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TREASURY PERSPECTIVES

Survey Report



» SUMMARY REPORT «

ECONOMIC & GEOPOLITICAL OUTLOOK

TREASURY OPERATIONS

CREDIT ACCESS & DEBT

REGULATIONS & COMPLIANCE

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TREASURY PERSPECTIVES SURVEY QUICK STATS

6th
Year of Research



~350
respondents

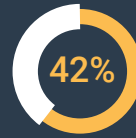


100+
questions



9-week
survey
runtime

Top Respondent Roles



Treasury Manager /
Cash Manager /
Treasury Analyst



Assistant Treasurer /
Director of Treasury

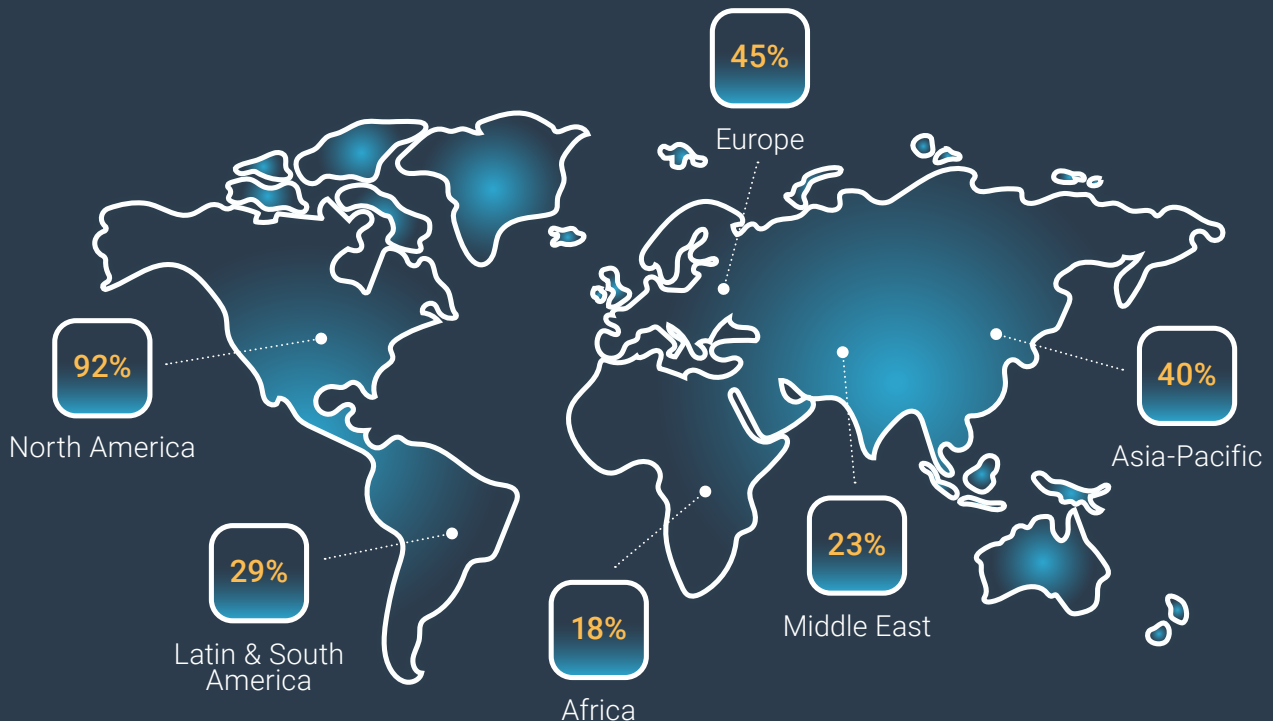


CEO / CFO /
Treasurer



Other

Respondent Regions of Operations



Executive Summary



ADRIENNE TERPAK

VP, Corporate Products,
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MICHAEL GORDON

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CRAIG JEFFERY

Founder & Managing Partner
Strategic Treasurer

For many years now, Strategic Treasurer and TD Bank's Treasury Perspectives Survey has sought out the viewpoints of both bank and corporate respondents across multiple domains, including technology use, economic outlook, relationship management, credit access, and regulation. Finance and treasury continue to adapt to the situation that surrounds them and are actively making the changes and progress needed to serve their organizations, protect their cash, manage their risks, and provide liquidity in the short and long terms.

