



Association for  
**FINANCIAL  
PROFESSIONALS**

2025 AFP®

# TREASURY BENCHMARKING SURVEY REPORT

## Comprehensive Report

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In today's dynamic and evolving business environment, the treasury professional is tasked with not only keeping abreast of emerging trends, but also staying relevant, efficient and effective. As part of these goals, it is important for treasurers to track and compare their progress against their peers in the industry. What are the current functions where treasury plays a lead vs. a support role, what are the main priorities of treasurers, and how are other organizations structured to meet today's challenges and opportunities?

As part of our goal to support our clients and add to industry knowledge, Wells Fargo is proud to sponsor the *2025 AFP® Treasury Benchmarking Survey Report*. This important study examines the priorities of treasurers and explores the decisions they are making in this dynamic environment. It also delves into the staffing and skill requirements of treasurers and their teams, helping ascertain opportunities and gaps. There is a special emphasis on technology and its impact on treasury's effectiveness, staffing and the future of AI. These insights are crucial to identify the relevance and importance of company policies and the effectiveness of those policies.

Wells Fargo is proud to be a trusted partner to finance and treasury professionals. We know the importance of, not only data, but insights that help the industry grow and thrive in this environment of unprecedented change. We wish to thank all survey participants for taking the time to provide this valuable insight.

*Jessica Lupovici, Global Head of Sales, Payments and Working Capital, Wells Fargo*

## CONTENTS

4	INTRODUCTION
5	KEY FINDINGS
6	MATURITY SPECTRUM
7	POSITION OF TREASURY TEAM ON MATURITY SPECTRUM
9	TREASURY OVERVIEW
10	ROLE OF TREASURY
12	CURRENT PRIORITIES WITHIN TREASURY
13	CHALLENGING TASKS
15	SKILLS USED BY TREASURY TO SUPPORT THE ORGANIZATION
17	TREASURY'S INTERACTION WITH OTHER DEPARTMENTS
18	SKILLS AND ABILITIES
24	TREASURY DEPARTMENT STRUCTURE
25	FULL-TIME EMPLOYEES (FTES) IN TREASURY DEPARTMENT
27	ORGANIZATION STRUCTURE
29	DELIVERY OF TREASURY OPERATIONS WITHIN TREASURY DEPARTMENT
30	TREASURY PROCESSES
31	TIME, PROCESSES AND COSTS
37	TREASURY POLICIES: PHILOSOPHY AND EFFECTIVENESS
40	TECHNOLOGY
41	EXTENT OF IMPLEMENTATION
43	ROADBLOCKS TO TECHNOLOGY IMPLEMENTATION
44	WILLINGNESS TO ADOPT/WORK WITH TECHNOLOGIES
47	CONCLUSION
48	DEMOGRAPHICS



# INTRODUCTION

The primary objective of the *2025 AFP® Treasury Benchmarking Survey Report* is to provide financial professionals with data that enables them to compare the metrics of their organizations' treasury departments against those of their peer companies from a strategic and tactical perspective. Survey data on costs, full-time equivalent (FTE) treasury staff, policies and technology will give financial professionals a fuller understanding of the current aspects of treasury operations.

When the survey was being conducted (September – October 2024), the U.S. political environment was extremely uncertain. The Presidential election was to be held shortly, and the prevailing view was that it would be a very tight race. A late-in-the-day change at the top of the Democratic party ticket added to the tumult. In addition to the election of president, numerous Senate and House of Representative seats were being contested.

- At the same time the survey was in the field, the U.S. economy was stabilizing. Inflation (as measured by the Consumer Price Index) was 2.4% — close to the 2% target set by the Federal Reserve. This prompted the Federal Open Market Committee (FOMC) to lower the target range for the Federal Funds Rate in September and then again in early November. Meanwhile, the global economy continued to grapple with less stable economic conditions — including higher inflation than in the U.S. — and with unrest in the Middle East and Eastern Europe.

Treasury departments at organizations manage and oversee the effective and efficient use of their companies' financial assets. Specifically, treasury management includes tasks that ensure the availability of adequate cash resources needed to sustain ongoing operations. By ensuring the availability of funds, treasury management enables the implementation of initiatives designed to achieve a firm's overall strategic objectives.<sup>1</sup>

## Strategic Perspective

- To determine the position of treasury teams on the maturity spectrum
- To identify functions where treasury plays a lead/support role
- To identify current priorities for treasurers and the critical decisions they are making in the current environment
- To determine the most challenging tasks treasury professionals face in their jobs
- To determine the structure of treasury departments within organizations

## Tactical Perspective

- To determine the skills treasurers and their teams (technical and soft skills) are using in their roles, which helps in supporting their companies, and to ascertain the importance and effectiveness of these skills and identify existing gaps
- To ascertain staffing in treasury departments, in terms of FTEs, and coverage of roles within treasury
- To determine the annual cost of treasury department operations and allocation of costs within treasury departments
- To determine the time it takes to perform various tasks within treasury, i.e., reconciling bank accounts, developing cash flow forecasts, etc.
- To identify the importance of treasury policies and to gauge the effectiveness of those policies
- To gauge the impact of technology on treasury staff/departments and the future of AI

The survey was conducted from mid-September to mid-October of 2024 and garnered responses from 523 treasury practitioners, 341 of whom completed the entire survey. Their responses form the basis of this report. AFP would like to thank Wells Fargo for underwriting this survey.

## Note:

- In the report, certain data points are compared with findings from the *2022 AFP® Strategic Role of Treasury Survey*. However, for some questions, recent data is lacking, therefore, no comparisons are made.
- In some instances, data have been segmented by two groups: *Senior Treasury Professionals* and *Treasury Professionals*. *Senior Treasury Professionals* are those with titles at the Vice President level or above, Assistant Treasurer, Treasurer, etc. *Treasury Professionals* are those practitioners at staff and management levels; titles included in this category are at Director level and below.
- Respondents have identified their organizations' position on a maturity spectrum. Data have been segmented by the various job titles. Please note that the sample size is less than 50 for organizations at the foundational level as well as for those at the strategic/optimized level.

<sup>1</sup>*Essentials of Treasury Management, CTP Body of Knowledge 7th Edition, 2023*

## KEY FINDINGS



Over **60% of treasury practitioners** note that **cash or liquidity forecasting is the most challenging task** they face, followed by automating manual processes (57%) and improving payment processes (51%).



**Cash management and forecasting (scenario analysis) are the two top priorities within treasury.** Nearly three-fourths of treasury practitioners cite these as key priorities at their organizations, both at the senior level (73%) as well as at the staff and management level — i.e., Treasury Professionals (74%).



On average, organizations employ nearly **5 full-time employees (FTEs) in their front office and over 6 FTEs in their back office**, with an aggregated average of 11.7 FTEs in the entire department.



**Communication is a critical skill for treasury leadership (96%), and 81% of practitioners believe that their treasury leaders are either very effective or effective in this area.** That is a significant 15-percentage-point gap between those who consider communication *important* for leadership and those who believe treasury leaders are *effective* or proficient in communicating. Treasury professionals at the staff and management level also fall short in communicating effectively, with 96% indicating it is an important skill for this group and 79% believing they are effective communicators.



Those treasury departments that are strategic/optimized on the maturity spectrum report that **51% of the process in building their liquidity forecasts is automated, compared to those departments that are developing or established (on the spectrum), where 39% and 45% of their processes in building forecasts are automated.** Over 60% of senior management at organizations in the strategic/optimized position are willing to adopt new technologies, similar to the 62% of senior management at departments that are established.

Over **50% of practitioners report that in the past two years their treasury departments have increased interactions with Accounts Payable (54%) and CFO/C-Suite (51%).** This is an uptick from the 43% who reported increased interactions with these two departments in the 2022 AFP® *Strategic Role of Treasury Survey*. Interactions with these two departments typically involve mitigating payments fraud, supporting projects around automation/transformation and liquidity forecasting. The department with the highest reduction in interaction was ESG/Sustainability.



In looking at philosophies of organizations when segmented by their departments' position on the maturity spectrum, **56% of organizations whose treasury departments are characterized as developing lack enterprise-wide standards, while 36% of strategic/optimized departments lack enterprise-wide standards.** As organizations' positions progress along the maturity spectrum, they are more likely to experience mandated standards which are enforced: 33% and 45% of organizations at the foundational and developing level compared to 72% and 64% for those departments that are enhancing or strategic/optimized, respectively.





# MATURITY SPECTRUM

# POSITION OF TREASURY TEAM ON MATURITY SPECTRUM

Treasury’s level of maturity contributes to its effectiveness as a strategic partner to an organization, its C-suite and Board of Directors. To help organizations gauge the level of maturity of their treasury functions, in 2016, AFP® and other treasury experts developed a *treasury maturity model* which defines five stages of maturity:

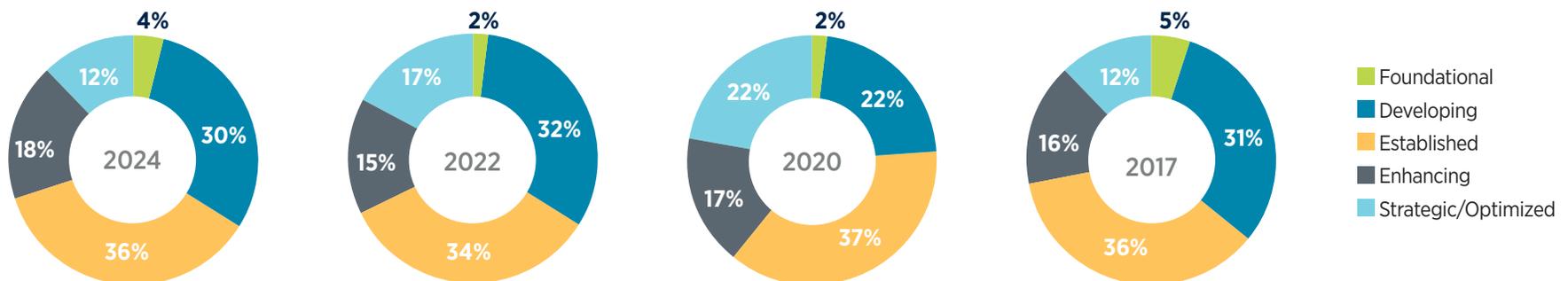


Awareness of their department’s position on the maturity spectrum enables treasurers to develop a roadmap for continual development to support a changing organization. Those treasury teams that recognize the evolving business conditions in their companies are better prepared to take advantage of changes in the environment and thus can support a company’s business and Board into the next decades.

Thirty percent of survey respondents characterize their treasury teams as “developing” on the maturity spectrum, while 4% of survey respondents identify their treasury teams as “foundational.” Over a third (36%) of financial professionals report their treasury teams are “established,” and 18% believe their treasury functions are “enhancing.” Twelve percent classify their treasury teams as “strategic/optimized.” In comparison, in the 2022 AFP® *Strategic Role of Treasury Report*, 17% of respondents characterized their treasury departments as “strategic/optimized,” 5 percentage-points higher than in this year’s survey. For purposes of benchmark comparison, we consider “strategic/optimized” treasury teams to be on the leading edge, more robust than other departments, and therefore the standard to which other departments aspire to.

There has been some movement among organizations’ treasury departments along the maturity spectrum, although the percentage of those at the strategic/optimized stage is smaller than that reported in 2022. The share of organizations at the established and enhancing stage is 54%, up from 49% in 2022. While that is not a significant increase, there appears to be some movement. However, as in previous surveys, the established category remains the most prevalent — almost reflecting a bell curve but skewed toward the more mature developing position on the spectrum. This category continues to account for the largest segment of treasury departments since, despite technology advances, adoption of those technologies has not kept pace to allow those departments to move to the strategic/optimized position.

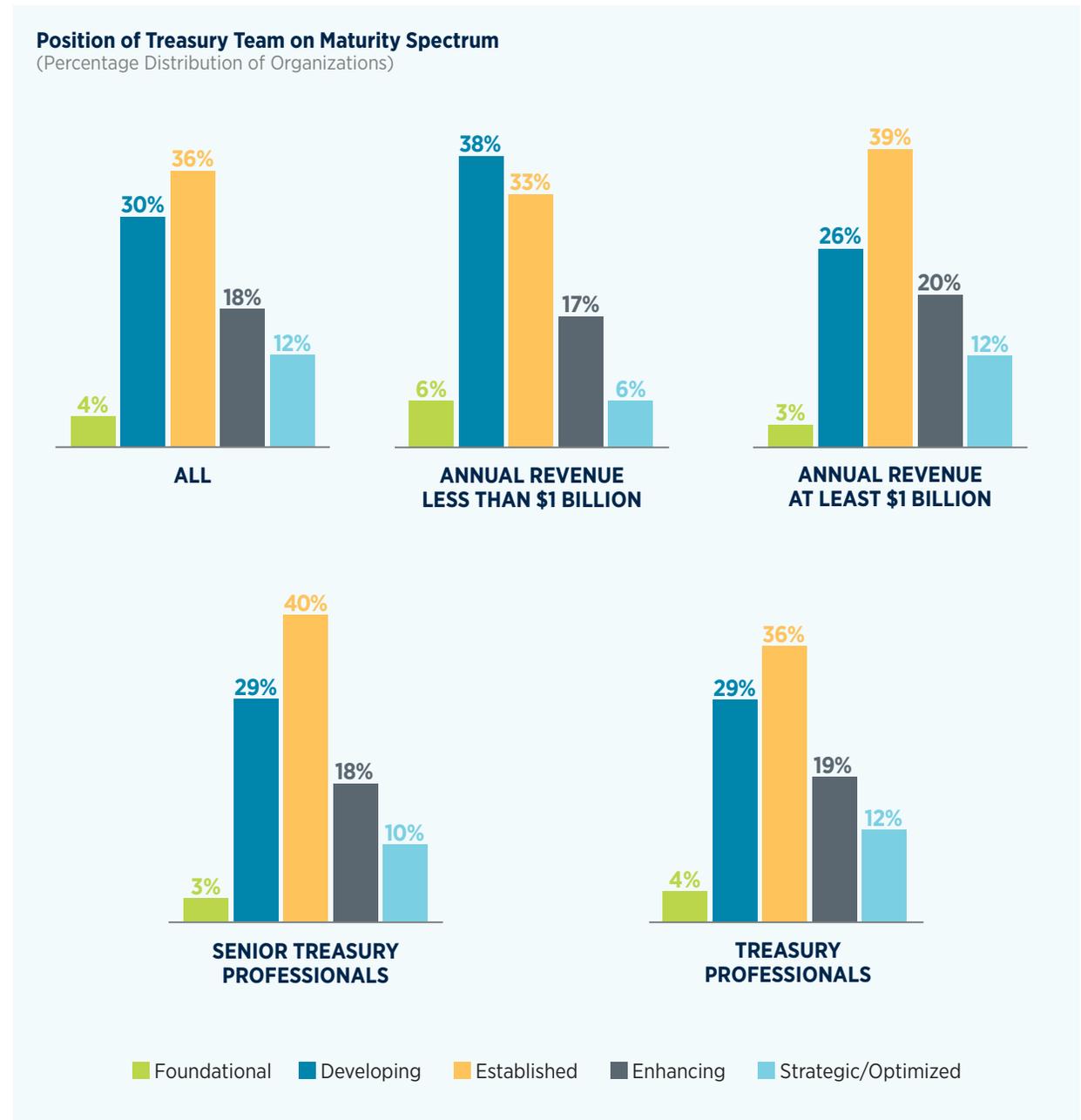
**Stages of Maturity**  
(Percentage Distribution of Organizations)



## POSITION OF TREASURY TEAM ON MATURITY SPECTRUM continued

The larger the organization, the more likely its treasury department will be categorized as enhancing or established. Fifty-nine percent of respondents from organizations with annual revenue of at least \$1 billion identify their treasury functions as either enhancing or established. Fifty percent of practitioners from organizations with annual revenue less than \$1 billion hold this same view.

