



WHITEPAPER

Treasury Priorities and Opportunities: **A Look Ahead to 2022**

2022 SURVEY REPORT

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About this Resource

For over a decade, TIS has spearheaded a variety of global treasury and finance surveys and market research initiatives across numerous industries. Ultimately, this data and research helps us understand how new payment trends and technologies are impacting global companies, and enables us to provide educational resources for treasury groups as they navigate today's complex payments, cash management, and financial technology landscape. This survey, completed during Q4 2021 – Q1 2022, sought to understand the perspectives and priorities of enterprise financial groups during the 2022 fiscal year.

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INTRODUCTION

In Q4 of 2021, Treasury Webinars and Treasury Intelligence Solutions collaborated on a nationwide (U.S) treasury survey entitled: *Treasury Priorities and Opportunities – A Look Ahead to 2022*. The objective of this survey was to benchmark departmental expectations for Treasury and analyze the scope of resources that treasury leaders will have to deliver on their expectations in 2022 and beyond.

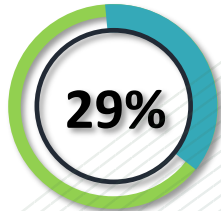
This cross-industry survey was launched in December of 2021 and focused on companies headquartered in the United States of America. We surveyed 273 participants with roles including Treasury Analyst, Treasury Manager, Assistant Treasurer, Finance Manager, VP of Finance, and CFO. The primary industries represented in the survey were Healthcare, Technology, Manufacturing, Construction, and Education.

This whitepaper is based on the key results and benchmarks uncovered through the survey, and the insights contained herein are intended to help treasury leaders effectively lobby for the technology and personnel resources they need in order to deliver on expectations. This survey's benchmarks and related insights will help empower companies to maximize the impact that their treasury departments have on the bottom line.

SURVEY OVERVIEW & DEMOGRAPHICS



~275 RESPONSES
FROM A VARIETY OF
FINANCIAL PRACTITIONERS



29%
OF RESPONSES FROM
FINANCIAL EXECUTIVES



COMPANY SIZES
SMALL (<100), MID-SIZE
(100-1000), LARGE (>1000)



NORTH AMERICA
ALL RESPONDENTS FROM
THE UNITED STATES

8% 8%



HEALTHCARE & TECH
TWO TOP INDUSTRIES



RESPONDENT ROLES
TREASURY, ACCOUNTING,
FINANCE, EXECUTIVE

ENTERPRISE PERSPECTIVES ON THE TREASURY FUNCTION

Before we begin evaluating treasury’s core priorities and opportunities in 2022, it is first helpful to review what transpired for most U.S. treasury teams during 2021.

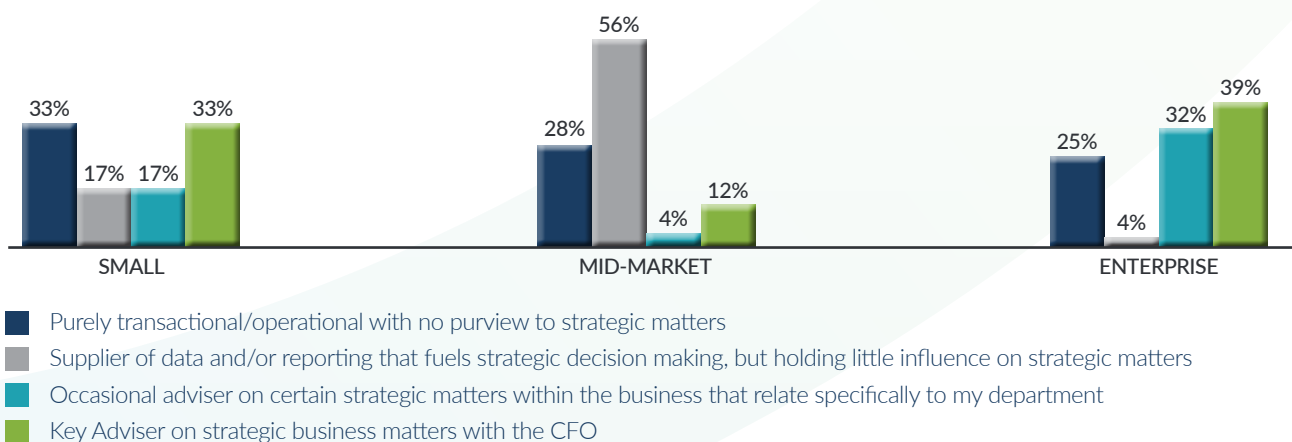
Not surprisingly, COVID has continued to put treasury teams squarely into the spotlight for CFOs. As a whole, managing cash, liquidity, payments, and risk has become even more critical, and it is encouraging to see that 28% of CFOs leverage treasury as a key advisor on strategic business matters and another twenty-six percent (26%) look to treasury to supply data and/or reporting that fuels strategic decision making. However, over one fourth (26%) of CFOs at the companies surveyed still view treasury as strictly a back-office function.