Nearly 350 professionals took this question-heavy survey, offering their insights on vitally important and critically interesting topics. As we sifted through this year's data, we identified several key storylines that summarize the findings from the study. On the whole, we see a rapid increase in security concerns and a continued focus on improving cash forecasting.

While the full key findings are found on the following pages, here is a summary of a few of the key points:

- » **Payment Security & Control Priority:** 26-point jump over last year
- » **API Adoption:** Rose from 17% in 2019 to 45% this year
- » **Technology Excitement:** 84% of companies are now excited about new technology developments, up from 77% last year
- » **Banks Identify Top Challenges for Corporates:**
 - ▶ 77% identified risk of payments fraud
 - ▶ 73% flagged manual processes

We invite you to continue examining the results of this survey by reading through the full discussions of these and other key findings in the pages that follow.

For those who took the survey – thank you. Those who take these surveys receive a more comprehensive report as a token of appreciation for your investment of time. As always, your survey responses remain confidential. Our thanks to TD Bank for their ongoing underwriting of this research and their invaluable contribution to updating the survey questions for more timely and interesting insights each year.

Read, think, and enjoy.

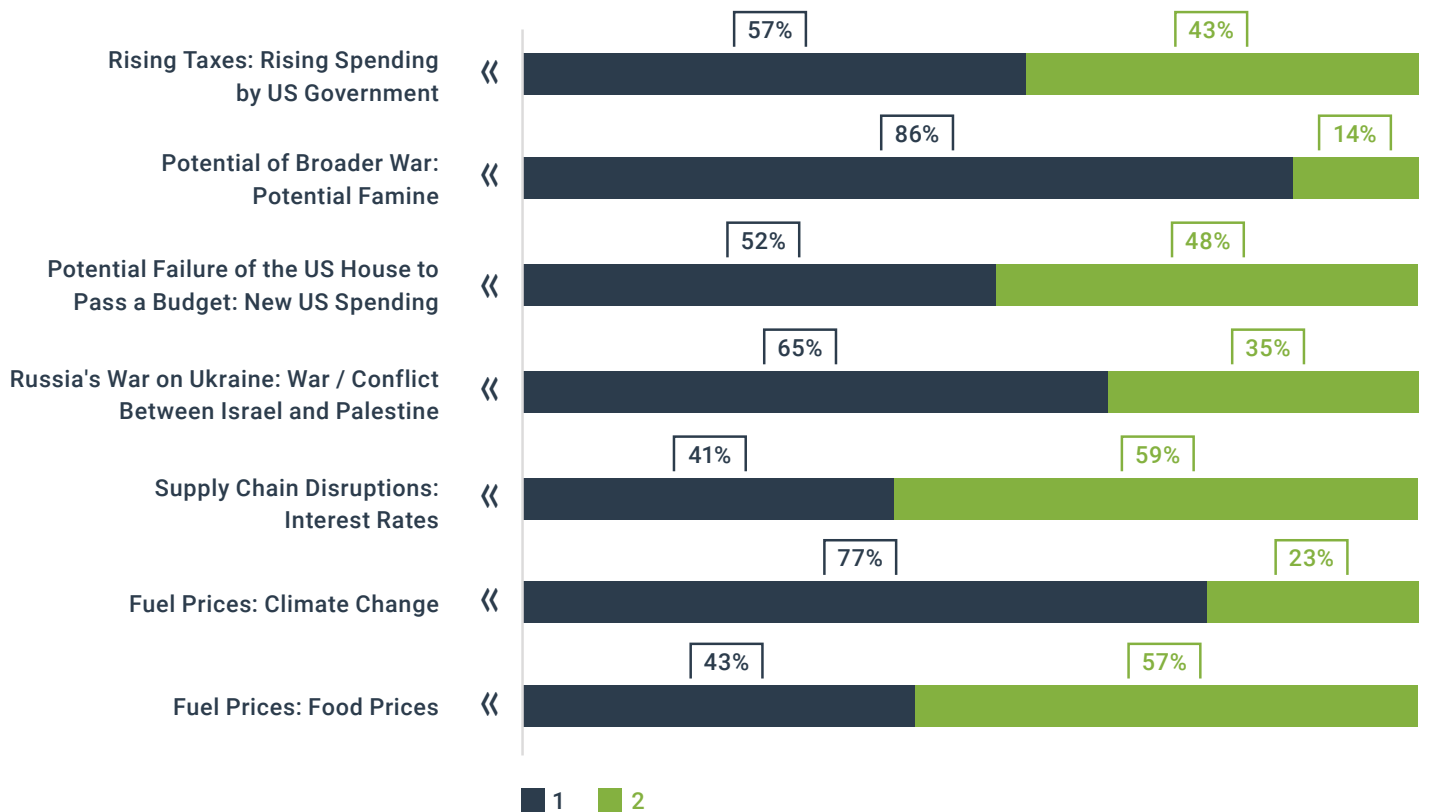
Key Finding Analysis

1. Three Most Negative Impacts on the Economy by Comparison.

Comparisons can be made across various dimensions. In this chart of comparisons, the research focused on the “negative impact on the overall economy.” Here are the most notable differences.

- » **6X.** War over Famine: 86% vs. 14%. The potential for broader war(s) is seen by a vast majority of respondents as having a more negative impact than a potential famine.
- » **3X.** Fuel Prices over Climate Change: 77% vs. 23%. Respondents are three times more likely to view fuel prices as negatively impacting the economy than climate change. For North American respondents, the ratio is even greater at 4:1.
- » **2X.** Russia’s War on Ukraine over the Israeli/Palestinian Conflict: 65% vs. 35%. A more negative impact on the economy is twice as frequently selected for the war in Ukraine compared to the conflict in the Middle East.

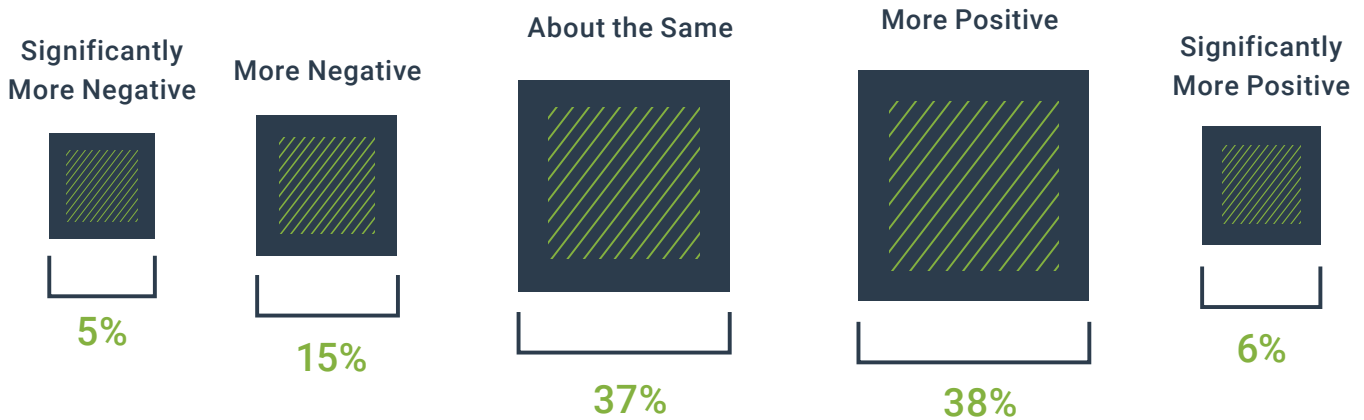
In your view, which of the following will have a more negative impact on the overall economy?