There is not any difference in how senior treasury professionals and treasury professionals categorize their treasury teams on the spectrum.





# TREASURY OVERVIEW

# ROLE OF TREASURY

## Where Treasury Leads

Treasury manages the functions necessary for an organization's financial success. This includes maintaining liquidity, optimizing cash resources, managing risk and more. Treasury plays various roles within organizations to successfully meet its primary goal of managing an organization's financial health. Notable is that the top five areas where treasury plays a lead role, only one of them is primarily dependent on cross-department collaboration: payments strategy and execution. Treasury has the knowledge and expertise in the department and is, therefore, typically centralized. This is perhaps why treasury has a lead or support role in payments strategy at 97% of organizations and no role at three percent of companies. For certain functions, it has a distinct leading role:

- **Borrowing long term** (capital funding/sourcing) (cited by 69% of respondents)
- **Interest-rate risk management** (67%)
- **Payments strategy and execution** (67%)
- **Long-term investing** (60%)

Treasury has a strong presence as a support for other departments including financial planning and analysis (cited by 70% of respondents), accounting/SEC compliance (69%), mergers and acquisitions (65%) and business continuity planning (65%).

## Treasury Plays the Lead and/or Support Role for the Following Functions

(Percentage Distribution of Organizations)

	LEAD	SUPPORT	NO ROLE
Borrowing: long-term (capital funding/sourcing)	69%	19%	11%
Interest-rate risk management	67%	19%	13%
Payments strategy and execution (incoming, outgoing)	67%	30%	3%
Long-term investing	60%	25%	15%
Currency risk management	58%	17%	25%
Working capital management (e.g., AR, AP, inventory)	44%	46%	10%
Counterparty risk analysis	41%	38%	22%
Macroeconomic risk (inflation, Fed actions, tight labor market)	40%	35%	25%
Capital planning/allocation	36%	47%	18%
Internal financial consultant to other departments, business units, and/or affiliated companies	33%	56%	10%
Assessing financial technology	26%	63%	11%
Investor relations	21%	43%	36%
Financial planning and analysis	18%	70%	12%
Business continuity planning	17%	65%	18%
Enterprise risk management	16%	64%	20%
Pension plan management and strategy	16%	28%	56%
Leasing	14%	45%	41%
Defined contribution plan management (e.g., 401(k), 403(b), etc.)	13%	40%	47%
Geopolitical risk management	12%	46%	42%
Accounting/SEC compliance	11%	69%	20%
Mergers and acquisitions	10%	65%	25%
Retirement management (Financial wellness/employee benefit management)	8%	39%	53%
Business development	7%	60%	33%
Supply-chain management	6%	41%	53%

## ROLE OF TREASURY *continued*

### Where Treasury Supports Other Functions

Treasury provides significant support to other departments in organizations, including business units. Treasury serves its internal customers by supporting the underlying businesses. Whether that be in a centralized role supporting the company balance sheet via prudent risk management or acting in a conduit capacity as a single point of contact for banking services, treasury has to be nimble, flexible and agile to support the needs of the organization. In addition, Treasury supports organizations by assisting other departments such as Human Resources (managing 401k investments), Payroll (direct deposit support), Accounts Payable (providing access to the payment rails, making tax payments and with procurement/supply through various banking services to support working capital. These are just a few of the many ways in which treasury supports the organization.

- **Financial planning and analysis** (cited by 70% of respondents)
- **Accounting/SEC compliance** (69%)
- **Business continuity planning** (65%)
- **Mergers and acquisitions** (65%)
- **Enterprise risk management** (64%)

Responses indicate that treasury is also called upon to a large extent to assess financial technology (63%), to support business development (60%) as well as assist the organization through its role as a stronger internal consultant (56%).



# CURRENT PRIORITIES WITHIN TREASURY

Seventy-three percent of treasury practitioners report that cash management and forecasting is currently one of the top five priorities at their organizations. Other priorities rounding out the top five include:

- **Liquidity and cash planning** (cited by 64% of respondents)
- **Bank relationship rationalization** (49%)
- **Payments, treasury and related technologies** (47%)
- **Long-term borrowing** (34%) and **payments strategy and execution** (34%)

When segmented by organizational revenue, a few differences emerge. Bank relationship

rationalization is a higher priority for organizations with annual revenue less than \$1 billion (56% compared to 48% for organizations with annual revenue of at least \$1 billion). Bank relationship rationalization is also prioritized differently by treasury professionals (52%) than by senior treasury professionals (41%). Long-term borrowing and working capital management are also priorities that shift by segment.

Since 2022, 7 out of the top 10 priorities have accounted for an increasing percentage of respondents. Cash management and forecasting, the top priority in 2022 (cited by 68% of respondents), remains the current top priority with 73% of treasury practitioners indicating that cash management and forecasting continues to be very important.

## Current Priorities Within Treasury

(Percent of Organizations)

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	SENIOR TREASURY PROFESSIONALS	TREASURY PROFESSIONALS	2022
<b>Cash management and forecasting (scenario analysis)</b>	<b>73%</b>	<b>79%</b>	<b>73%</b>	<b>73%</b>	<b>74%</b>	<b>68%</b>
<b>Liquidity and cash planning</b>	<b>64%</b>	<b>63%</b>	<b>64%</b>	<b>70%</b>	<b>64%</b>	<b>63%</b>
<b>Bank relationship rationalization</b>	<b>49%</b>	<b>56%</b>	<b>48%</b>	<b>41%</b>	<b>52%</b>	<b>41%</b>
<b>Payments, treasury and related technologies</b>	<b>47%</b>	<b>48%</b>	<b>45%</b>	<b>41%</b>	<b>49%</b>	<b>46%</b>
<b>Borrowing: long-term (capital funding/sourcing)</b>	<b>34%</b>	<b>30%</b>	<b>40%</b>	<b>34%</b>	<b>34%</b>	<b>29%</b>
Payments strategy and execution (incoming, outgoing)	34%	38%	34%	32%	35%	28%
Implementing technology/analytics to improve efficiency, accuracy and compliance of processes	30%	27%	30%	28%	30%	17%
Working capital management (e.g., AR, AP, inventory)	26%	34%	23%	35%	23%	27%
Financial risk management/Foreign exchange	20%	16%	21%	19%	21%	19%
Interest rate risk	17%	16%	16%	24%	16%	20%
Capital planning/allocation	16%	13%	20%	22%	13%	20%
Review investment options and policies	15%	15%	16%	16%	15%	12%
Staff engagement (e.g., retention, upskilling, mental mindset)	14%	8%	16%	19%	14%	11%
Financial planning and analysis	12%	12%	10%	4%	13%	12%
Counterparty risk analysis	7%	7%	8%	11%	6%	2%
Credit analysis/viability	5%	7%	3%	7%	4%	5%
Other	3%	--	3%	1%	2%	--

Other includes:

- In-house bank
- Technology upgrades (TMS & ERP)
- Business development, Customer education, Fraud prevention
- Commodity hedging
- Insurance
- Treasury policies

## CHALLENGING TASKS

As noted earlier, this survey was in the field during the months leading up to the 2024 U.S. Presidential election. Organizations were managing the continuing geopolitical implications of the conflicts in Eastern Europe and the Middle East and working through U.S. interest-rate stabilization. Treasury practitioners continue to juggle several challenging tasks related to these complex issues including interest-rate volatility, technology transformation, cyber risks, liquidity management, evolving regulatory requirements and supply-chain disruptions. When asked about the five most challenging tasks faced in their positions, treasury practitioners note the following:

- **Cash or liquidity forecasting** (cited by 62% of respondents)
- **Automating manual processes** (57%)
- **Improving payment processes** (51%)
- **Financial transformation/ERP implementation/TMS implementation** (40%)
- **Improving working capital** (32%)

These challenges remain consistent across segments, but there are differences between the perspectives of senior treasury professionals and treasury professionals (staff and management level). When it comes to financial transformation and improving working capital, senior treasury professionals view these tasks as more challenging (47% and 41%, respectively) than do treasury professionals (38% and 28%, respectively). Financial transformation and working capital are considered large projects, depending on a company's complexity, tech stack, cross-department collaboration, structure (centralized/decentralized), IT resources, etc. The senior treasury segment tends to focus on the bigger

picture strategy angle — i.e., on the timeline, budget and return on investment (ROI). The professional group focuses on the tactics necessary to make these challenging tasks less burdensome. Because these treasury professionals are involved in the day-to-day of these projects, they tend to see them in smaller pieces in order to tackle the challenges head on.

When analyzing responses by segments, the task of cash forecasting is seen as more challenging by respondents from organizations with annual revenue of at least \$1 billion; 68% of practitioners at these organizations cite cash forecasting as a top challenge, but this share drops to 60% for those practitioners at organizations with annual revenue less than \$1 billion. Organizations with annual revenue less than \$1 billion are more likely to have fewer complex operations. For example, when forecasting cash, they might be accessing fewer internal and external systems, have fewer internal departments, and their internal operations might be less robust than their counterparts with greater revenue. This simplifies their cash and liquidity forecasting.

For all the challenging tasks listed below, the respondent percentages have decreased since 2022. The top two challenging tasks — cash forecasting and automating manual processes — were not included in the 2022 survey. However, these tasks resonate with treasury practitioners and are definite challenges for a majority of respondents. The top five challenging tasks noted by respondents are often related and are co-dependent in some form or another. For example, the goal of many treasury departments is to automate as much as possible to allow for more time for strategically focused projects. Optimized cash or liquidity forecasting is derived from automated processes, especially around incoming and outgoing payment processes which can be led by financial transformation, thereby improving working capital overall.



# CHALLENGING TASKS continued

## Most Challenging Tasks Faced at Job

(Percent of Organizations)

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	SENIOR TREASURY PROFESSIONALS	TREASURY PROFESSIONALS	2022
<b>Cash or liquidity forecasting</b>	62%	60%	68%	69%	61%	*
<b>Automating manual processes</b>	57%	56%	57%	54%	57%	*
<b>Improving payment processes; incoming and outgoing</b>	51%	56%	52%	54%	49%	64%
<b>Financial transformation/ERP implementation/TMS implementation</b>	40%	37%	40%	47%	38%	*
<b>Improving working capital</b>	32%	36%	30%	41%	28%	48%
Protecting the organization through sound internal policies and procedures for money movement	30%	28%	30%	35%	29%	42%
Explaining financial information to non-financial staff	19%	23%	17%	15%	22%	26%
Reducing/lowering costs internal to the department	18%	21%	20%	16%	19%	33%
Providing risk management support for cyber related activities	14%	19%	11%	15%	13%	25%
Managing/implementing hedging policy of foreign currency translation and transaction	14%	13%	14%	7%	16%	24%
Lowering cost of financing for new projects	13%	14%	11%	14%	14%	24%
Partnering with various business units to improve their cost of operations	13%	12%	12%	11%	13%	28%
Providing external financial stakeholders with the support they need to make sound business decisions (banks, rating agencies, auditors)	13%	11%	14%	16%	11%	22%
Maintaining compliance with debt-related activities	12%	12%	14%	19%	11%	22%
Providing Environment Social Governance (ESG) — i.e., C-suite and Board support on finance-related activities	2%	2%	2%	3%	1%	11%
Supporting organization's DEI initiatives through hiring in treasury and finance	2%	2%	2%	4%	1%	11%
Other	2%	1%	2%	2%	2%	--

\*Not included in 2022

Other includes:

- Procuring IT resources
- Supporting real estate
- Payment visibility
- M&A activity/Integration
- Credit risk management
- Protecting the company through insurance
- Engaging in meaningful dialogue on issues with broader CFO team and organization
- Services integration/implementations
- Obtaining IT support to meet OKRs
- Competing project requests from internal stakeholders

# SKILLS USED BY TREASURY TO SUPPORT THE ORGANIZATION

Treasury professionals utilize a wide variety of skills to provide leadership and support to their organizations in the face of current finance challenges. These skills help ensure that treasury practitioners remain informed, adaptable, able to mitigate risk and capitalize on emerging opportunities.