1: Perspectives on the Treasury Department’s Role



Further analysis was conducted to evaluate how a CFO’s view of the treasury function shifted according to company size. The results are illustrated below in Figure 2. Within the context of this whitepaper, companies with <100 employees are classified as “small”, companies with 100 - 1,000 employees are “mid-market”, and companies with >1,000 employees are classified as “enterprise”.

2: Perspectives on the Treasury Department’s Role -By Company Size

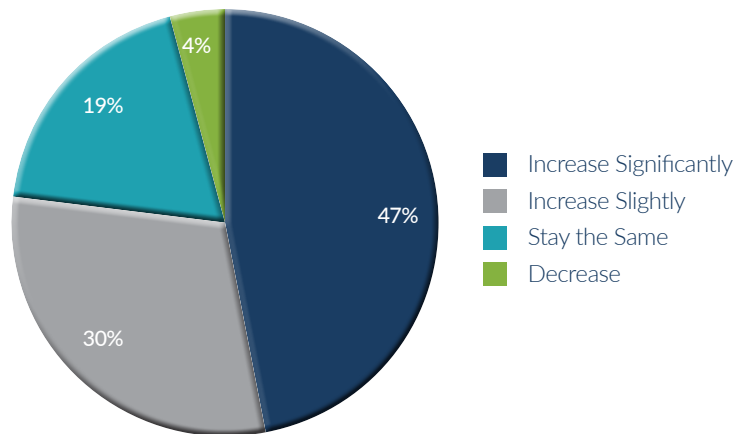


ENTERPRISE PERSPECTIVES ON THE TREASURY FUNCTION (CONTINUED)

As shown on the previous page, the role of treasury at mid-market companies was significantly differentiated from teams at small and enterprise-sized companies. For example, only 12% of mid-market CFOs viewed treasury as a strategic partner, compared to 33% and 39% of small and enterprise CFOs. Elsewhere, 56% of mid-market companies indicated that treasury plays a primary role in data and operations, but holds little influence on strategy. This contrasts sharply with the 17% of small and 4% of enterprise respondents who shared this perspective.

Despite some leaders still viewing treasury as holding little strategic value, there is no denying that treasury teams continue to play a greater role, collectively, within their respective companies. This assertion was supported by our survey results, as shown below, that highlights how departments will have much more responsibility in 2022. In fact, almost half (47%) of companies surveyed report that the responsibilities of their treasury teams will increase significantly in 2022, while another 30% of treasury teams will have a slight increase in responsibilities.

3: Treasury's Responsibilities in 2022 vs. 2021



Clearly, treasury teams are seeing a greater workload in 2022. However, the important question is whether this increase in responsibility results in a more strategic influence. For the majority of companies surveyed (60%), the answer is yes. In looking at the strategic role of treasury in 2022 by company size, the strategic role of treasury in 2022 is expected to grow for 60% and 61% of mid-market and enterprise companies, respectively.

KEY SURVEY TAKEAWAY

Heading into 2022, 77% of treasury teams expect their responsibilities to increase or slightly increase.

