly. The COVID-19 crisis has accelerated and strengthened the business case both for automated processes, and for faster access to data for operational and strategic decision making. Steven Lenaerts, Head of Product Management, Global Channels, BNP Paribas discusses,

“From a connectivity perspective, we are seeing significant changes in the way that treasurers seek to access data and systems. For example, treasurers were initially reluctant to use mobile devices to retrieve and action data, but this is no longer the case, as they increasingly seek the same degree of convenience and access

professionally as they expect personally. Treasurers are also demanding faster processes and access to data: not necessarily real-time, but quicker retrieval of information and a shorter lead time between events, such as collection and reconciliation.”

This year’s report shares the findings of **in-depth workshops** attended by experts from the four *Journeys to Treasury* partners, complemented by practical insights and case studies from **leading corporate treasurers** and key results from the **EACT’s latest treasury survey**.

To download a copy of the report, please go to www.journeystotreasury.com. For further information or to arrange interviews with the *Journeys to Treasury* partners, please contact Apoorva Dwivedi, Head of Digital Marketing, BNP Paribas Cash Management & Trade Finance at apoorva.dwivedi@bnpparibas.com.

Notes for Editors

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