

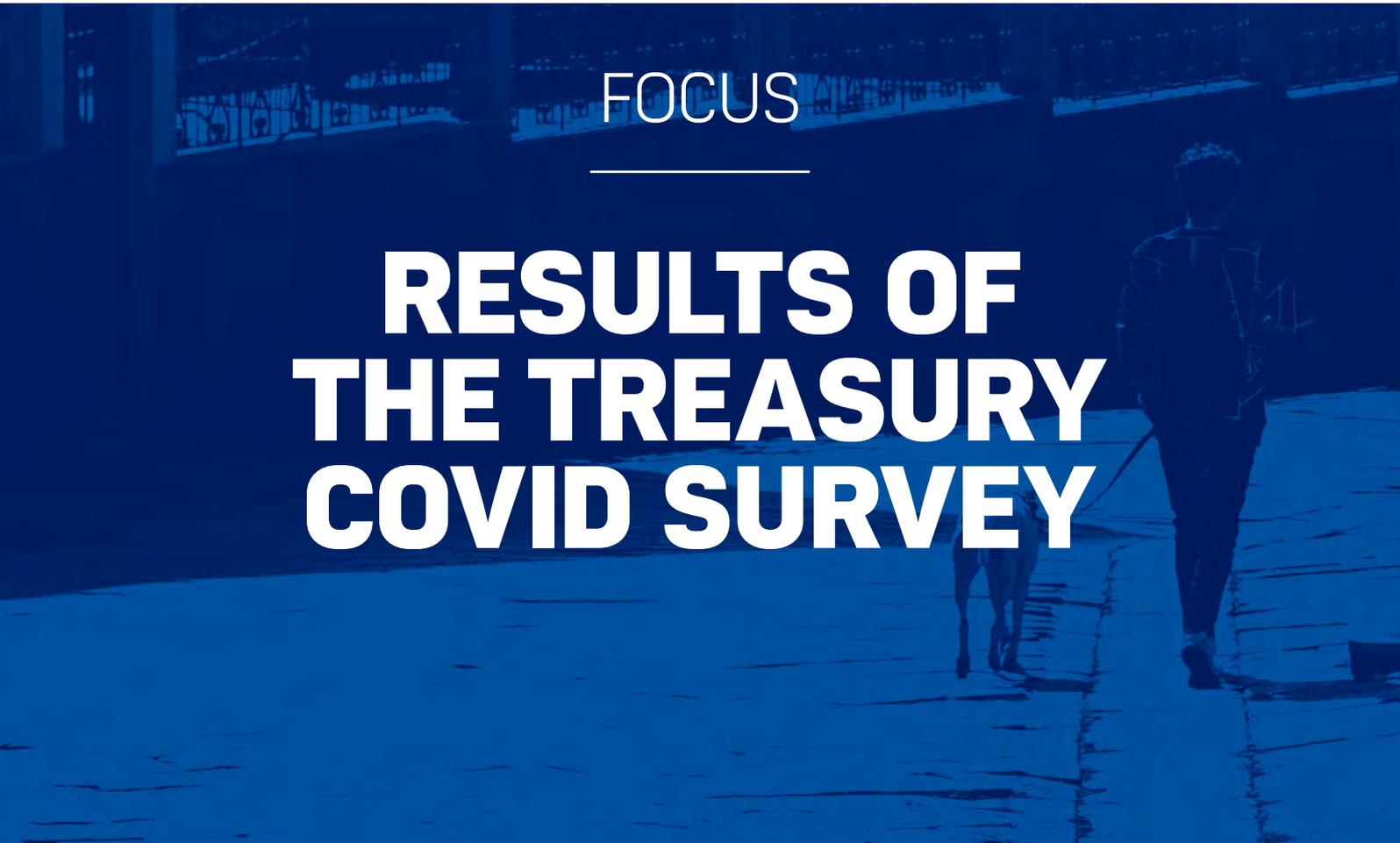


Simply Treasury

WHITE PAPER

FOCUS

**RESULTS OF
THE TREASURY
COVID SURVEY**



IN SHORT

WHAT THE COVID-CRISIS MEANT FOR TREASURERS

1/2



Treasurer highly impacted



55%

Considered they aren't far enough on digitalization path

Only 37% faced liquidity problem



Covid crisis = opportunity for treasurer



(Source: NeuGroup 2018 survey)

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INTRODUCTION



In this survey, SimplyTREASURY has tried to determine the COVID-19 first impacts, if any and to identify major issues and consequences already faced.