ENTERPRISE PERSPECTIVES ON THE TREASURY FUNCTION (CONTINUED)

To help assess the ability of treasury groups to deliver on these increased expectations, survey respondents were asked to identify the most important skillsets for their treasury team to sharpen and hone in 2022. The three skills that were most prioritized included cash management (49%), business partnering (44%), and data analytics (37%). These results are somewhat surprising in that many areas that have proven problematic for treasury groups did not seem to be a major concern to respondents. This included skills related to the use of emerging technologies (21%), as well as oral communication (12%).

To look deeper into these results, an analysis of the data was done relative to company size. The results are summarized in Figure 4 below. As shown, data analytics will be most important to treasury teams at enterprise-sized companies, while cash management is king at small and Mid-Market companies.

4: Most Important Treasury Skills to Upgrade in 2022-By Company Size

SMALL	MID-MARKET	ENTERPRISE
Cash Management	Cash Management	Data Analytics
Business Partnering	Business Partnering	Cash Management
Data Management	Data Management	Business Partnering
Proficiency related to emerging technologies	AP Automation Solutions	Data Management
Data Analytics	Spreadsheet Software	Proficiency related to emerging technologies

As a final follow-up, survey respondents were asked to identify the top hurdle their department would face as they work to meet departmental goals over the next 12-24 months. The results showed that budget constraints (33%) and a lack of IT resources (28%) were most frequently identified as the top obstacle. Only 23% of respondents identified the availability of finance/treasury staffing resources as a major hurdle. This indicates over 75% of companies believe that they have or will have the team/talent in place over the next two years to deliver on increasing expectations, and are more concerned with the technology aspect of their situation.

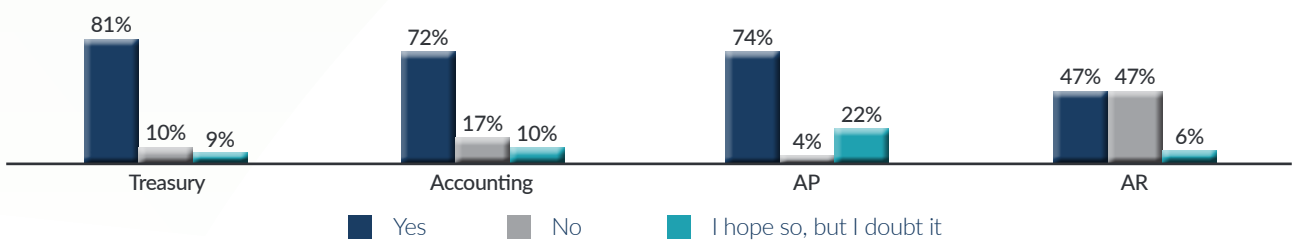
KEY SURVEY TAKEAWAY

Across the board, treasury teams are prioritizing the development of three core skillsets: Cash Management, Business Partnerships, and Data Analytics.

RESOURCES AVAILABLE TO MEET EXPECTATIONS

As we’ve already seen, treasury teams are expecting more responsibilities in 2022 and have the opportunity to play a more strategic role as well. But, will they have the internal resources necessary to deliver on these expectations? The right technology fuels best practices, and treasury’s success is impacted by numerous other financial groups and departments as well, so survey respondents were asked if the technology relative to their department was expected to be upgraded in 2022. As shown below, an analysis of technology adoption by department clearly indicates that technology will be upgraded for virtually every financial group internally. If implemented successfully, these upgrades will give all financial employees, including treasury, added automation and time-savings.