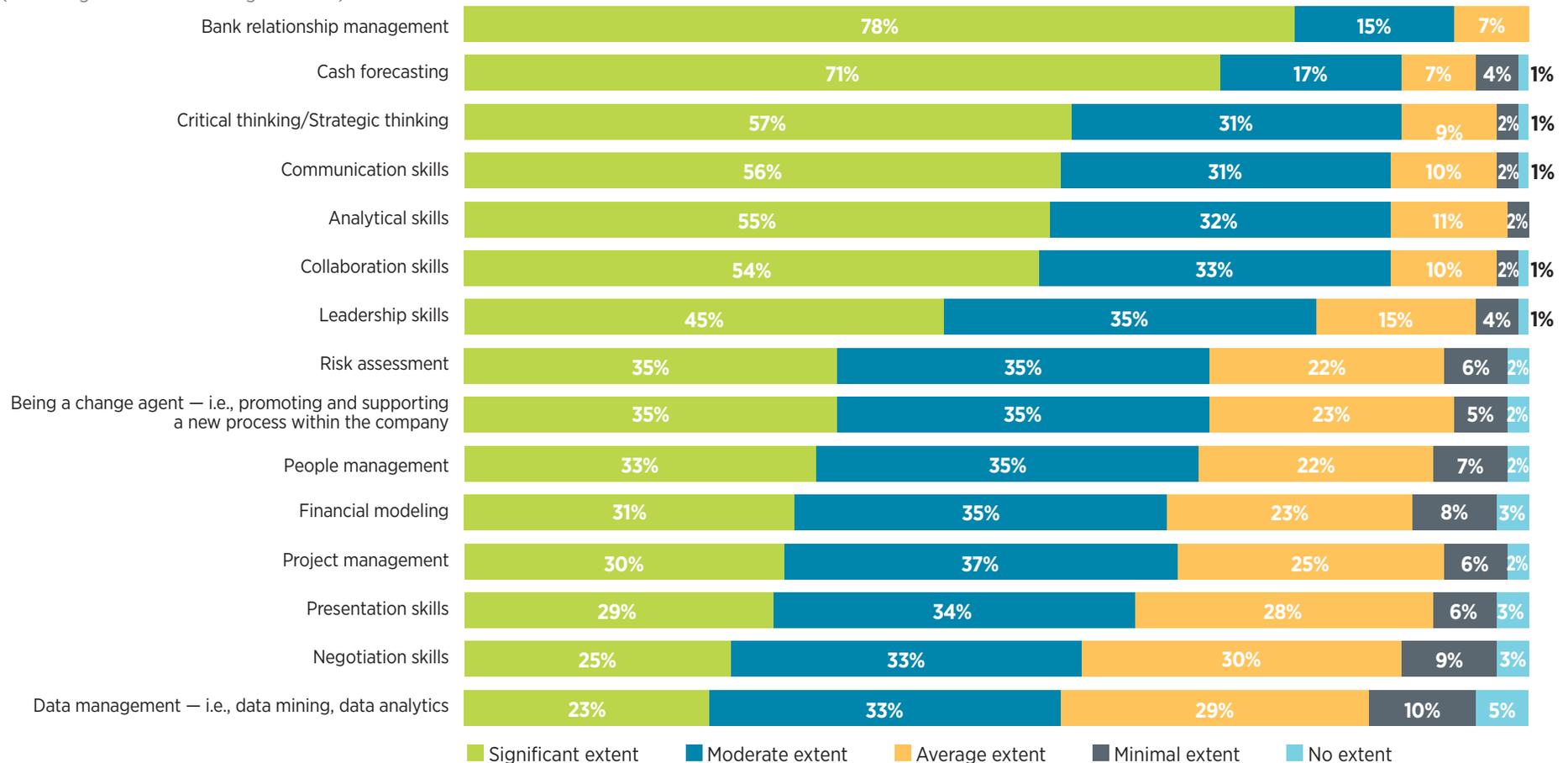
Bank relationship management is applied most extensively, with 93% of organizations applying this skill to either a significant or moderate extent. Managing relationships with banks and financial institutions is an important function of treasury. As the primary contact for bank relationships, treasury negotiates credit terms, manages accounts and oversees the services offered by banking partners such as risk mitigation, crisis support and support for global operations.

Over 70% of treasury departments apply cash forecasting to a significant extent. This ensures that organizations' cash needs are met by estimating future cash needs. Additional skills applied to a significant extent by treasury at organizations are:

- **Critical thinking/Strategic thinking** (at 57% of organizations)
- **Communication skills** (56%)
- **Analytical skills** (55%)
- **Collaboration skills** (54%)

## Extent of Skills Applied by Treasury to Support the Organization

(Percentage Distribution of Organizations)



## SKILLS USED BY TREASURY TO SUPPORT THE ORGANIZATION continued

To better illustrate which skills are used to support an organization, weighted averages are provided, calculated on a scale of 1 (no extent) to 5 (significant extent). At the lower end of the scoring, some differences emerge between the senior treasury and treasury professionals cohorts. There is a slight difference in perspective between the skills which senior treasury practitioners rate as highly applied and those skills named by treasury practitioners. The weighted average score for people management is higher among senior treasury professionals (4.2) than for treasury professionals (3.9). Senior treasury practitioners also score leadership skills higher than do treasury practitioners — 4.4 compared to 4.2, respectively — an indication that senior treasury practitioners are, in fact, leading teams and making decisions. On the other hand, project management is scored higher by treasury practitioners — at 3.9 — whereas senior treasury practitioners rate this at 3.7.

### Extent of Skills Applied by Treasury to Support the Organization

(Weighted Average Scores where 5=Significant Extent and 1=No Extent)

	ALL	SENIOR TREASURY PROFESSIONALS	TREASURY PROFESSIONALS
Bank relationship management	4.7	4.7	4.7
Cash forecasting	4.5	4.6	4.5
Critical thinking/Strategic thinking	4.4	4.5	4.4
Analytical skills	4.4	4.5	4.4
Communication skills	4.4	4.5	4.4
Collaboration skills	4.4	4.5	4.4
Leadership skills	4.2	4.4	4.1
Being a change agent — i.e., promoting and supporting a new process within the company	4.0	4.1	3.9
Risk assessment	4.0	4.1	3.9
People management	3.9	4.2	3.9
Project management	3.9	3.7	3.9
Financial modeling	3.8	4.1	3.8
Presentation skills	3.8	4.0	3.8
Negotiation skills	3.7	3.9	3.6
Data management — i.e., data mining, data analytics	3.6	3.6	3.6

# TREASURY'S INTERACTION WITH OTHER DEPARTMENTS

The work of treasury is interconnected with other departments throughout an organization. In fact, collaborating with other departments and sharing financial information is one of the major objectives of treasury management.<sup>2</sup> Treasury needs to have a full understanding of how cash flows through an organization in order to successfully manage the company's cash.<sup>3</sup> Working through a variety of formal and informal pathways, treasury's input via budgeting, cash management and reporting is important in supporting overall business objectives as well.

This year, the question was posed slightly differently than in the 2022 survey in order to capture the extent of overall interaction of treasury with other departments rather than just any increase. In 2022, corporate practitioners reported that the most increased interaction of treasury was with the C-suite/CFO (43%) and Accounts Payable (43%). In this year's survey, about half the respondents indicate that there was increased interaction with Accounts Payable (54%) and C-suite/CFO (49%).

The department experiencing the greatest drop in interaction with treasury over the past two years is Sustainability/ESG. Ten percent of organizations report having less interaction with the Sustainability/ESG department. ESG's association with political agendas, as well as the impact of higher interest rates on the economy, have led organizations to shift away from the ESG movement and led to a de-emphasis of ESG departments. At Davos this past year, *The Financial Times*<sup>4</sup> reported that ESG was not one of the top five topics for U.S. companies. More focus was shifted towards AI, digitization, regulatory changes, critical minerals and public/private partnerships.

Findings from the 2024 AFP® *Payments Fraud Survey* show that Accounts Payable is the function most susceptible to fraud via email. With ACH surpassing wires, and other payment formats to which fraudsters are shifting, it is not surprising that Accounts Payable is the leading juncture for treasury departments when safeguarding against fraud. Treasury, through bank relationships, provides access to the payment rails to make payments and provides support around risk management in order to protect those payments from fraudsters. Consequently, communication/collaboration is key in mitigating the risk of payments fraud.

<sup>2</sup>Essentials of Treasury Management 7th. Edition, CTP Body of Knowledge, 2023

<sup>3</sup>Ibid.

<sup>4</sup>The top takeaways from this year's World Economic Forum

**Treasury Interaction with Other Departments in Past Two Years**  
(Percentage Distribution of Organizations)

		MORE INTERACTION	NO CHANGE IN INTERACTION	LESS INTERACTION
	Accounts Payable	54%	44%	1%
	C-suite/CFO	49%	49%	2%
	Accounts Receivable	43%	54%	3%
	Tax	43%	55%	2%
	Legal	43%	56%	2%
	Payroll	34%	64%	3%
	Supply chain/Procurement	27%	67%	5%
	Board of Directors	22%	75%	4%
	Sustainability/ESG	18%	72%	10%
	Human Resources	17%	79%	4%

# SKILLS AND ABILITIES

## Treasury Leadership

Treasurers and their teams have been operating in an uncertain and somewhat challenging environment. In recent years, inflation has been difficult to contain. The Federal Reserve's Federal Open Market Committee (FOMC), in its efforts to curb inflation, raised the Fed Funds Rate 11 times from March 2022 to July 2023. At the time of the writing of this report, the FOMC had lowered the Fed Funds rate in September 2024; after the election in November 2024, the FOMC signaled its efforts in taming inflation were successful. It is clear that treasury departments have had to manage cash and other liquidity functions in a volatile interest-rate environment.

Post-COVID, employees were resigning from their jobs due to various reasons which included better opportunities, higher pay, flexible work environment and burnout. This was labeled "The Great Resignation." Organizations were struggling to fill their vacant jobs with skilled employees. The unemployment rate was at record lows. Over time, hiring managers were able to recruit talent for open positions and the job market became less competitive.

But with the elections now over, and the Republican party having won the White House and acquired majorities in the Senate and the House of Representatives, a new administration signals new policies both domestically and globally. Organizations will want to be agile and able to adapt to a rapidly changing environment. Treasurers need to understand what will be required of them and their teams to ensure they are reliable and trusted advisors to their organizations.

Treasurers are tasked with bringing their teams together to work collaboratively, effectively and efficiently. Survey respondents believe that there are various skills/competencies which are important in order for treasury leadership to manage their teams during unprecedented times. Those skills and competencies that are considered extremely important or important (cited by over 90% of respondents) are:

- **Communication** (cited by 96% of respondents)
- **Strategic thinker** (95%)
- **Ability to collaborate** (94%)
- **Analytical skills** (94%)

While a vast majority of respondents (96%) considers communication a critical skill for treasury leadership, 81% believe that their treasury leaders are either very effective or effective in this area. That is a significant 15-percentage-point gap between those who consider communication *important* for leadership and those who believe treasury leaders are effective in communication. This is a competency treasury leaders need to focus on and strengthen. Organizations look to their treasury leadership for solutions and strategies regarding cash management and other key treasury responsibilities; consequently, treasury leadership needs to communicate effectively with their teams, immediate supervisors, executive leadership and external stakeholders.



## SKILLS AND ABILITIES continued

In addition to the key competencies noted above, respondents believe that treasury leadership needs to be proficient in other areas including strategic thinking and an ability to collaborate (cited by 95% and 94% of survey respondents, respectively) – which is key for treasury leaders to align their teams to perform effectively. Other skills considered important for treasury leadership to have include analytical skills, cited by 94% of respondents compared to 88% in 2022. The share of those who considers treasury leadership to be effective in this area rose to 87% from 81% in 2022.

The other skills/competencies where the gap between importance and effectiveness is more than 10% are people management (14%) and vision/future planning (14%). To be effective, treasury leadership needs to be able to manage their teams in order to ensure those teams are equipped with the skills and resources to meet the future needs of their organizations. That requires treasury leadership to look ahead and have the necessary

vision and ability to operate in an uncertain and evolving environment. Treasury leaders will have to be adaptable and agile to be effective in their roles and ensure their departments are performing optimally.

In comparing the responses of treasury leaders and treasury professionals, 88% of senior treasury professionals consider their communication skills to be effective, while 78% of treasury professionals believe their leaders' communications skills are effective. Another area where the gap between importance and effectiveness is greater within the treasury professional group compared to treasury leadership cohort is people management (15% versus 8%). This suggests that treasury leaders are not as effective leaders as they might believe. It might be useful for treasury leaders to understand where they might be falling short as they lead their teams.

### Importance and Effectiveness of Treasury Leaders' Skills and Abilities: All Respondents

(Percent of Respondents who selected either 5 or 4 on the Importance and Effectiveness scales)

	2024			2022		
	IMPORTANCE	EFFECTIVENESS	GAP	IMPORTANCE	EFFECTIVENESS	GAP
Communication	96%	81%	15%	96%	82%	14%
Strategic thinker	95%	86%	9%	91%	85%	6%
Ability to collaborate	94%	87%	7%	90%	80%	10%
Analytical skills	94%	87%	7%	88%	81%	7%
Treasury expertise	93%	86%	7%	91%	87%	4%
Prioritization and organization	92%	83%	9%	86%	80%	6%
Adaptability/willing to be a change agent	91%	81%	10%	84%	72%	12%
Vision/Future Planning	91%	77%	14%	80%	70%	10%
Business judgment	91%	87%	4%	87%	80%	7%

## SKILLS AND ABILITIES continued

### Importance and Effectiveness of Treasury Leaders' Leadership Skills and Abilities: Segmented by Seniority

(Percent of Respondents who selected either 4 or 5 on the Importance and Effectiveness scales)

	SENIOR TREASURY PROFESSIONALS			TREASURY PROFESSIONALS		
	IMPORTANCE	EFFECTIVENESS	GAP	IMPORTANCE	EFFECTIVENESS	GAP
Communication	99%	88%	<b>11%</b>	96%	79%	<b>17%</b>
Strategic thinker	99%	90%	<b>9%</b>	94%	85%	<b>9%</b>
Ability to collaborate	97%	91%	<b>6%</b>	95%	86%	<b>9%</b>
Treasury expertise	94%	90%	<b>4%</b>	95%	86%	<b>9%</b>
Business judgment	95%	92%	<b>3%</b>	90%	85%	<b>5%</b>
Analytical skills	96%	90%	<b>6%</b>	94%	86%	<b>8%</b>
Prioritization and organization	94%	80%	<b>14%</b>	92%	84%	<b>8%</b>
People management	90%	82%	<b>8%</b>	86%	71%	<b>15%</b>
Adaptability/willing to be a change agent	97%	87%	<b>10%</b>	88%	80%	<b>8%</b>
Industry knowledge	85%	80%	<b>5%</b>	89%	79%	<b>10%</b>
Vision/Future planning	95%	82%	<b>13%</b>	90%	76%	<b>14%</b>
Relationships with external agencies	89%	90%	<b>(1%)</b>	84%	82%	<b>2%</b>
Financial modeling	81%	77%	<b>4%</b>	75%	68%	<b>7%</b>
Influencer	82%	67%	<b>15%</b>	70%	61%	<b>9%</b>
Presentation abilities	83%	77%	<b>6%</b>	75%	74%	<b>1%</b>
Fast-thinking/Agile	93%	88%	<b>5%</b>	91%	79%	<b>12%</b>

## SKILLS AND ABILITIES continued

### Treasury Professionals

Survey results reflect that there are various skills/competencies which are important for treasury professionals (staff and management level) to operate effectively and efficiently. Those skills/competencies that are considered extremely important (cited by over 90% of respondents) are:

- **Communication** (cited by 94% of respondents)
- **Collaboration ability** (92%)
- **Analytical skills** (91%)
- **Prioritization and organization** (90%)

While treasury practitioners agree that communication is an important competency for treasury professionals, 71% believe treasury professionals at the staff and management level are effective communicators, resulting in a significant gap of 23%. This result suggests there is tremendous scope for enhancing communication skills among treasury professionals.

Other areas in which there are wide gaps between the importance of and effectiveness in are “adaptability/willing to be a change agent” (cited by 21% of respondents), being a strategic thinker (19%), having analytical skills (18%) and financial modeling (17%). These are all skills and abilities that are important for treasury professionals to develop in order to ensure that a treasury department is operating effectively and efficiently. By honing these skills, treasury professionals can guarantee they are highly performing employees and able to contribute productively to their department.