As we can easily understand, treasury departments were highly impacted during the crisis at 47%. A tenth claimed not being impacted at all.

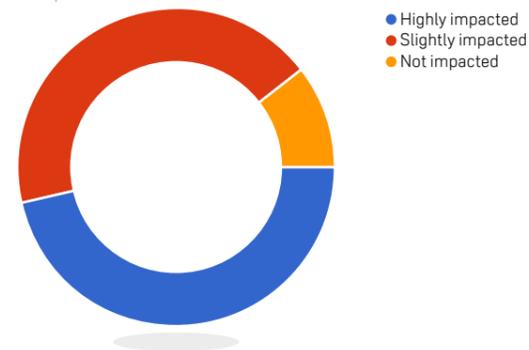
It also appears that many treasurers and teams have worked from home easily and have not faced major problems in working remotely. However, it seems that some better organized teams had BCP's in place, tested on a regular basis and for them it was even easier to develop another form of treasury organization. Nevertheless, some treasurers admitted that it siloes the organization of the team and requires additional efforts from the heads of to keep the whole team informed and on the same page. The physical meeting absence and team spirit must be compensated by an efficient communication channel among team members.

GENERAL IMPACT OF HEALTH CRISIS

ON TREASURY ACTIVITIES

How is your department impacted during the health crisis?

58 réponses



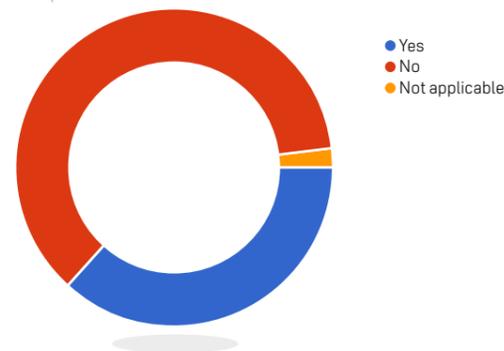
LIQUIDITY ISSUE

Only a third of respondents faced liquidity problems. We can imagine that the other two thirds were backed by solid committed credit facilities or excess cash with enough head-room for facing next months of potentially stopped or reduced activities. However, we understand that after two months (at least) of business activities stopped or slowed down, liquidity could become an issue in coming months, depending on how and when the recovery will take place.

And when it was an issue, one third decided to draw down its committed credit facilities when another third started negotiating additional credit facilities.

Are you facing liquidity problems?

57 réponses

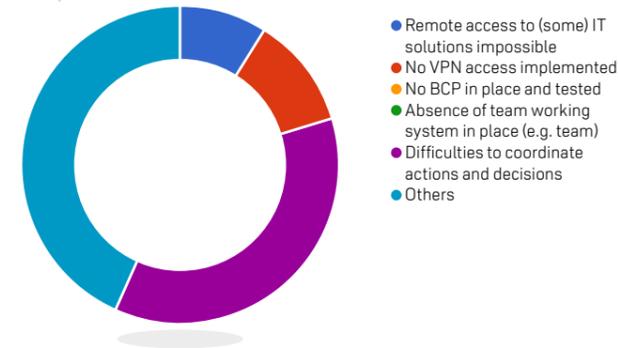


HOMEWORKING

Home working worked in general well despite some difficulties in coordinating the actions and work for managers and heads of. At the beginnings group treasurers also faced some logistical issues (which were corrected after couple of days or weeks) and a minimum of problems with IT solutions, for which ones no remote access was possible/organized.

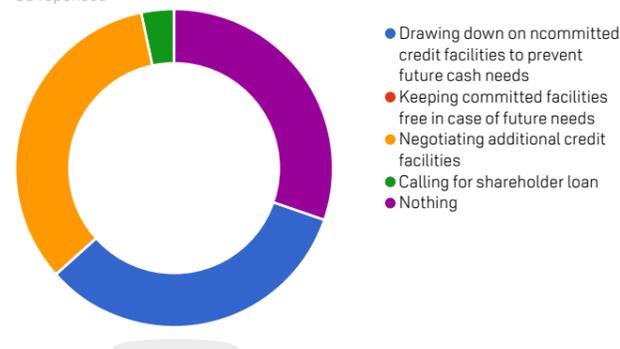
Have you encountered difficulties in your treasury home working and team organization so far?