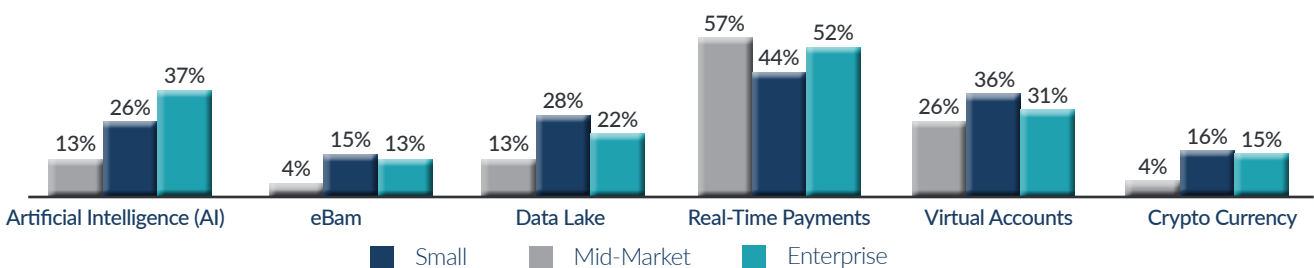
5: Company Expects to Upgrade Technology- By Department



Looking now at the specific types of technology that treasury groups plan on using in 2022, the results shown below highlight that, for the most part, technology adoption trends are fairly similar across all company sizes. Overall, real-time payments were clearly a top priority for most companies. The use of virtual accounts and artificial intelligence (AI) solutions was also high, particularly among mid-sized and enterprise companies.

Another interesting insight is that the treasury groups at smaller companies appear to leverage less technology relative to their mid-sized and enterprise peers. This is true in virtually every category of technology, except for real-time payments. However, given that smaller companies will likely have simpler organizational structures and less complex technology needs, these results are generally warranted.

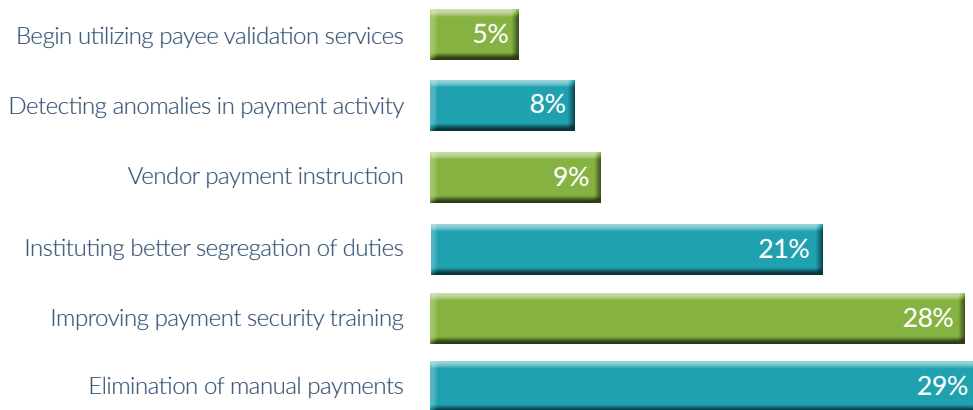
6: Technologies in Place or Coming in 2022- By Company Size



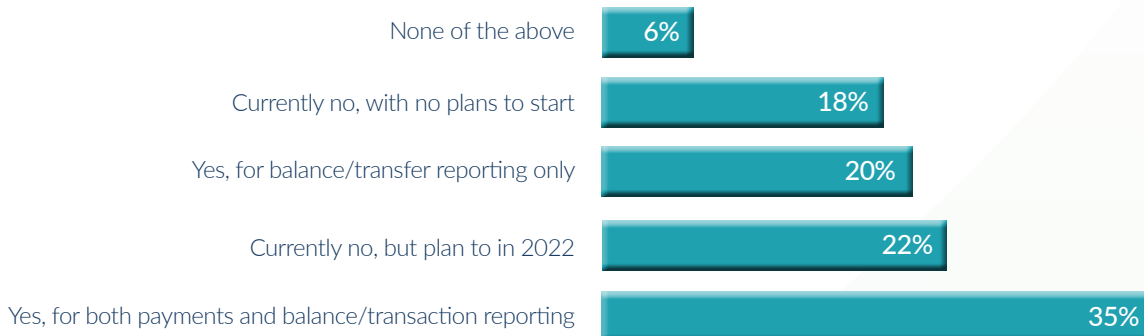
RESOURCES AVAILABLE TO MEET EXPECTATIONS (CONTINUED)