2. More Positive Outlook for Organizations.

A net of 24% of organizations stated that they have a more positive outlook than they had a year prior to the survey. This ratio is roughly the same if we stratify by size. The non-North American (or “rest of world” – ROW) outlook is notably more positive, with a net 35% noting that their outlook has improved over this timeframe.

Over the past 12 months, how has the outlook for your organization changed?



3. ESG Focus Shifts.

More companies indicate they have formally implemented ESG policies (36% in 2024 compared to 30% in 2023). This 6% increase indicates support for the ongoing shift to formality. On the other hand, when we combine those with policies in place and those that are planning to implement formal ESG policies, the percentage stays exactly the same as in the prior year (61%). This indicates that almost two out of five firms have not moved towards ESG in the past twelve months with either plans or direct actions.

Larger companies are more likely to have formal ESG policies than their smaller peers (45% vs. 24%).

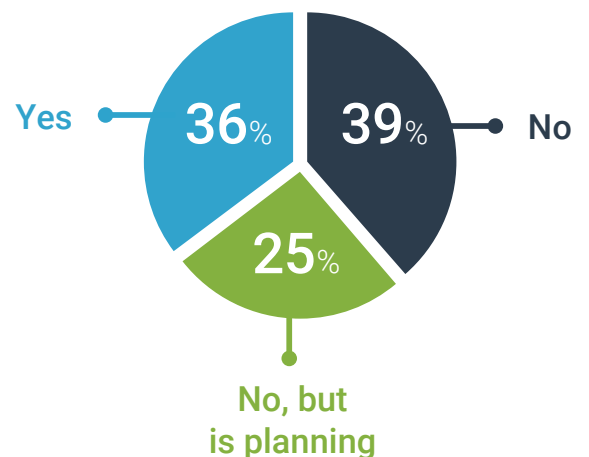
North America trails the rest of the world 34% to 46% with formal ESG policies.

Respondents who had a policy in place or were planning to implement a formal policy were asked a follow-up, “select all that apply” style question about which areas (environmental, social, or governance) were points of focus for their ESG policies. In this year’s results, environmental and governance concerns topped social.

Overall, each area saw a 5-point change since 2023:

- » Environmental: 5-point increase (71% to 76%).
- » Social: 5-point decrease (72% to 67%).
- » Governance: 5-point increase (64% to 69%).
 - ▶ North American firms focused more tightly on governance (72%) than ROW organizations (57%).

Has your finance organization instituted formal policies around ESG principles?