### Importance and Effectiveness of Treasury Professionals’ Leadership Skills and Abilities: All Respondents

(Percent of Respondents who selected either 5 or 4 on the Importance and Effectiveness scales)

	2024			2022		
	IMPORTANCE	EFFECTIVENESS	GAP	IMPORTANCE	EFFECTIVENESS	GAP
Communication	94%	71%	<b>23%</b>	93%	87%	<b>6%</b>
Collaboration ability	92%	80%	<b>12%</b>	91%	86%	<b>5%</b>
Analytical skills	91%	73%	<b>18%</b>	92%	88%	<b>4%</b>
Prioritization and organization	90%	78%	<b>12%</b>	89%	79%	<b>10%</b>
Treasury expertise	88%	74%	<b>14%</b>	92%	89%	<b>3%</b>
Fast thinking/Agile	87%	65%	<b>22%</b>	--	--	<b>--</b>
Adaptability/willing to be a change agent	86%	65%	<b>21%</b>	86%	77%	<b>9%</b>
Business judgment	80%	66%	<b>14%</b>	82%	78%	<b>4%</b>
Strategic thinker	80%	61%	<b>19%</b>	84%	76%	<b>8%</b>
Industry knowledge	73%	62%	<b>11%</b>	79%	74%	<b>5%</b>
Relationships with external agencies	71%	65%	<b>6%</b>	72%	71%	<b>1%</b>
Financial modeling	68%	51%	<b>17%</b>	75%	69%	<b>6%</b>
Vision/Future planning	65%	53%	<b>12%</b>	69%	62%	<b>7%</b>
Presentation abilities	61%	56%	<b>5%</b>	71%	66%	<b>5%</b>
People management	61%	55%	<b>6%</b>	74%	71%	<b>3%</b>
Influencer	55%	46%	<b>9%</b>	61%	59%	<b>2%</b>

## SKILLS AND ABILITIES continued

Senior treasury professionals believe that treasury professionals on their teams are not as effective in some areas that they consider important. The two areas in which the gap between importance and effectiveness is the largest are fast thinking/agile (35%) and strategic thinker (33%). More than 90% of senior treasury leaders consider it important that treasury professionals on teams are fast thinking/agile. However, 58% think that treasury professionals are effective in this area. In a volatile, uncertain environment, agility and being able to approach issues promptly are critical. Although the gap between the two cohorts says being a strategic thinker is wide, 78% of senior treasury professionals say it is important for treasury professionals to have this competency. As treasury professionals gain experience, their strategic thinking skills will have an opportunity to strengthen.

Treasury professionals are cognizant of the fact that there is a wide gap between the *importance* of some competencies and their *effectiveness* in delivering on these competencies, specifically regarding communication skills (cited by 17% of respondents) and people management skills (15%). Both of these are key competencies for treasury professionals to be effective in their jobs.

Also notable are the differences in the views of senior treasury leaders and treasury professionals for specific skills/competencies: communication (27% versus 17%), prioritizing and organization (26% versus 8%), fast thinking/agile (35% versus 12%), adaptability/willing to be a change agent (24% versus 9%) and financial modeling (18% versus 7%). These differences among the two major professional cohorts highlight the fact that treasury professionals are not performing as effectively as they themselves believe they are. Many leaders and teams should have open discussions in order to identify areas of growth for treasury professionals and plan resources: professional development, coaching/mentoring, etc., to support these efforts.



## SKILLS AND ABILITIES continued

### Importance and Effectiveness of Treasury Professionals' (Staff and Management) Skills and Abilities: Segmented by Seniority

(Percent of Respondents who selected either 5 or 4 on the Importance and Effectiveness scales)

	SENIOR TREASURY PROFESSIONALS			TREASURY PROFESSIONALS		
	IMPORTANCE	EFFECTIVENESS	GAP	IMPORTANCE	EFFECTIVENESS	GAP
Communication	97%	70%	<b>27%</b>	96%	79%	<b>17%</b>
Ability to collaborate	96%	86%	<b>10%</b>	95%	86%	<b>9%</b>
Prioritization and Organization	94%	68%	<b>26%</b>	92%	84%	<b>8%</b>
Analytical skills	93%	69%	<b>24%</b>	94%	86%	<b>8%</b>
Fast-thinking/Agile	93%	58%	<b>35%</b>	91%	79%	<b>12%</b>
Treasury expertise	89%	68%	<b>21%</b>	95%	86%	<b>9%</b>
Adaptability/willing to be a change agent	88%	64%	<b>24%</b>	89%	80%	<b>9%</b>
Business judgment	81%	56%	<b>25%</b>	90%	85%	<b>5%</b>
Strategic thinker	78%	45%	<b>33%</b>	94%	85%	<b>9%</b>
Industry knowledge	74%	63%	<b>11%</b>	89%	79%	<b>10%</b>
Financial modeling	70%	52%	<b>18%</b>	75%	68%	<b>7%</b>
Relationships with external agencies	67%	59%	<b>8%</b>	71%	66%	<b>5%</b>
People management	63%	48%	<b>15%</b>	86%	71%	<b>15%</b>
Vision/Future planning	60%	41%	<b>19%</b>	90%	76%	<b>14%</b>
Presentation abilities	59%	49%	<b>10%</b>	75%	74%	<b>1%</b>
Influencer	58%	41%	<b>17%</b>	70%	61%	<b>9%</b>

Other criteria/skills necessary to be a successful treasurer/treasury professional include:

- Listening skills
- Patience and understanding
- Knowledge of how business works and what makes it successful
- Boundaries and prudence in decision-making
- Flexibility
- Adaptability
- Multitasking
- Willingness/ability to research new issues
- Accuracy/attention to detail
- Initiative
- Intellectual curiosity
- Ability to learn and master everything from internal processes all the way to industry specific elements is critical to be successful in treasury



# TREASURY DEPARTMENT STRUCTURE

# FULL-TIME EMPLOYEES (FTEs) IN TREASURY DEPARTMENT

## Front Office

A treasury department's front office<sup>5</sup> is the face of the treasury department, and primarily engages or interacts with external parties such as clients, investors and financial institutions. This is where strategic decisions are made regarding how an organization's financial assets and liabilities are managed. Key functions of the office include:

- **Cash management**
- **Risk management**
- **Capital markets activities**
- **Investment management**

On average, organizations employ nearly 5 full-time employees (FTEs) in their front office. Organizations with annual revenue less than \$1 billion employ 3.2 FTEs, while those with annual revenue of at least \$1 billion have slightly more than 5 FTEs employed in their front office. Publicly owned organizations employ, on average, a slightly larger number of FTEs in front offices compared to those companies that are privately held (5.6 versus 3.3).

The median number of FTEs employed in a treasury department's front office is 3. This means that on average one-half of organizations would have fewer than three FTEs and the other half would have more. Smaller organizations with annual revenue less than \$1 billion and those that are privately held have a median of two FTEs in their front offices.

<sup>5</sup>Front vs. Back Office vs. Middle Office in Treasury: Understanding the Difference, [FTI Treasury](#)

**Number of Full-Time Employees in Treasury Department's Front Office**

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	365	116	194	123	129
Average	4.9	3.2	5.4	5.6	3.3
Median	3.0	2	3	3	2.0
Minimum	0.25	0.25	1	0.25	0.5
Maximum	80	50	80	50	50

# FULL-TIME EMPLOYEES (FTEs) IN TREASURY DEPARTMENT continued

## Back Office

Treasury departments back offices<sup>6</sup> focus on behind-the-scenes operations and administrative duties that help run treasury smoothly. These duties are crucial for keeping records, handling transactions and meeting regulatory standards. Key tasks of the back office include:

- **Transaction processing**
- **Reporting and compliance**
- **Technology and infrastructure**
- **Documentation and recording**

On average, organizations employ 6.6 full-time employees (FTEs) in their back office. Organizations with annual revenue less than \$1 billion employ 3.8 FTEs, while those with annual revenue of at least \$1 billion have slightly over 7 FTEs employed in their back office. Publicly owned organizations employ, on average, twice the number of FTEs than do privately held companies (8.2 versus 4).

Similar to the front office, the median number of FTEs employed in a treasury department's back office is 3. This means that on average, half of the organizations would have less than 3 FTEs and the other half would have more. Organizations with annual revenue of at least \$1 billion have a median 3.5 FTEs, while smaller organizations with annual revenue of less than \$1 billion have a median 2.5 FTEs.

To gauge the total number of FTEs in the front and back office, we calculated an average of total FTEs by combining data of those respondents who shared the number of FTEs in both front and back office (the sample size is denoted by N and is more representative of larger, publicly owned companies). On average, organizations employ 11.7 FTEs in their treasury departments with a median of 6 FTEs. Organizations with annual revenue of at least \$1 billion and those that are publicly owned employ 12.4 and 13.7 FTEs, respectively, more than other groups.

<sup>6</sup> Ibid

## Number of Full-Time Employees in Treasury Department's Back Office

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	366	113	185	116	126
Average	6.6	3.8	7.1	8.2	4.0
Median	3.0	2.5	3.5	4	2.5
Minimum	0.25	0.5	0.25	0.75	0.25
Maximum	200	50	62	62	50.00

## Number of Full-Time Employees (Front and Back Office) in Treasury Department

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	312	102	176	112	112
Average	11.7	7.2	12.4	13.7	7.5
Median	6	4.5	7	8	5
Minimum	2	2	2	2	2
Maximum	220	65	105	105	65

# ORGANIZATION STRUCTURE

The organization chart to the right includes titles mentioned most frequently by respondents, when describing the organizational structure of the treasury department at their organizations.

Nearly one-third of respondents reports that the Treasurer is leading their organizations' treasury departments. Other titles cited by multiple respondents include:

- **Vice President** (cited by 18% of respondents)
- **Director** (14%)
- **Treasury Manager** (10%)

Some titles that were noted include specific functions for which the individual is responsible, e.g.:

- **Manager, Treasury & Public Finance/ Treasury Operations**
- **Director of Corporate Treasury/ Treasury/Finance**
- **Director of Investment Treasury**
- **Senior Director, Treasury & Risk**
- **SVP Treasurer**
- **VP Finance**
- **VP of Treasury**

## Titles of Persons Leading Treasury Department

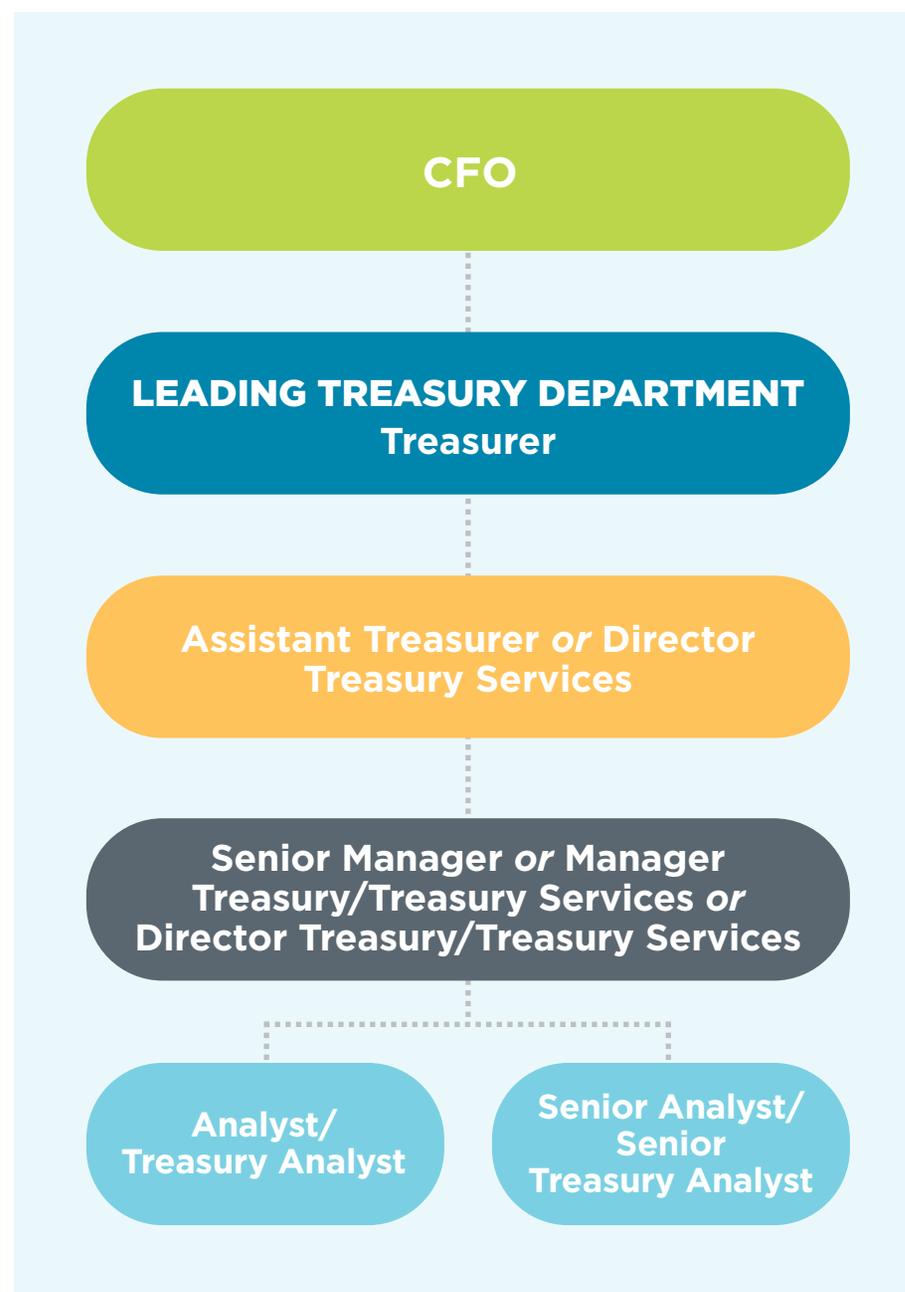
TITLE	
Treasurer	31%
Vice President	18%
Director	14%
Treasury Manager	10%
Senior Vice President	5%
Assistant Treasurer	4%
CFO	3%
Senior Director	3%
Treasury Analyst	2%
Senior Manager	2%
Other	7%

### Other includes:

- Associate Director
- Assistant Vice president
- Controller
- Head of Treasury
- Executive Vice President
- Global Treasurer
- Treasury Lead

Thirty-eight percent of respondents note that the person leading the treasury department at their organization reports to the CFO. Other supervisors of treasury department leaders are:

- Director/Treasury Director
- Manager/Manager Treasurer
- Vice President
- Treasurer



# ORGANIZATION STRUCTURE continued

## Title of Supervisor of Person Leading the Treasury Department

CFO	38%
Director, Treasury Director	13%
Manager, Manager Treasury	12%
Vice President	10%
Treasurer	4%
Senior Vice President	4%
Senior Manager	3%
Chief Accounting Officer	3%
Controller	3%
Global CFO/ Global Head of Finance	2%
Other	8%

Other includes:

- Associate Director
- Assistant Vice President
- CEO
- Executive Vice President
- Chief Operating Officer
- Deputy Director
- Executive Director

## Title: Assistant Treasurer Reports to:

Treasurer	69%
VP Treasury	18%
Director Treasury	7%
Managing Director	3%

## Title: Director, Director Treasury Services, Director Treasury Operations, Director Cash Management, Director Risk Management

Reports to:

Director Treasury	7%
Managing Director	3%
VP Treasury	18%
Treasurer	69%

## Title: Manager, Treasury Manager, Manager Treasury, Manager Treasury Services

Reports to:

Director	41%
Senior Manager	23%
Assistant Treasurer	18%
Senior Director	5%
Treasurer	8%
Associate VP	5%

## Title: Senior Manager, Senior Manager Treasury, Senior Manager Treasury Operations, Senior Manager Treasury Management

Reports to:

Assistant Treasurer	27%
Director	27%
Vice President	18%
Senior Director	18%
Treasurer	9%

## Title: Analyst, Treasury Analyst

Reports to:

Manager/Treasury Manager	36%
Director/Director Treasury/ Treasury Director	24%
Assistant Treasurer	7%
VP Treasurer/VP Finance	7%
Treasurer	9%
Senior Manager Treasury	9%
Senior Director	4%
Associate Manager	2%

## Title: Senior Treasury Analyst Reports to:

Senior Manager	29%
Assistant Treasurer	19%
Director	19%
Manager	14%
Treasury Manager	10%
VP Treasury	10%

### Other Titles

#### Cash Manager

Reports to: Treasurer, Director Treasury, Assistant Treasurer, Manager Treasury Operations

#### Cash Management Specialist

Reports to: Assistant Treasurer, Treasury Manager, Assistant Treasury Manager

#### VP Treasurer/Treasury

Reports to: CFO, SVP Treasurer

# DELIVERY OF TREASURY OPERATIONS WITHIN TREASURY DEPARTMENT

Over 70% of organizations deliver treasury operations using a single centralized corporate treasury operation. Ten percent use one or multiple regionalized treasury centers. None of the practitioners participating in this year's survey outsources the delivery of their organizations' treasury operations, 6% decentralize treasury operations and 12% use a mix of these methods.