It is not surprising that the adoption of emerging tools and technologies is expected to be less at small companies relative to mid-market and enterprise companies. However, it is noteworthy that the adoption of real-time payments is expected to be higher by small companies relative to mid-market and enterprise companies. It is also interesting that the adoption rate of cryptocurrency is expected to be over 15% at mid-market and enterprise companies. Although treasury groups have historically taken a risk-averse stance relative to advances in blockchain, AI, and cryptocurrency, this data shows that organizations are gradually warming up to such innovations.

7. Biggest Risk Mitigation Focus for Payments in 2022



8. Using API's to Communicate with Banks



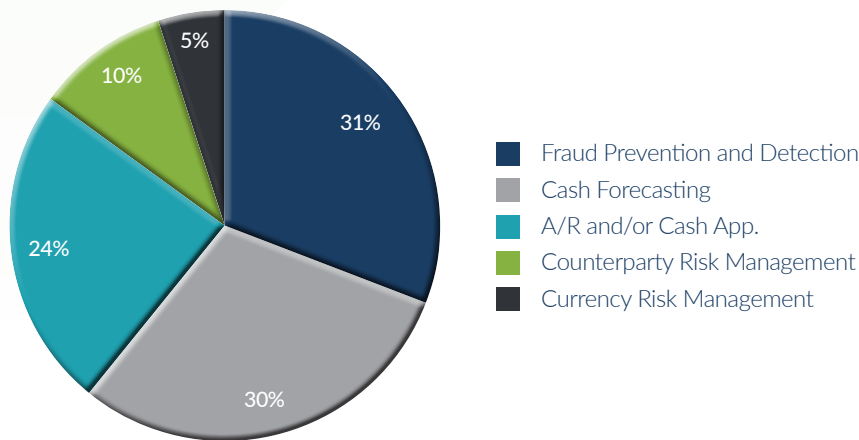
In-line with what we would expect given the high usage of real-time payments, the elimination of manual transaction workflows is the single largest priority for companies in terms of mitigating existing payment risks (Figure 7). This is in combination with improved security training as treasury groups strive to keep personnel abreast of new fraudulent threats and scams. It is also worth noting that bank APIs, which were initially difficult to adopt for corporates with dozens of banks and accounts, are now being used by nearly 3/4ths of all respondents (Figure 8).

At this point in time, it's clear that the use of real-time payments and the associated APIs and technology is becoming less "novel" and more of a standard practice. For organizations that have yet to adopt these practices for their own, the next few years will be critical for maintaining the status quo as the industry normalizes these standards and turns to even newer innovations, such as blockchain and AI.

RESOURCES AVAILABLE TO MEET EXPECTATIONS (CONTINUED)

Turning now to AI, there is no debate that the growing number of use cases have generated quite a buzz in the past 3-5 years. In-line with rising adoption numbers, survey respondents were asked to share what they viewed as the biggest area of opportunity for AI in the arena of financial technology (FinTech). The results of this analysis are depicted below. As shown, it is clear that companies are looking for AI to primarily help mitigate fraud and security risks, and also provide enhanced forecasting and liquidity capabilities.

9: Biggest Opportunity for Artificial Intelligence (AI) to Improve FinTech



These results are even more compelling, given that at least 30% of survey respondents expected to be leveraging AI by the end of 2022.