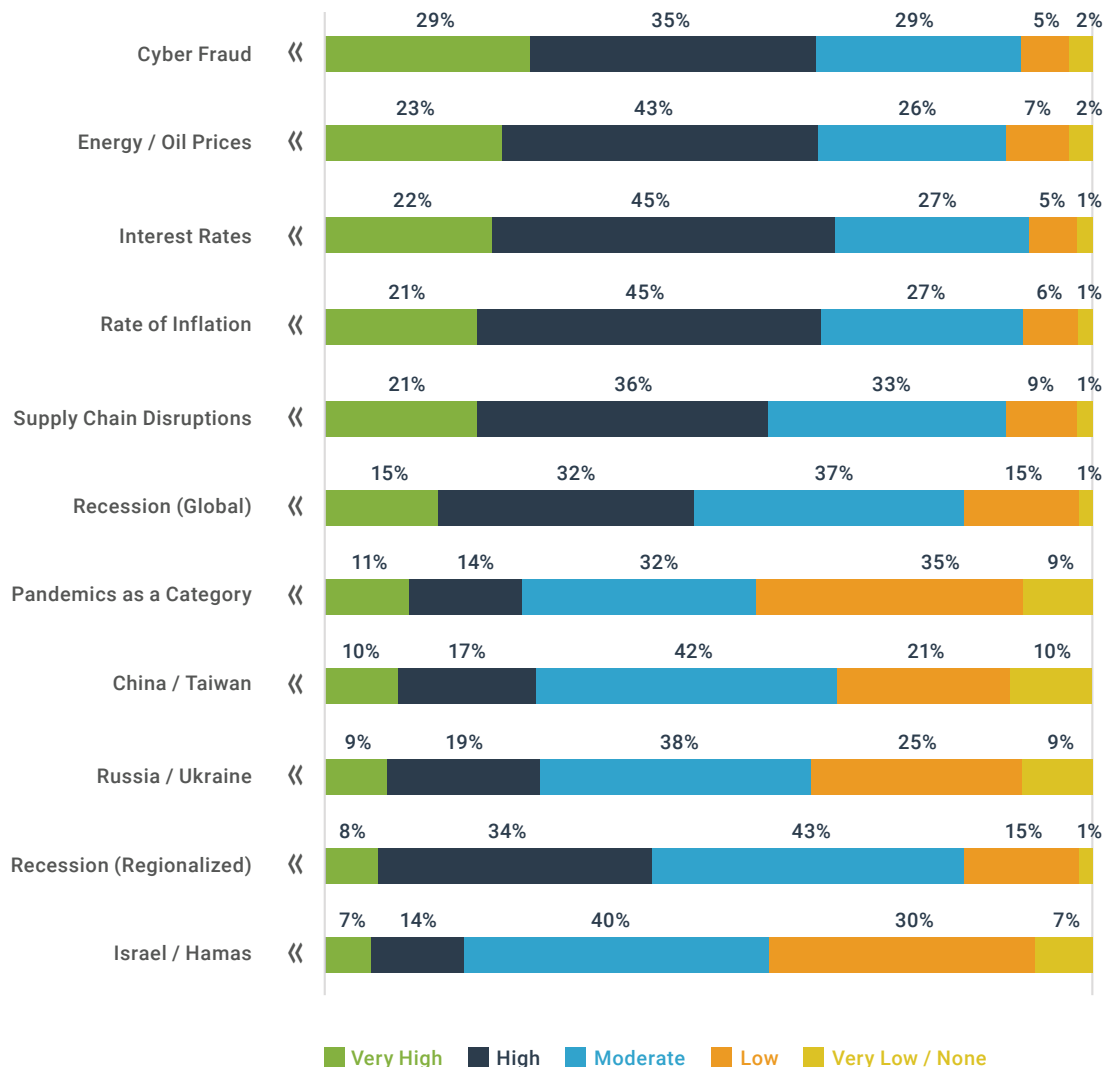
4. Top Organizational Concerns: Economic Concerns Top the List, but Concern Declined.

Four concerns were identified as either “very high” or “high” concern items by 64-67% of respondents. These included three major economic elements and cyber fraud. The three economic concerns all declined since the last survey. Cyber fraud increased by 5 points since 2023.

- » Cyber fraud: 64%. Up from 59% in 2023.
- » Energy/Oil Prices: 66%. Down from 73% in 2023.
- » Interest Rates: 67%. This was 81% in 2023.
- » Rate of Inflation: 66%. This stood at 79% in 2023.

Cyber fraud had the largest percentage (29%) of respondents listing it as “very high,” outpacing the runner-up, energy/oil prices, which stood at 23%.

Please indicate your level of concern the following will or may impact global economic and operational risks:



5. Payment Features: Security and Controls Extends Lead for Fourth Year.

The most important payment feature to respondents is, once again, security and control over payments. This is the fourth year in a row that security and control has been first, and in each of these years, it has extended the lead it holds over the timing/speed of payments, which was the runner-up until this year. In 2019, these two features were tied at 38%. Cost of payment services/solutions and transparency/visibility tied for second place this year.