44 réponses



If YES at question 2 please specify what you have done?

33 réponses

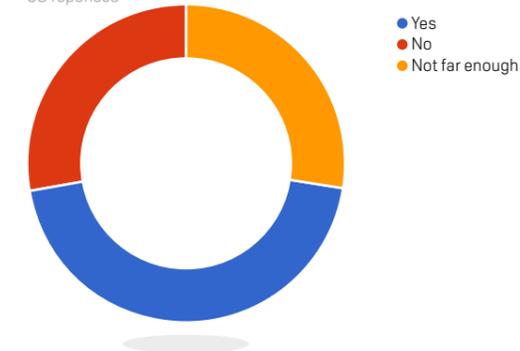


NEW ORGANIZATION AND DIGITIZATION

There are 54% of treasurers who believe they are not enough digitized or not far enough in their digital transformation journey. It is encouraging although some treasurers have not realized how farther they could move too. The digitization is a long process and it depends on the horizon of the respondents. Some seem to be satisfied where even large MNC's have expressed their view to move faster and farther soon and to re-organize their structure. This treasury transformation should be part of the whole needed finance modernization. Two thirds are convinced their organization will have to change post-crisis.

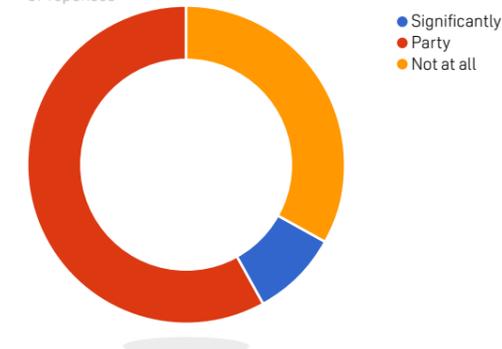
Do you think you are far enough in your treasury digitization process?

58 réponses



After this COVID-19 crisis will your treasury organization / management change?

57 réponses

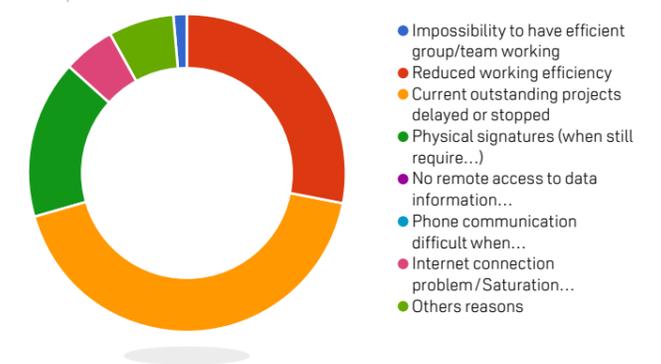


PAIN POINTS

During the COVID lockdown, the main pain points identified are current outstanding projects delayed, reduced working efficiency, physical signature (astonishing but true) and internet connection problems.

What is the most difficult thing during this containment period from a treasury perspective?

56 réponses



FINAL COMMENTS

In conclusion, the reporting requirements have changed, and treasurers had to adapt quickly. However, IT systems were unfortunately not flexible enough and information sometimes was not well structured, leading to a lot of efforts and time to design and combine multiple data in XL spreadsheets. For the projects, most of them have been "frozen", but treasurers expect that this is temporary. They expect to quickly start again and really transform their organization. They also faced pressure to perform "manual" reports due to the insufficient automation level (e.g. stress testing, sensitivity analysis, etc..) and higher than usual need for visibility on available cash. Treasurers want to negotiate more committed facilities going forward to prevent such difficult times and crises. Many treasurers saw an opportunity to elevate treasury department and get more recognition from CFO's. It is a fantastic opportunity for treasurers to reposition themselves upper and more adequately within the finance department. As after every crisis, they may better position their key roles and use of treasury for a more resilient company.

YOUR TREASURY THOUGHT LEADER



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