Single, centralized treasury operations are in one location running treasury — both front office and back office. This is typically single country — or region-focused.

One/Multiple regionalized treasury centers implies there is one central location with multiple regional treasury centers. The central location typically is more front-office focused, while the regional treasury centers are more back-office focused with local market knowledge to support operations.

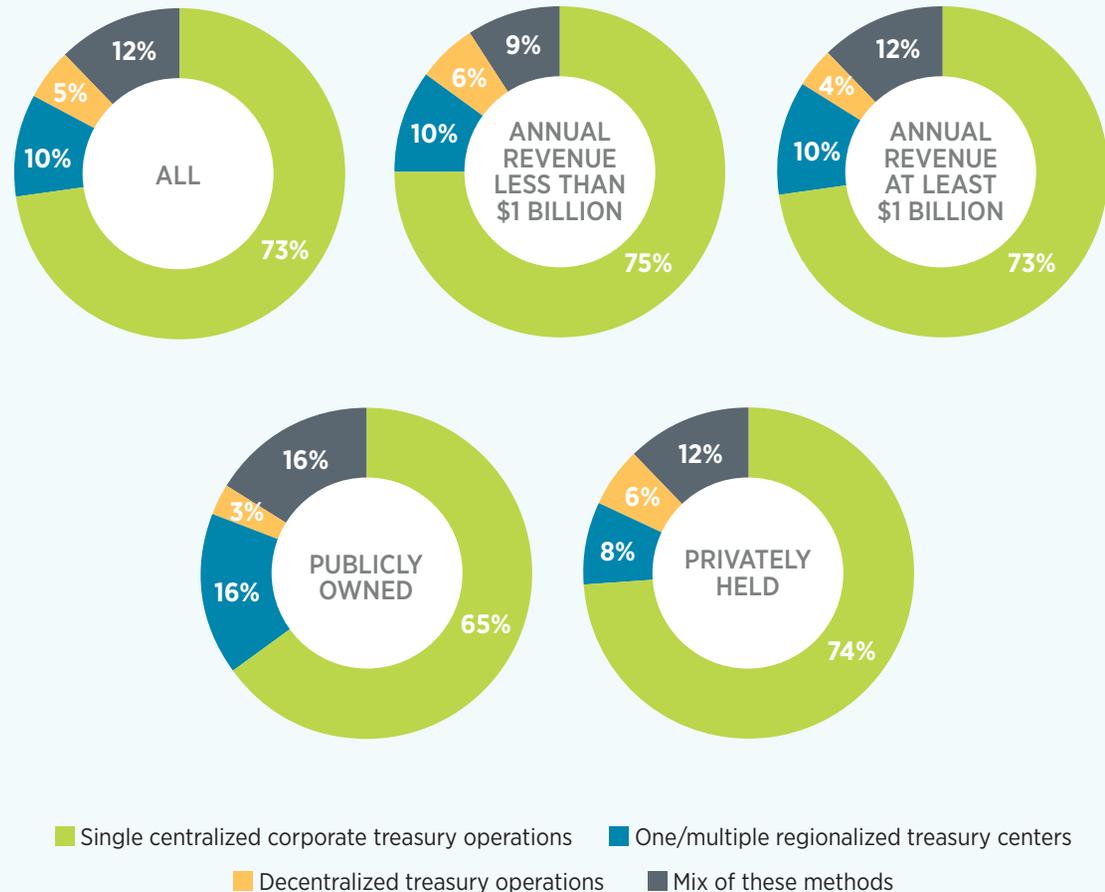
Decentralized treasury operations operate independently of the main parent company's structure. Typically, both front-office and back-office support is at these locations. Sometimes separate legal entities keep the structure decentralized, or the company has a business approach to keep the treasury department independent and aligned with the separate company.

Outsourced or Business Process Outsourcing (BPO) is where all of the treasury function is done by a third party. This can be for the majority of the treasury function or a mix where both front and back office are done by the third party.

While generally the delivery of treasury operations is very similar regardless of revenue, a slightly smaller percentage of publicly owned organizations than privately held ones use single centralized treasury operations (65% versus 74%); 16% of this cohort use regionalized treasury centers compared to 8% of privately held organizations.

## Delivery of Treasury Operations within Treasury Department

(Percentage Distribution of Organizations)





# TREASURY PROCESSES

# TIME, PROCESSES AND COSTS

## Time

### Benchmarking Time in Number of Hours and Days

The process of reconciling a single bank account from receipt of a statement through the reconciliation of ending book balance takes a treasury department, on average, 3.5 hours. Treasury departments at smaller organizations and privately held ones take an average 3.9 hours to complete the process. These organizations have fewer resources, less investment in automation or reconciling software, and likely require more manual intervention than do other organizations.

When organizations discover a discrepancy (or an exception item) during bank account reconciliation, it takes on average 6.1 business days to resolve the issue. This involves tracking down the source of the discrepancy (where it originated), identifying the internal department to contact, contacting that department and determining the steps to take to resolve the discrepancy. Doing this process removes the item as a discrepancy. Smaller organizations with annual revenue less than \$1 billion take an average 8.2 days to resolve the discrepancy while larger organizations with annual revenue of at least \$1 billion take less than 5 days to do the same. Systems and processes in place at larger organizations are more sophisticated, and therefore are more efficient; thus discrepancies are resolved promptly.

**Average Number of Hours to Reconcile a Single Bank Account from Receipt of a Bank Account Statement Through the Reconciliation of Ending Book Balance**

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	290	112	154	95	121
Average	3.5	3.9	3.2	2.5	3.9
Median	1	2	1	1	1
Minimum	.03	.05	.03	.03	.05
Maximum	48	48	48	30	48

**Average Number of Business Days from the Time When a Discrepancy is Discovered During Bank Account Reconciliation until the Discrepancy is Resolved (includes time taken to consult bank /third parties.)**

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	308	116	168	104	128
Average	6.1	8.2	4.9	5.0	6.5
Median	2	2	2	3	2
Minimum	0.25	0.5	0.25	0.5	0.25
Maximum	180	180	90	90	180

## TIME, PROCESSES AND COSTS continued

### Developing a Short-term Cash Flow Forecast

A short-term cash flow forecast is a predictive model that attempts to estimate cash inflows and outflows over a period that is typically less than 12 months. Often, short-term cash flow forecasts are for even shorter periods, depending on the importance of maintaining sufficient cash balances.<sup>7</sup> On average, organizations require about 6 hours to develop a short-term cash flow forecast.

### Processing Incoming and Outgoing Payments

The time it takes to process an incoming payment varies by payment type, but on average it involves the receipt of the payment (various payment forms), ensuring it is correctly identified as an incoming payment, applying it to the correct internal department (accounts receivable) and providing AR with the information needed to account for the payment internally. Any discrepancies are managed through a separate process such as short pays, adjustments, credit review, etc. Outgoing payments are processed with all correct/approved information and support provided to the party sending the payment (usually AP or Treasury). This is where separation of duties and controls come into play. Typically, there is an initiator of the payment and a reviewer/sender of the initiator's payment. The sender can also be another person who serves as a third verification. Dual authorization is done most typically when making fed wires, and companies have similar procedures for sending ACHs, checks, Real-Time Payments and card processing. With more controls in place to release money versus accepting money, it takes companies longer to process outgoing payments than incoming ones.

Incoming payments are typically processed in 1.9 hours at organizations. However, organizations with annual revenue less than \$1 billion take an additional hour to process an incoming payment compared to companies with annual of at least \$1 billion (2.6 hours versus 1.6 hours). Privately held companies, too, take longer than do publicly owned ones to complete processing an incoming payment. Since larger organizations and those that are publicly owned process a larger number of incoming payments, they are more automated and process payments efficiently.

### Average Number of Hours to Develop a Short-term Cash-flow Forecast

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	326	117	186	114	130
Average	5.9	6	5.5	5.1	5.0
Median	3	4	3	3	3
Minimum	0.1	0.5	0.1	0.5	0.5
Maximum	120	72	40	40	40

### Average Number of Hours to Fully Process an Incoming Payment

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	298	112	162	99	122
Average	1.9	2.6	1.6	.81	2.07
Median	1.0	0.875	0.5	0.5	1
Minimum	.01	.01	.03	.02	.01
Maximum	72	72	40	8	30

<sup>7</sup><https://www.datarails.com/finance-glossary/short-term-cash-flow-forecasting/>

## TIME, PROCESSES AND COSTS continued

Organizations take on average 2.7 hours to process outgoing payments. Organizations with annual revenue less than \$1 billion take an additional 3.5 hours to process an outgoing payment while those companies with annual revenue of at least \$1 billion take 2.2 hours. Similarly, privately held organizations require 3.7 hours to process an outgoing payment compared to publicly owned organizations that, on average, process an outgoing payment in 1.2 hours.

The process of concentrating/physically pooling cash to establish a cash position involves capturing bank data from the day before plus current bank data along with any other known data internally generated but not showing up in the bank activity. Identifying the flows and bank transactions and where to apply them in a cash forecast or daily cash position is another part of the process. Once all is known and expected cash flows are set, the daily cash position is set, either in borrow mode, invest mode or “do nothing” mode. Organizations, on average, require 2.2 hours to physically pool cash and to establish a daily cash position.

### Average Number of Hours to Fully Process an Outgoing Payment

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	313	117	172	105	127
Average	2.7	3.5	2.2	1.2	3.7
Median	1	1	1	0.5	1
Minimum	.01	.10	.01	.01	.02
Maximum	72	72	48	24	72

### Average Number of Hours for Organizations to Concentrate/Physically Pool Cash and Establish a Daily Cash Position

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	321	112	186	114	125
Average	2.2	2.6	2.2	1.9	2.2
Median	1	1	1	1	1
Minimum	.05	0.1	.05	0.2	.05
Maximum	24	24	24	15	20

## TIME, PROCESSES AND COSTS continued

### Processes

#### Automated Processes to Build a Robust Liquidity Forecast

A liquidity forecast is the next level cash forecast. This forecast typically employs a longer-term horizon, but varies depending on the company, its capital structure and other important factors. The access to cash, cash equivalents, short-term, long-term investments are built in based on maturity. Access to other forms of assets can be included as well if there's a known cash flow or high probability. On the debt side, private placements, commercial paper, bank loans, all short-term debt, all long-term debt or accessing the capital markets (Debt/Equity) can also be built into the model. The importance of automating as many cash flows as possible into the liquidity forecast frees up time for strategic planning. Spending time on scenarios and helping the business or C-suite know what to expect if rates change, an acquisition can be financed, or if access to external sources is needed.

Respondents report that on average 45% of processes are automated when building a robust liquidity forecast. A slightly larger percentage of processes are automated in building robust liquidity forecasts at organizations with annual revenue of at least \$1 billion compared to those with annual revenue less than \$1 billion (47% versus 42%). A similar trend is observed when comparing percentage of automated processes used to build forecasts at publicly owned organizations versus those that are privately held (45% versus 44%).

Respondents from strategic/fully optimized treasury departments (on the maturity spectrum) report that 51% of the process in building their liquidity forecast is automated; 39% and 45% of those departments that are developing or established, respectively, indicate their processes in building forecasts are automated.

#### Percentage of Automated Processes to Build a Robust Liquidity Forecast

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	215	74	126	75	86
Average	45%	42%	47%	48%	44%
Median	50%	37.5%	50%	50%	50%
Minimum	1%	1%	5%	5%	1%
Maximum	100%	100%	100%	100%	100%

#### Percentage of Automated Processes to Build a Robust Liquidity Forecast by Position on Maturity Spectrum

	ALL	FOUNDATIONAL	DEVELOPING	ESTABLISHED	ENHANCING	STRATEGIC/OPTIMIZED
Number	215	3	56	84	47	25
Average	45%	25%	39%	43%	54%	51%
Median	50%	25%	30%	50%	50%	50%
Minimum	1%	1%	3%	2%	10%	10%
Maximum	100%	50%	100%	100%	100%	100%

## TIME, PROCESSES AND COSTS continued

### Total Cost

Respondents estimate that the total annual cost in U.S. dollars for treasury operations ranges from \$40,000 to \$40 million, for an average of \$1.6 million. These costs include all personnel, systems, overhead and other expenditures for both internal resources (within the enterprises or parent organizations) and external resources (such as third-party organizations) that perform treasury operations processes for the business entity. Organizations with annual revenue less than \$1 billion and those that are privately held incur smaller total annual costs than do those with annual revenue of at least \$1 billion or which are publicly owned.