Overall, many companies will invest in upgrading and/or getting more value from their treasury technology systems and platforms. But what are the desired impacts of these technology investments generally? As shown below, survey respondents are looking for technology to deliver a variety of impacts, the top three of which are:

- Better visibility into key data to improve decision-making (23%)
- Improving the security and control of financial processes (22%)
- Automate manual processes (17%)

10: Desired Impacts of Technology in 2022



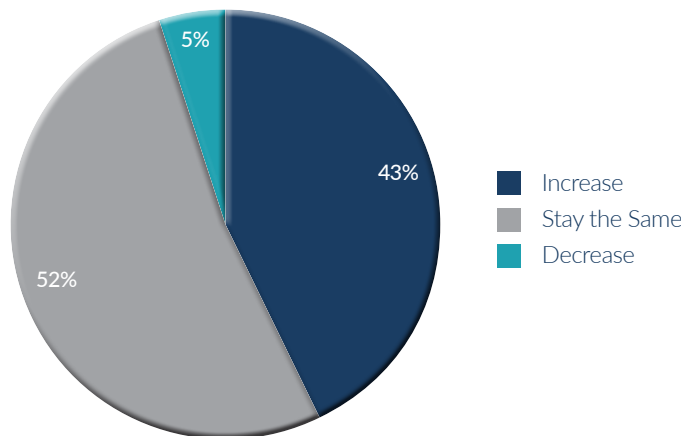
RESOURCES AVAILABLE TO MEET EXPECTATIONS (CONTINUED)

In addition to technology, treasury’s success at any company depends on the quality of people who reside within the function. The continuous growth and culmination of treasury personnel’s skillsets is also important, especially in environments where technology and workflow innovation is happening constantly. To address the need for new skills and quality of personnel within a treasury team, companies can either invest in upgrading the knowledge base of existing team members, invest in new employees altogether, or both.

Looking specifically at employee education (professional development, over forty percent (43% of survey respondents indicated that opportunities for improving the skillsets of their current team would be increasing in 2022.

The results depicted in Figure 11 are very encouraging, and inspired an analysis of these results relative to specific financial departments. These breakouts by company size are summarized on the next page below. As shown, nearly half (43%) of companies expect to increase the professional development opportunities for treasury professionals in 2022, with similar increases for other related departments as well.

11: Professional Development (Training) Opportunities- 2022 vs. 2021



KEY SURVEY TAKEAWAY

In 2022, Nearly 9x more treasury professionals indicate increased opportunities for professional development and training.

RESOURCES AVAILABLE TO MEET EXPECTATIONS (CONTINUED)

According to recent research (Defining Treasury Success: Metrics, Confusion, Opportunity, Treasury Webinars (2021)), the types of professional development opportunities for treasury professionals include participation on stretch assignments, reimbursement for treasury-related conferences, formal training offered in-house, reimbursement for gaining treasury-related certifications, and reimbursement for treasury-related external or university work.

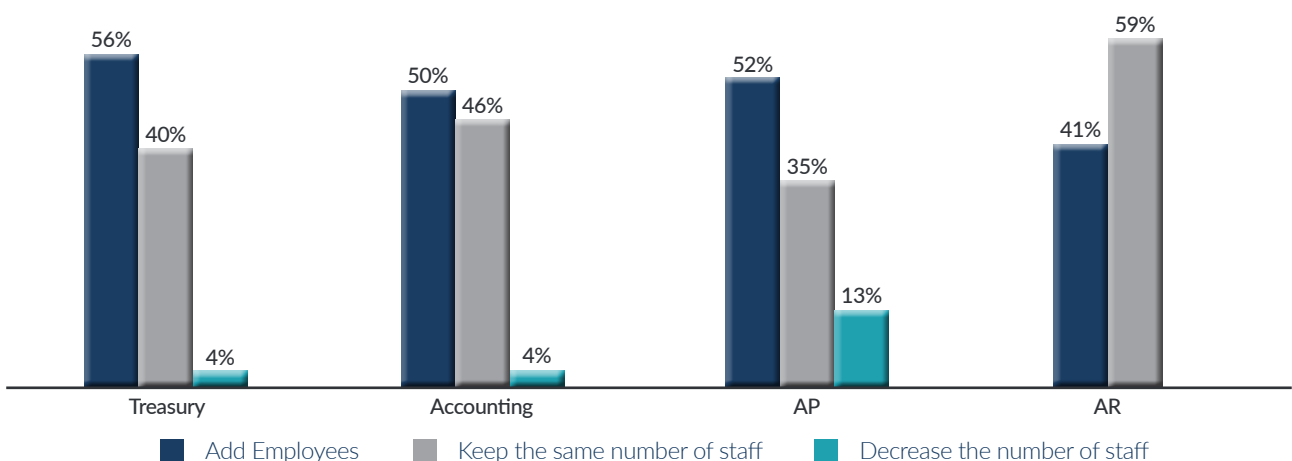
These survey results suggest that companies will be investing in the skills of existing treasury team members in addition to other departments that impact treasury’s success, including AP and AR.

12: Professional Development (Training) Opportunities 2022 vs 2021- By Department



However, new staff hires are expected to continue in full-swing alongside the development of existing staff. In fact, hiring across the full scope of corporate finance will be on the rise in 2022. As shown below, at least 50% of companies surveyed are expecting to add staff to treasury, accounting, and AP groups in 2022. This bodes well for treasury in dealing with their added expectations and responsibilities, as companies are clearly expected to invest in both the technology and people necessary to help support these added roles.

13: Staffing Priorities in 2022 vs. 2021



KEY THEMES & IMPLICATIONS

Having just reviewed the primary findings from our 2022 survey, the below summary offers a complete synopsis of the core takeaways and action items.

1. The expectations of treasury departments are on the rise in 2022.

- Seventy-seven percent (77%) of survey respondents indicated that treasury's responsibilities are expected to increase significantly (47%) or increase slightly (30%).
- 60% of companies surveyed report that the strategic role of treasury is expected to increase in 2022.

2. Companies will invest in technology to help empower Treasury's success in 2022.

- Seventy-four percent (74%) of survey respondents indicate that the technology relative to their department will be upgraded in 2022.
- Companies expect to upgrade technology across the office of the CFO in 2022: Treasury (81%), Accounting (72%), AP (74%), AR (47%)

3. Companies realize that emerging technology and tools are critical to delivering treasury success in today's world.

- Emerging technologies/tools that survey respondents expect to have in place by the end of 2022 include AI (30%), real-time payments (48%), data lakes (23%), cryptocurrency (14%), and virtual accounts (33%)

4. Companies will look to AI to help mitigate fraud / security risks and drive liquidity efficiency.

- Thirty percent (30%) of survey respondents indicate that they will be leveraging AI by the end of 2022.
- Areas where companies surveyed believe AI can impact financial technology to deliver value include cash forecasting (31%), fraud prevention/detection (30%), counterparty risk management (10%), AR and/or cash application (24%).

5. Companies will invest in acquiring new personnel and enhancing the skillsets of existing staff across nearly all financial departments in 2022, which will ultimately help empower treasury teams to meet increasing responsibilities and expectations.

- Forty-three percent (43%) of survey respondents indicated that the professional development opportunities for their team would be increasing in 2022.
- At least half of all companies surveyed are expecting to add staff to their treasury (56%), accounting (50%), and AP (52%) teams in 2022.

Learn More With TIS

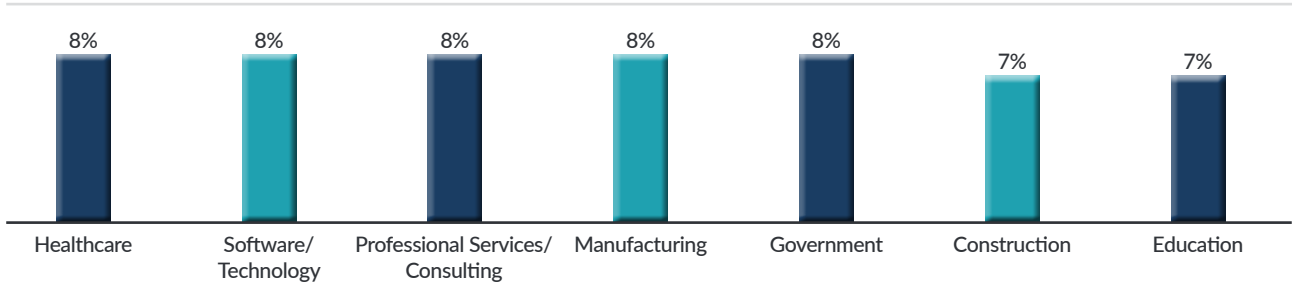
As treasury professionals review these findings, it is clear that they can collectively expect to take on more responsibilities in their respective companies and increasingly rely on a multifaceted suite of personnel and technology solutions to manage their operations. For help or guidance on meeting these new demands and for best practice insights on incorporating new payments, liquidity, banking, and treasury technology, we encourage you to reach out to TIS to see how our cloud-based platform can help you streamline your global operations.