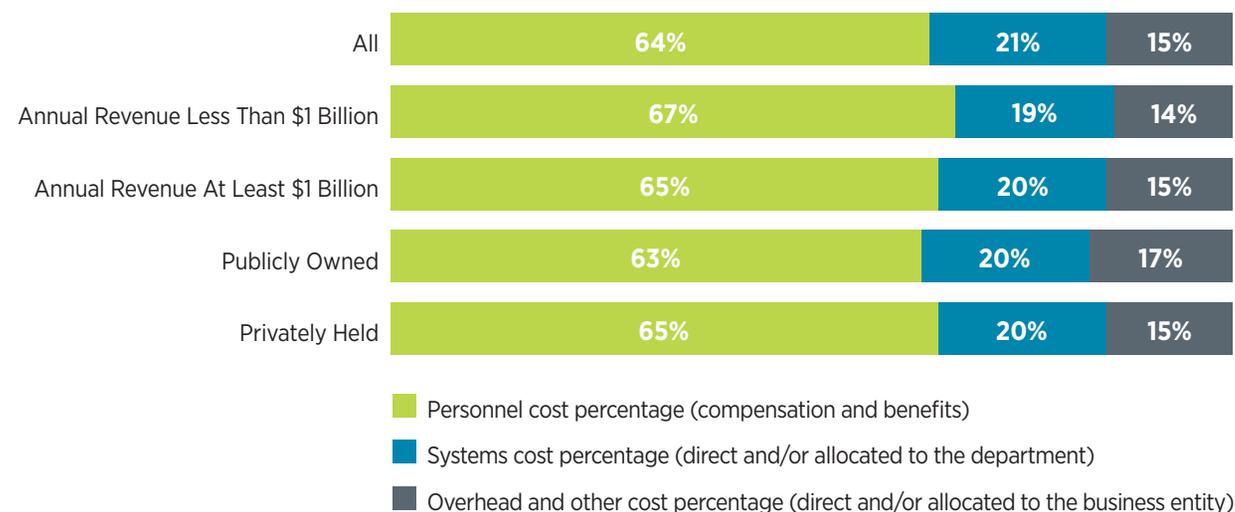
The median cost of treasury operations is \$750,000 for all organizations and \$575,000 for organizations with annual revenue less than \$1 billion and \$1 million for those with annual revenue of at least \$1 billion. For treasury departments at large, publicly held organizations, costs include infrastructure (IT, Business Support, HR, as well as sourcing, retaining and engaging talent as part of the costs.

Respondents report that for their organizations' treasury operations, 64% of internal costs are allocated to personnel costs (including compensation and benefits), while 21% are allocated to systems costs. The remaining 15% are allocated to overhead and other costs. These figures are similar across the board, regardless of revenue size or type of ownership.

### Treasury Department's Total Annual Cost in U.S. Dollars for Treasury Operations

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
Number	221	86	131	82	94
Average	\$1.6 million	\$734,606	\$2.2 million	\$1.8 million	\$944,396
FTEs (Front Office and Back office)	11.7	7.2	12.4	13.7	7.7
Average cost per FTE	\$136,752	\$102,028	\$177,419	\$131,387	\$122,649
Median	\$750,000	\$575,000	\$1 million	\$1 million	\$710,000
Minimum	\$40,000	\$40,000	\$50,000	\$200,000	\$40,000
Maximum	\$40 million	\$5.9 million	\$40 million	\$10 million	\$10 million

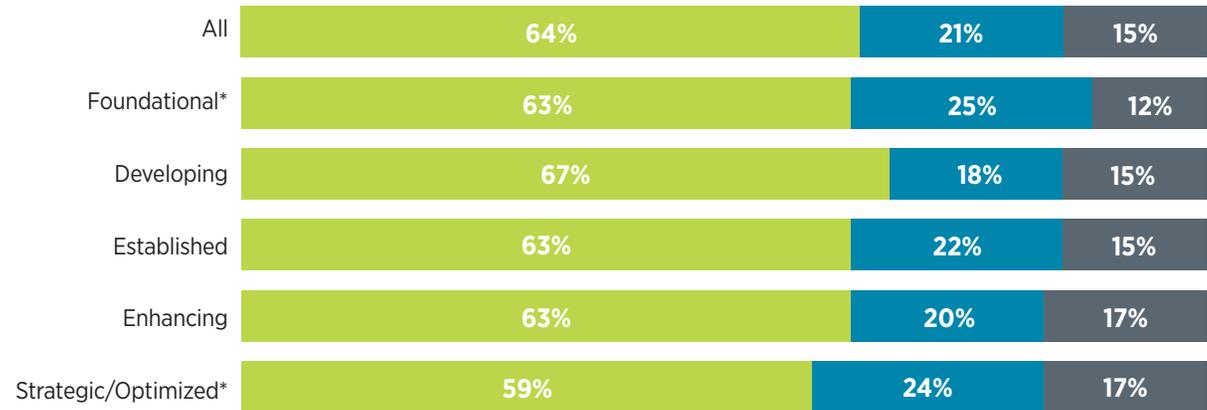
### Percent Allocation of Annual Internal Costs



## TIME, PROCESSES AND COSTS continued

When segmented by the organization's position on the maturity spectrum (see **Position of Treasury Team on Maturity Spectrum Table on p. 7 for definitions**), those organizations describing themselves as strategic/optimized have a lower percentage of internal costs allocated to personnel costs. Treasury departments at the foundational level of the maturity curve are people heavy in terms of process and have less systems and less complexity.

**Percent Allocation of Annual Internal Costs Based on Department's Position on the Maturity Spectrum**  
(Mean Percentage)



■ Personnel cost percentage (compensation and benefits)

■ Systems cost percentage (direct and/or allocated to the department)

■ Overhead and other cost percentage (direct and/or allocated to the business entity)

\*Low sample size. Interpret with caution.



# TREASURY POLICIES: PHILOSOPHY AND EFFECTIVENESS

## Role of Treasury Policies and Procedures

Treasury policies and procedures provide a framework for the design of workflows and controls that support operational, financial and treasury management objectives. While the behavior of treasury staff cannot be regulated merely by declaration, assigning specific duties and documenting the assignment of those duties to designated parties can provide a baseline for acceptable behavior. The addition of specific penalties in the event of violations of that behavior also helps set appropriate expectations.

The formalization of policies and procedures is one way for organizations to inform employees, agents, contractors and vendors of the expected practices related to specific treasury activities. The standards outlined in an organization's treasury policies and procedures should be reviewed regularly for continued appropriateness to make sure they incorporate relevant, legislative, regulatory or process changes/revisions.<sup>8</sup>

## Philosophy on Organization's Treasury Policies

Organizations strive to have enterprise-wide standards that are enforced, however, the company structure for their treasury department might not allow it. For example, a decentralized treasury department might operate independently from the parent entity if management has decided that it should operate independently.

### Organization's Philosophy on Treasury Policies

(Percentage Distribution of Organizations)

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	PUBLICLY OWNED	PRIVATELY HELD
No enterprise-wide standards; left to department's discretion to maximize performance	16%	23%	11%	12%	18%
Enterprise-wide standards are recommended but left to department's discretion	27%	31%	24%	23%	32%
Enterprise-wide standards are mandated for all departments and enforced	56%	43%	64%	64%	48%
We do not see any value in enterprise-wide standards	1%	3%	1%	1%	1%

In a regional approach where processes/roles are mandated at a central office, often individuals working for the controllers or in business finance roles help support the treasury function. Because of their knowledge of the local business environment and access to bank information, some consider them to be a part-time FTE/extension of the treasury department. This is where enterprise-wide standards might not be applicable and a work around process is identified, documented and tested.

Over half of respondents (56%) report that their organizations' philosophy on treasury policies is to mandate and enforce enterprise-wide standards for all departments. Twenty-seven percent of organizations recommend enterprise-wide standards, but that is left to the treasury department's discretion.

A larger percentage of organizations with annual revenue less than \$1 billion and those that are privately held do not have enterprise-wide standards but leave it to the department's discretion when compared with organizations with annual revenue of at least \$1 billion or those that are publicly owned. Nearly two-thirds of publicly owned organizations mandate and enforce enterprise-wide standards.

<sup>8</sup> *Essentials of Treasury Management 7th. Edition, CTP Body of Knowledge, 2023*

# TREASURY POLICIES: PHILOSOPHY AND EFFECTIVENESS continued

In looking at philosophies of organizations when segmented by their department's position on the maturity spectrum. Fifty-six percent of organizations whose treasury departments are developing either lack enterprise-wide standards and their philosophy on treasury policies are left to the department's discretion, or the enterprise standards are recommended for treasury policies but continue to be left to department's discretion. Thirty-six percent of strategic/optimized departments lack enterprise-wide standards with enforcement being left to the department's discretion. As treasury departments move up their positions on the maturity spectrum, they are more likely to experience mandated standards which are enforced; 44% of those at the developing level, 72% for those that are enhancing, and 64% for those departments that are strategic/optimized.

## Effectiveness of Treasury Policies

Maintaining strong relationships with banking partners is extremely important, as a bank's support is imperative to ensure the treasury department can function smoothly and, in turn, provide support to the organization. It is therefore necessary to have a highly effective policy to manage bank relationships. As noted earlier, managing an organization's cash and liquidity planning is a key function of the treasury department; it is encouraging to see that a vast majority of practitioners are satisfied with their organizations' cash management policies and consider them to be effective.

Payments fraud is an issue with which treasury departments have to deal. While the controls implemented around payment methods are more effective than before, are monitored and regularly updated, fraudsters are becoming more sophisticated with the help of AI and technology, and continue to pose

## Organization's Philosophy on Treasury Policies by Maturity Spectrum

(Percentage Distribution of Organizations)

	ALL	DEVELOPING	ESTABLISHED	ENHANCING	STRATEGIC/OPTIMIZED
No enterprise-wide standards; left to department's discretion to maximize performance	16%	21%	15%	6%	8%
Enterprise-wide standards are recommended but left to department's discretion	27%	35%	24%	22%	28%
Enterprise-wide standards are mandated for all departments and enforced	56%	42%	59%	70%	64%
We do not see any value in enterprise-wide standards	1%	2%	2%	2%	--

a significant threat. Consequently, an effective payments fraud policy is necessary to safeguard payments from fraud attacks.

In comparing weighted average scores of the effectiveness of treasury policies, most receive higher scores from practitioners at larger organizations than smaller ones. Policies covering cash management, debt management compliance, interest rate and credit card receipts/merchant acquiring have notably higher effectiveness scores at organizations with annual revenue of at least \$1 billion compared to those with annual revenue less than \$1 billion.

When segmented by an organization's position on the maturity spectrum, additional differences in policy effectiveness emerge. Strategic/optimized and enhancing

treasury departments have higher effectiveness scores across all policies. For departments identifying as strategic/optimized, there are significant increases in effectiveness compared to all respondent groups in the following four policy areas:

- **Interest rate:** 4.69 vs 4.03 (a difference of +.66 points)
- **Accounts receivable:** 4.53 vs 3.91 (a difference of +.62 points)
- **Debt management/compliance:** 4.79 vs 4.3 (a difference of +.49 points)
- **Cash management:** 4.67 vs 4.44 (a difference of +.23 points)

# TREASURY POLICIES: PHILOSOPHY AND EFFECTIVENESS continued

## Effectiveness of Treasury Policies: Weighted Average Score

(Weighted Average Score)

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	DEVELOPING	ESTABLISHED	ENHANCING	STRATEGIC/OPTIMIZED
Bank relationship management	4.44	4.34	4.5	4.2	4.51	4.69	4.67
Cash management (e.g., positioning, reporting, investing/borrowing)	4.41	4.30	4.47	4.09	4.58	4.46	4.89
Bank account management	4.42	4.39	4.43	4.15	4.46	4.63	4.81
Debt management/compliance	4.30	4.07	4.44	3.97	4.36	4.6	4.79
Investment	4.26	4.26	4.37	3.99	4.36	4.51	4.5
Payments and payments fraud	4.32	4.23	4.34	4.1	4.35	4.51	4.66
Interest rate	4.03	3.83	4.13	3.77	4.07	4.16	4.69
Accounts payable	4.04	4.09	4.02	3.85	4.02	4.22	4.41
Accounts receivable	3.91	3.78	3.99	3.72	3.86	4.07	4.53
Credit card receipts/Merchant acquiring	3.73	3.57	3.96	3.51	3.79	4.21	4.27
Travel card	3.71	3.55	3.74	3.26	3.77	4.15	4.11
Procurement card	3.67	3.54	3.80	3.37	3.71	3.79	4.14
Mergers & Acquisitions	3.46	3.25	3.58	3.2	3.59	3.6	3.88
Commodities	3.23	3.05	3.33	2.9	3.33	3.32	3.94



**TECHNOLOGY**

## EXTENT OF IMPLEMENTATION

Treasury professionals use technology to automate data and manage data efficiently. Technology can be used extensively within treasury departments — from calculating the daily cash position to implementing financial risk management programs.

Organizations increase the use of technology with the goal of increasing operational efficiency, automation and, ultimately, improved profitability. Implementing new technologies may reduce operational costs, allowing organizations to meet their goals more effectively and contribute to attaining strategic objectives.

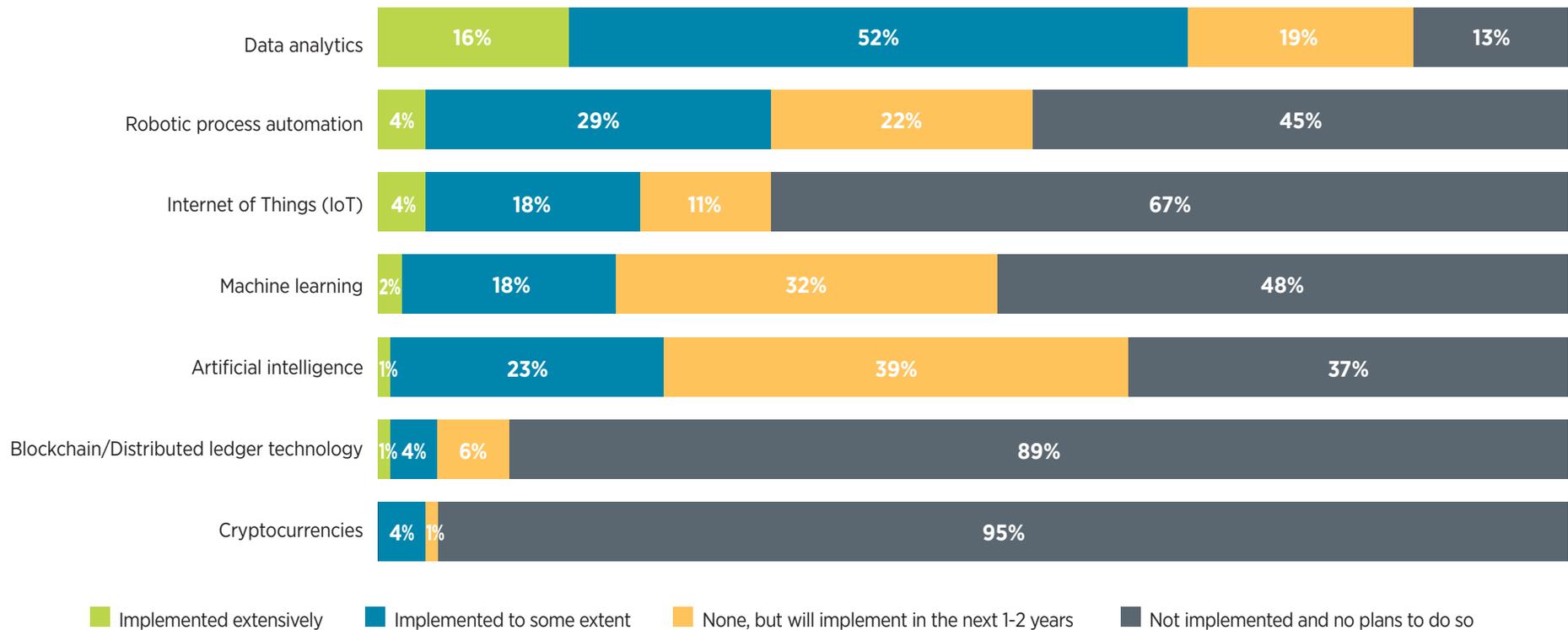
As for which technologies companies have implemented, responses vary widely. Data analytics has been implemented extensively or to some extent by 68% of organizations. For robotic process automation, this figure is 33%. Other technologies are less popular.