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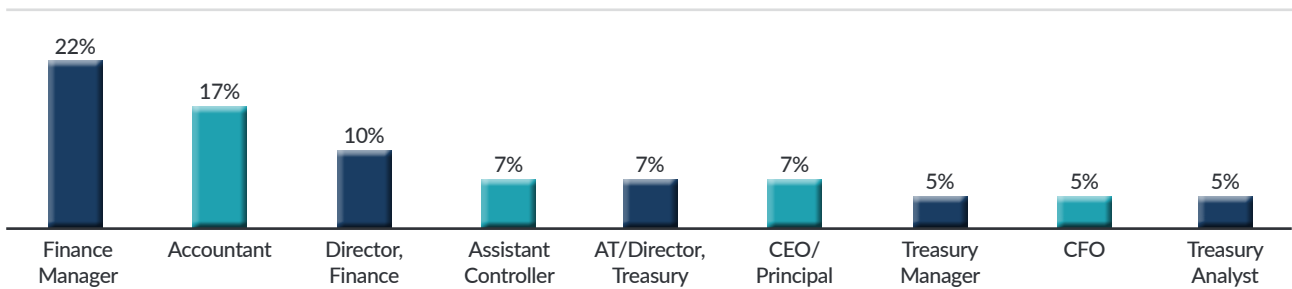
SURVEY DEMOGRAPHICS

The Treasury Priorities and Opportunities- A Look Ahead to 2022 survey included 273 valid participants from industries including Healthcare, Software/Technology, Manufacturing, Construction, and Education. (Figure 14).

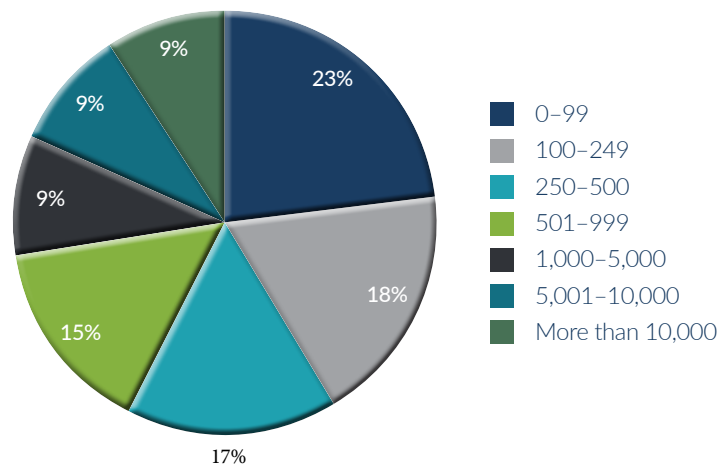
14. Industries Represented



15. Respondent Roles



16. Enterprise Number of Employees



LEARN MORE ABOUT TIS

TIS is reimagining the world of enterprise payments through a cloud-based platform uniquely designed to help global organizations optimize outbound payments

Corporations, banks and business vendors leverage TIS to transform how they connect global accounts, collaborate on payment processes, execute outbound payments, analyze cash flow and compliance data, and improve critical outbound payment functions.

The TIS corporate payments technology platform helps businesses improve operational efficiency, lower risk, manage liquidity, gain strategic advantage — and ultimately achieve enterprise payment optimization.

Reimagine the world of Enterprise Payments with TIS.

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