Eighty-nine percent of organizations have not implemented and have no plans to implement blockchain/distributed ledger technology. Artificial intelligence is the technology cited as the most likely to be implemented in the next 1-2 years (39% of organizations). Treasury departments by their very nature are risk averse.

In addition to being a cost center, Treasury is not typically an early adopter of technology. Data analytics is a proven technology, but also can be leveraged by other departments such as FP&A or business unit level finance professionals. Other technologies such as AI, robotic process automation, and machine learning have promising uses, but the cost and the ROI — not to mention data security concerns — mean these technologies have slower adoption rates.

### Extent of Technology Implementation at Organizations

(Percentage Distribution of Organizations)

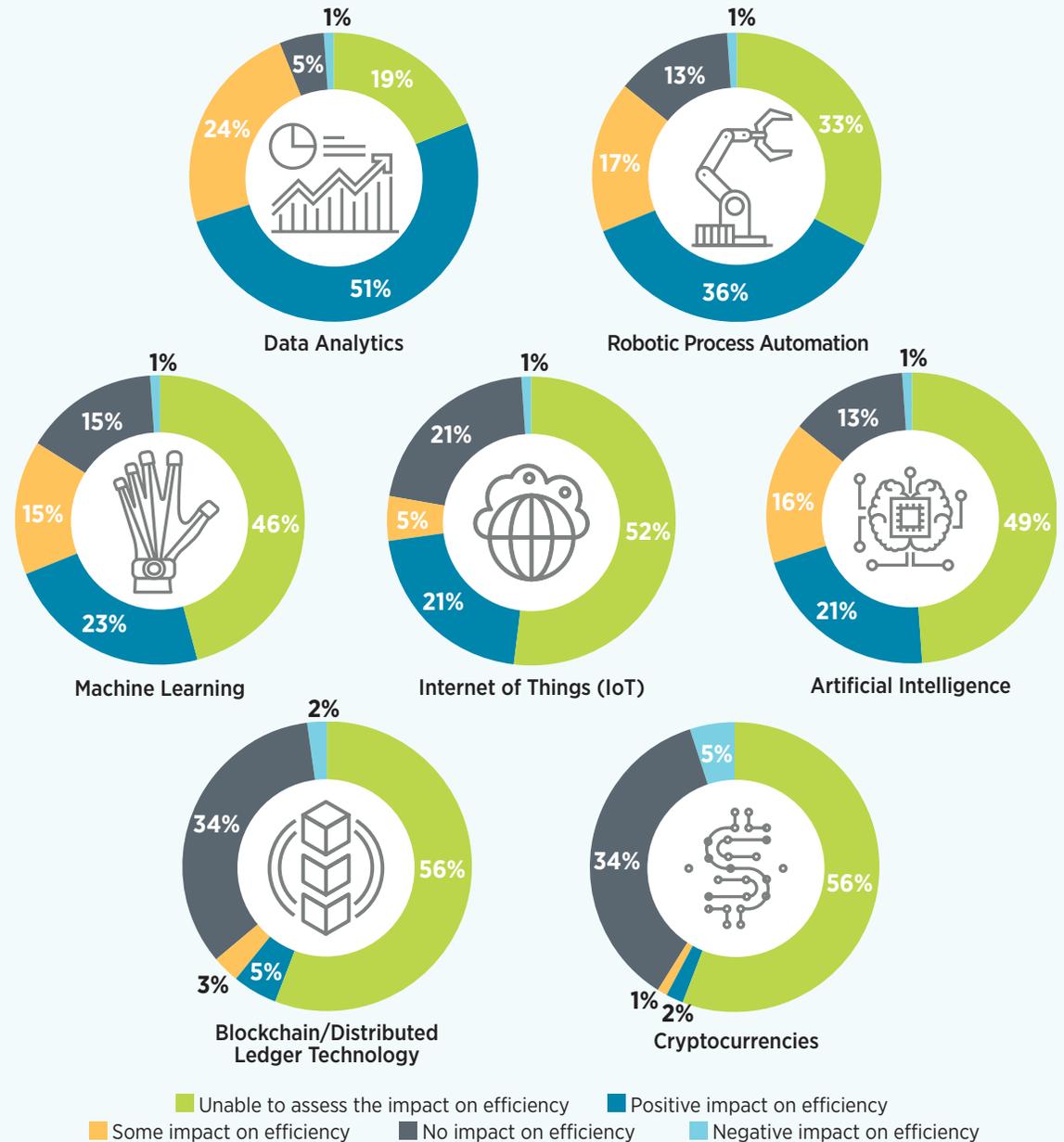


## EXTENT OF IMPLEMENTATION continued

The consequence of technology implementation is its impact. For the technologies listed in the figures to the right, with the exception of data analytics and robotic process automation, over 40% of corporate practitioners indicate they were unable to assess the impact of the technology's implementation. When asked about how specific technologies impact the efficiency of the treasury departments at their organizations, data analytics was the most impactful, with 51% of respondents reporting a positive impact on efficiency and no respondents indicating a negative impact. Respondents also cite robotic process automation (36%) and machine learning (23%) as having a positive impact but to a much lesser degree.

Even as some benefits are noted, organizations have struggled to assess the impact of specific technologies. Blockchain's impact is unclear for 56% of organizations. Cryptocurrencies (56%) and the Internet of Things (52%) are also enigmas for a majority of respondents, as the impact of their implementation cannot be assessed.

**Impact of Technology Implementation at Treasury Departments**  
(Percentage Distribution of Organizations)

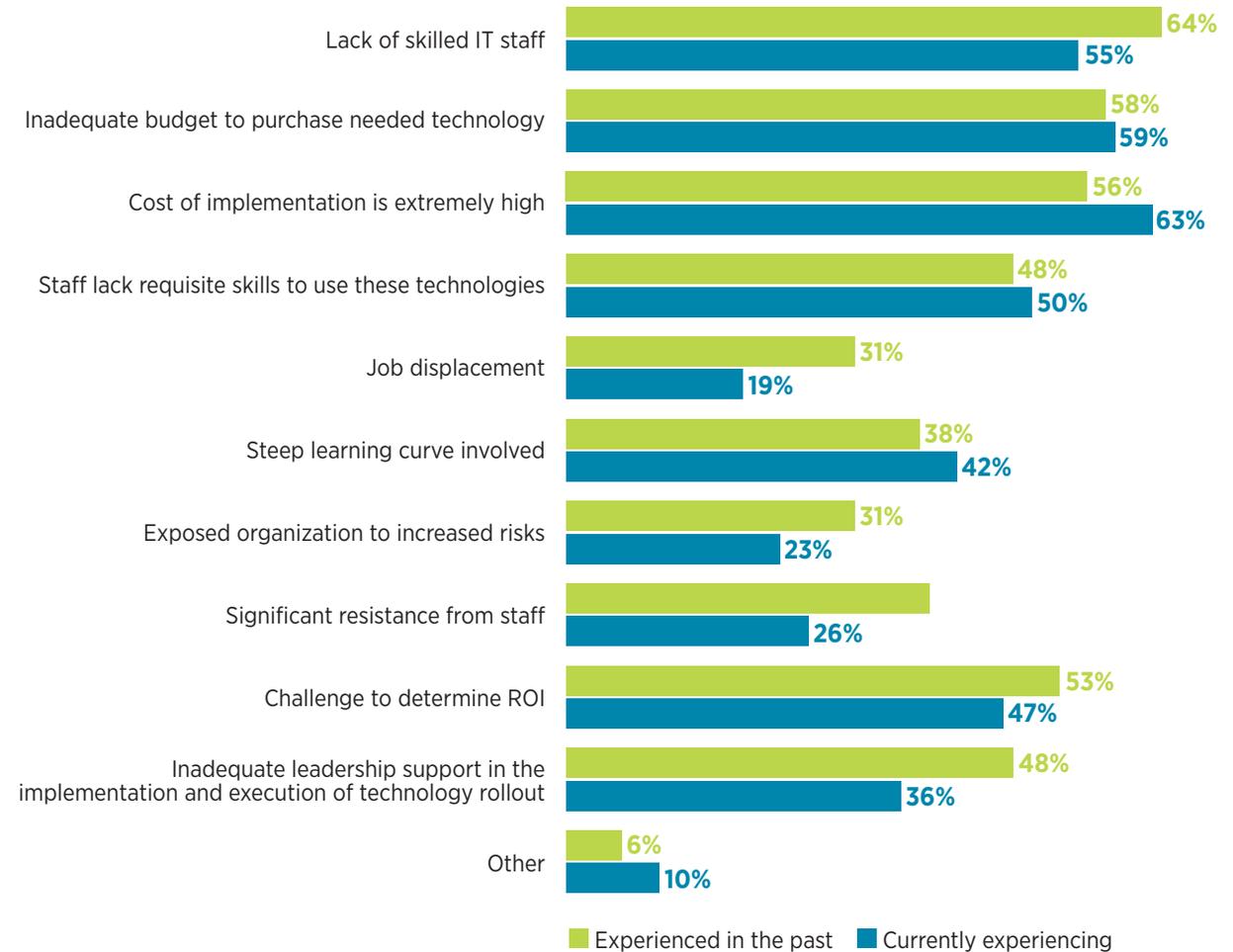


# ROADBLOCKS TO TECHNOLOGY IMPLEMENTATION

The implementation of new technologies within treasury departments faces roadblocks that can impede both progress and effectiveness. A lag in policies and processes related to new technologies can lead to difficulties in their correct and efficient application. The top-ranked roadblock for many organizations is the lack of skilled IT staff; 64% of respondents report that their organizations have experienced a lack of skilled IT staff in the past; 55% are currently experiencing the same. The costs of new technologies, in terms of both purchase and implementation, are also significant roadblocks to implementing technologies; 58% of organizations have had inadequate budgets to purchase needed technology in the past, while 59% are currently dealing with a limited budget. Likewise, 56% of organizations report that in the past the cost in the past the cost of implementation has been extremely high, while 63% are currently facing the challenge of the high cost of implementation.

## Roadblocks Experienced/Experiencing When Implementing Technologies Within Treasury Department

(Percent of Organizations)



Other includes:

- Lack of compatible/updatable ERP system
- Bandwidth to research and take on new projects; difficult to get unbiased insight
- Other restructuring priorities within the organization
- Unique/Specialized system needs, not standard processes
- Competing interests for IT resources
- Company policy does not currently allow for implementation

## WILLINGNESS TO ADOPT/WORK WITH TECHNOLOGIES

As the treasury profession evolves, adopting new technologies is not just a strategic advantage but a necessity for maintaining competitive relevance. Senior management plays a crucial role in this transition, particularly within treasury departments where technology can significantly enhance efficiency, risk management and decision-making capabilities.

Senior management faces significant pressures which may impact their willingness to adopt new technologies, but ultimately the rewards for adopting new technologies outweigh the risks of implementation. More than half (58%) of all practitioners surveyed report that senior management is very willing or willing to adopt new technologies. An additional 35% characterize their senior management as somewhat willing to adopt new technologies. Practitioners at organizations with annual revenue less than \$1 billion indicate that their senior leadership is very willing or willing to adopt new technologies by a smaller percentage (45%) compared to those practitioners at organizations with annual revenue of at least \$1 billion (64%). Fifty-eight percent of treasury professionals perceive their senior management as very willing or willing to adopt new technologies, while 55% of senior treasury professionals see themselves the same.

Senior management may be unwilling to adopt new technologies for many of the reasons noted in the table above (**Roadblocks Experienced/Experiencing When Implementing Technologies Within Treasury Department**). Expense is a major concern, including the costs of training, continued licensing and upgrades. Other roadblocks include the belief that technologies lead to a disruption of workflows, a lack of understanding or familiarity with the new technology, and general resistance to change within the organization itself.

### Senior Management's Willingness to Adopt New Technologies

(Percentage Distribution of Organizations)

	ALL	ANNUAL REVENUE LESS THAN \$1 BILLION	ANNUAL REVENUE AT LEAST \$1 BILLION	SENIOR TREASURY PROFESSIONALS	TREASURY PROFESSIONALS	STRATEGIC/OPTIMIZED
Very willing	19%	17%	19%	17%	19%	28%
Willing	39%	28%	45%	38%	39%	36%
Somewhat willing	35%	46%	30%	37%	35%	33%
Unwilling	6%	9%	5%	8%	6%	3%
Very unwilling	1%	--	1%	--	1%	--

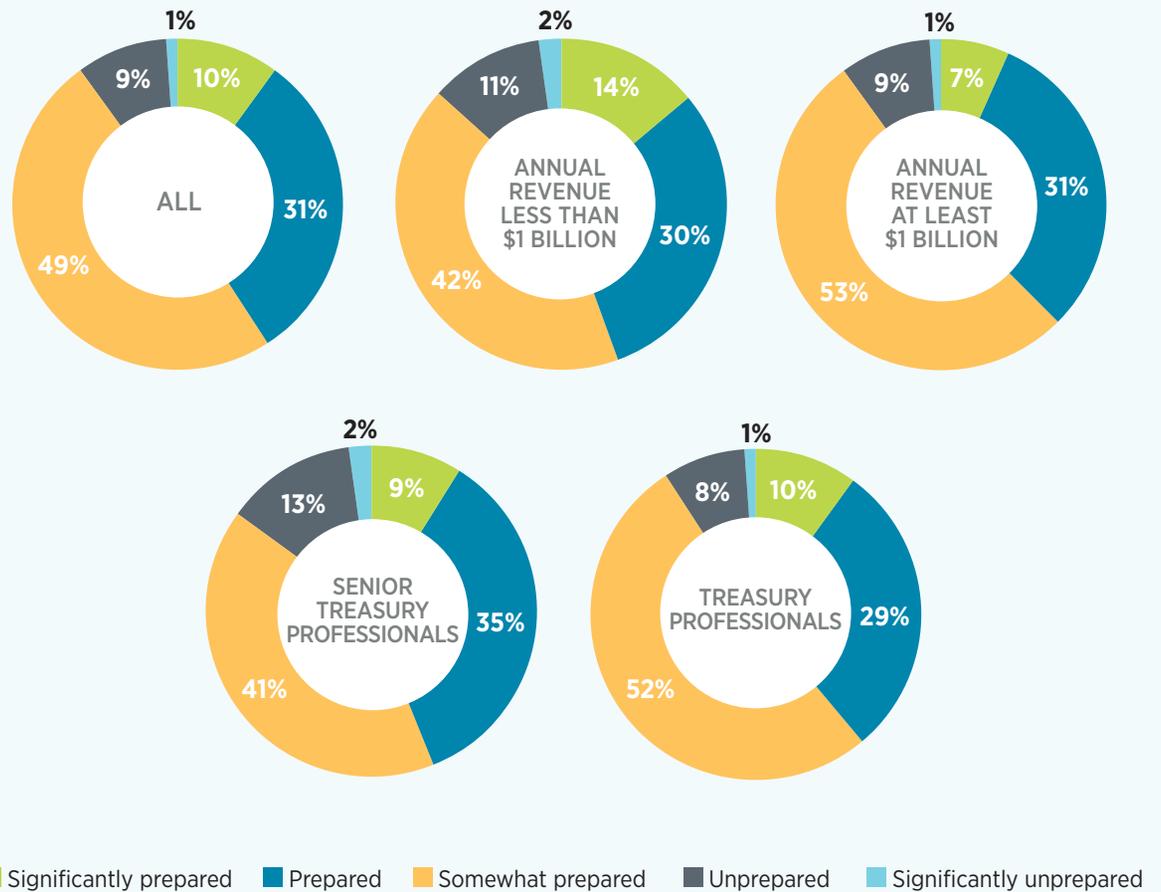
## WILLINGNESS TO ADOPT/WORK WITH TECHNOLOGIES continued

Staff preparation is key to the successful implementation of new technologies. Staff should be provided with clear goals, adequate resources and training. Overall, respondents indicate that 41% of treasury staff are either significantly prepared or prepared to work with new technologies. Fourteen percent of organizations with annual revenue less than \$1 billion have staff that are significantly prepared to work with emerging technologies; the share from larger organizations (with annual revenue of at least \$1 billion) is 7%. Smaller organizations usually have less bureaucracy and are more willing to test the use of emerging technologies. The number of treasury staff members at smaller organizations is likely fewer as well, calling for adaptability which may result in increased preparedness.

The small minority of respondents who indicate their treasury staff are unprepared or significantly unprepared to work with emerging technologies cites a number of reasons that include: their organizations have not provided adequate training resources, the technological advancement is rapid and too difficult to keep up with, and the costs to train and educate staff are extremely high.

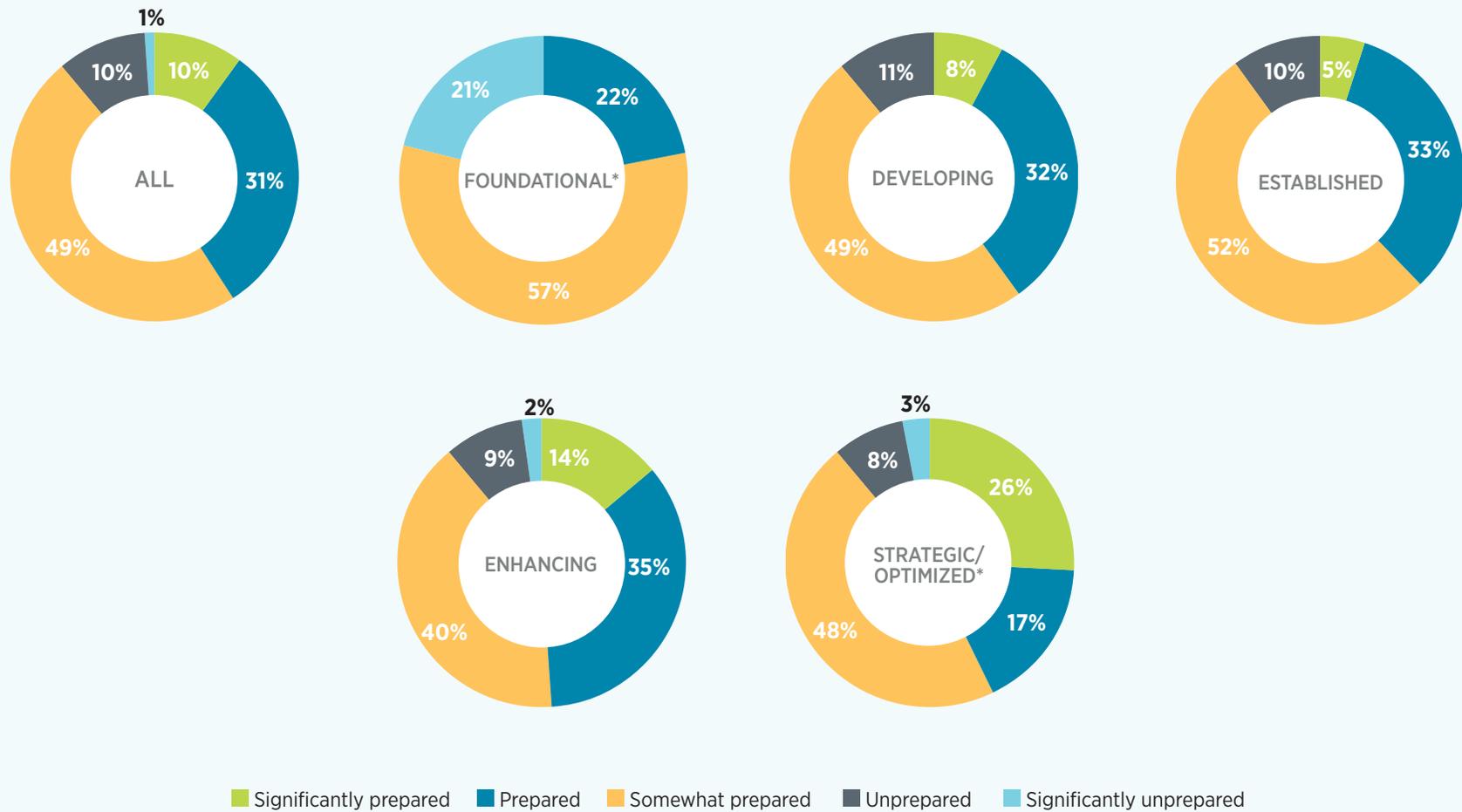
When comparing the preparedness of staff at departments at various positions on the maturity spectrum, those respondents at departments farther along on the spectrum (i.e., enhancing or strategic/optimized) report that their staff is more prepared than departments at the other end of the spectrum.

**Treasury Staffs' Preparedness to Work with Emerging Technologies**  
(Percentage Distribution of Organizations)



# WILLINGNESS TO ADOPT/WORK WITH TECHNOLOGIES continued

**Treasury Staff's Preparedness to Work with Emerging Technologies: Maturity Spectrum**  
 (Percentage Distribution of Organizations)



\*Low sample size. Interpret with caution.

## CONCLUSION

From the results of this report, it is clear that treasury has a distinct leading role in the areas of long-term borrowing, interest-rate risk management, payments strategy and execution and long-term investing. In addition, Treasury provides significant support to other departments in their organizations including business units such as Accounts Payable, FP&A, Accounting, Business Continuity Planning, Mergers and Acquisitions and ERP. Cash management and forecasting is currently one of the top priorities for treasury departments at organizations. But in their daily operations treasury practitioners face challenges when dealing with cash or liquidity forecasting, automating manual processes and improving payment processes

Treasury professionals utilize a wide variety of skills to provide leadership and support to their organizations in the face of current finance challenges. These skills help ensure that treasury practitioners remain informed, adaptable, able to mitigate risk, and capitalize on emerging opportunities. Bank relationship management is a technical skill applied most extensively. Another important skill is cash forecasting, ensuring that an organization's cash needs are met by estimating future cash needs.

Treasurers are responsible for bringing their teams together to work collaboratively, effectively and efficiently, and there are skills/competencies which are important so that treasury leadership can manage their teams effectively. Important soft skills for treasury leaders are the ability to communicate, think strategically and analytic skills. Treasurers need to focus on enhancing these skills.

On a maturity spectrum, over one-third of respondents characterize their treasury departments as established — i.e., the departments have a clear, central treasury structure and governance model/adequate staff/experienced and qualified treasury team. Another third categorizes their departments as either enhancing (internal consultant to other corporate functions and subsidiaries) or strategic/optimized — optimal centralization of activities/strategic, proactive business partner/advisor to CFO on complex business investments. Treasury leaders should aim at moving their teams along the spectrum so they are closer to being categorized as either enhancing or established.



Treasury departments are cognizant of the benefits of implementing technologies including automation, efficiency, accuracy and effectiveness. Technology can help streamline treasury processes and lessen the burden on treasury professionals. Organizations have made some progress in technology implementation. For example, data analytics has been implemented at over two-thirds of organizations, while robotic process automation is being used in some treasury departments. Although artificial intelligence is still not widely adopted, it is the technology cited as the most likely to be implemented in the next 1-2 years. There continues to be some skepticism regarding the benefits of implementing emerging technologies such as blockchain, cryptocurrency and the Internet of things; some corporate practitioners report they were unable to assess the impact of these new tools. One of the primary roadblocks to implementing technology is the lack of skilled IT staff. The costs of new technologies, in terms of both purchase and

implementation, are also significant roadblocks to implementing them. Although survey findings suggest that senior management is willing to adopt technologies, there is some hesitancy to do so because of the expense — including the costs of training, continued licensing and upgrades — which is a major concern.

Treasury plays a critical role in ensuring the financial health and operational efficiency of an organization. To perform the necessary functions, senior treasury professionals need to focus on the importance of technology, personnel management and treasury policies. Treasury departments face significant challenges in the form of economic volatility, complex global markets and regulatory changes. By embracing change, adopting and implementing technological innovations, bringing strong teams together and tackling challenges through skill growth, treasury can fulfill its goal of being a strategic partner in driving an organization's success.



# DEMOGRAPHICS

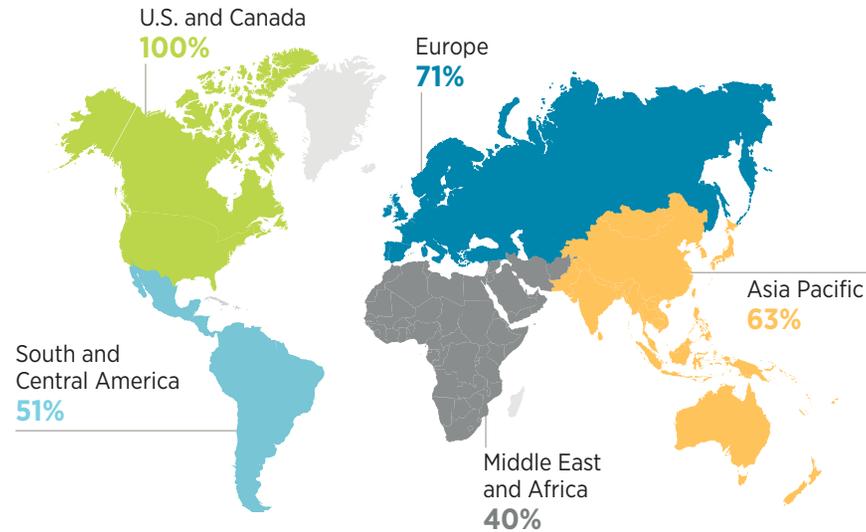
# ABOUT SURVEY RESPONDENTS

The Research Department of the Association for Financial Professionals® (AFP) conducted the 2025 AFP® Treasury Benchmarking Survey Report in September and October of 2024. The survey was sent to AFP members and prospects who are treasury practitioners, including those with titles of Cash Manager, Treasury Analyst, Senior Treasury Analyst, Treasury Manager, Director of Treasury, Treasurer, and Vice President Treasury Operations/ Treasury services, etc. The report garnered responses from 523 treasury practitioners, 65% of whom completed the survey in its entirety. The following tables summarize the characteristics of survey respondents where organization-level demographics were provided.

AFP thanks Wells Fargo for underwriting this report.

## Global Presence

(Percent of Organizations Operating in More than One Region/Globally)



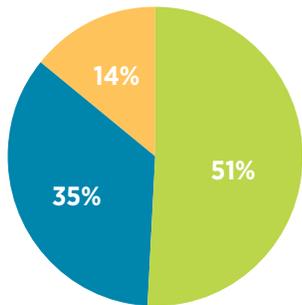
## Industry Classification

(Percentage Distribution of Organizations)

Agricultural, Forestry, Fishing & Hunting	2%
Administrative Support/ Business services/Consulting	2%
Banking/Financial services	8%
Construction	3%
E-Commerce	1%
Education (K-12, public or private institution)	2%
University or other Higher Education	2%
Energy	6%
Government	4%
Health Care and Social Assistance	10%
Hospitality/Travel/ Food Services	1%
Insurance	5%
Manufacturing	19%
Mining	1%
Non-profit	4%
Petroleum	2%
Professional/Scientific/ Technical Services	2%
Real estate/Rental/Leasing	6%
Retail Trade	6%
Wholesale Distribution	2%
Software/Technology	6%
Telecommunications/Media	2%
Transportation and Warehousing	3%
Utilities	3%

## Scope of Operations

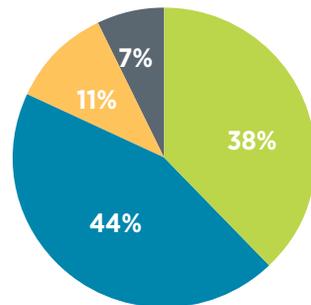
(Percentage Distribution of Organizations)



- Business operates globally (across multiple regions)
- Business operates within a single country
- Business primarily operates within one geographic region

## Organization's Ownership Type

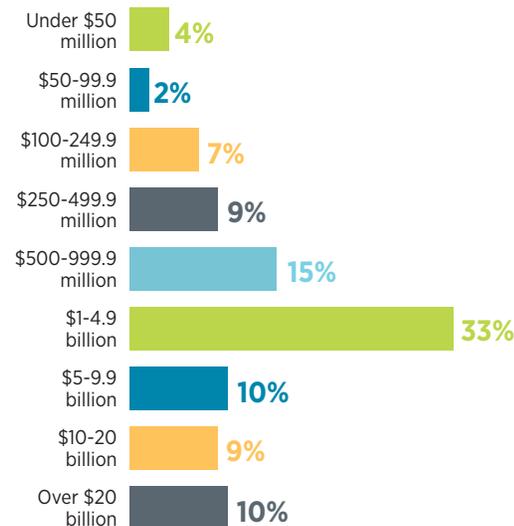
(Percentage Distribution of Organizations)



- Publicly owned
- Privately held (not PE owned)
- Non-profit (not-for-profit)
- Government

## Annual Revenue (USD)

(Percentage Distribution of Organizations)





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**2025 AFP® Treasury Benchmarking Report**

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