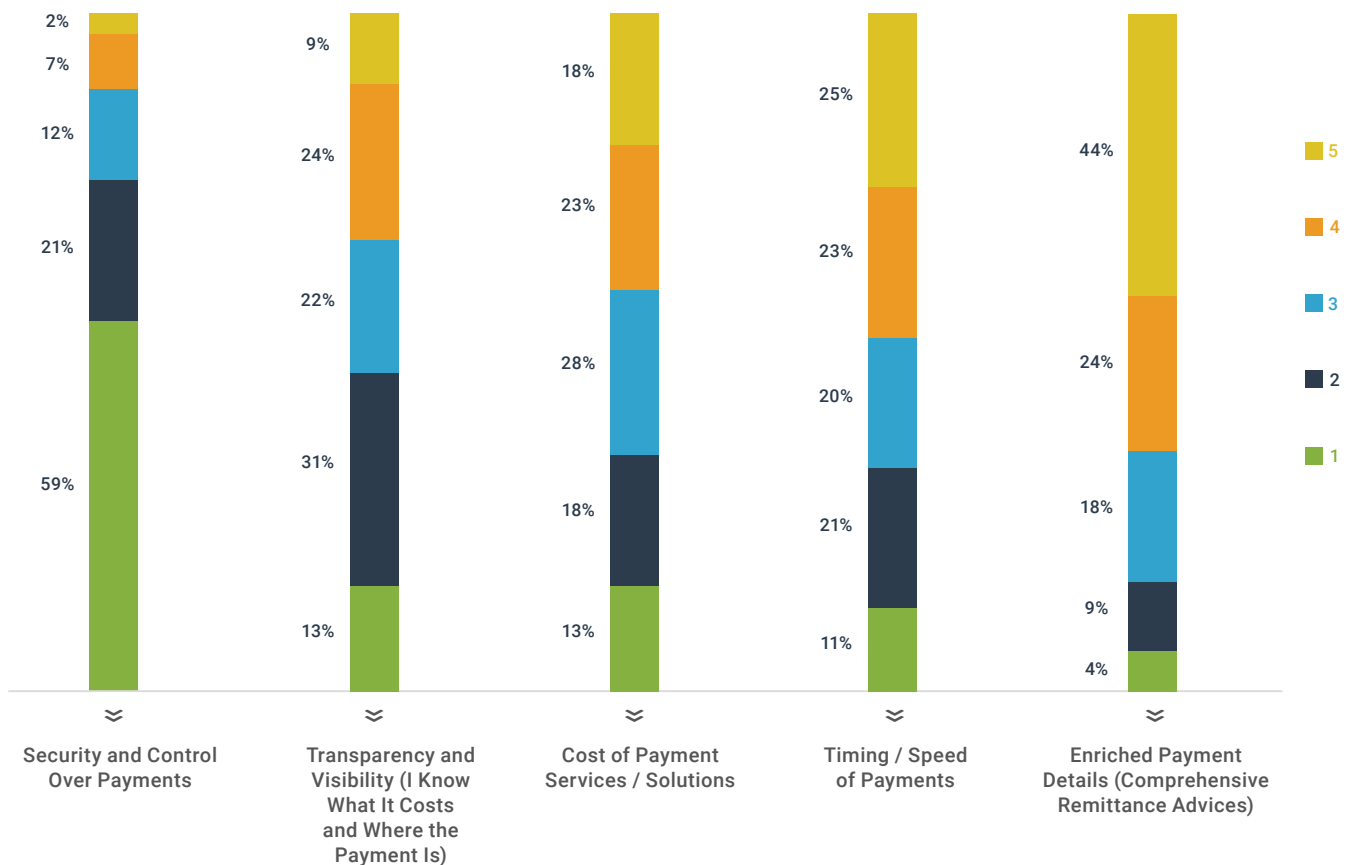
When banks were asked what payment features they believed to be most important to their clients, 59% ranked security and control as most important, placing it at the top of the bank list as well. This is three times the number of bank respondents identifying timing/speed of payments as most important. That information, by itself, is interesting to those involved in payments. However, the shift from last year is even more noteworthy:

Bank Responses:

Area	2023	2024	Shift
Security & control	33%	59%	+26%
Timing/speed of payments	41%	19%	-22%

Corporate Responses:

Please arrange the following payment features in terms of importance:
(1: most important, 5: least important)

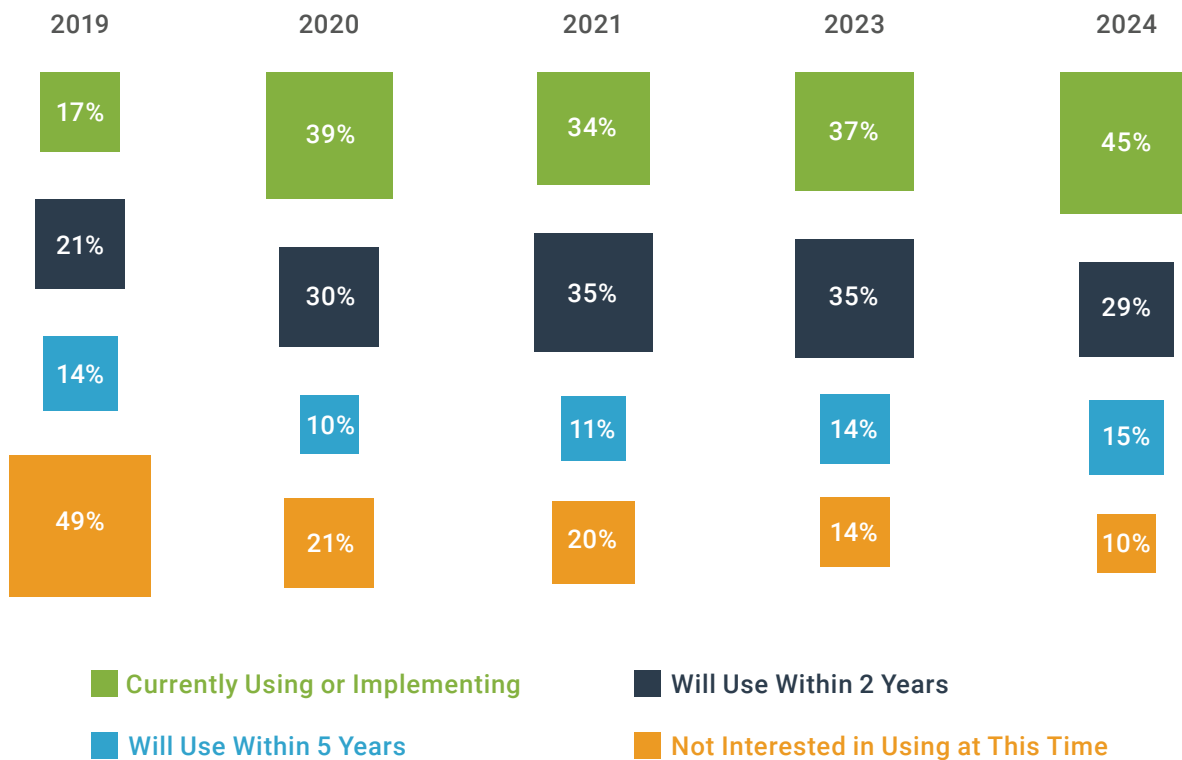


6. API Technology Adoption Marches Forward.

In 2019, 17% were using or implementing APIs. Now, we have 45% using or currently implementing APIs. Another 44% plan to implement within two or five years.

Those not interested in using APIs has fallen from 49% to just 10%.

Are you using / interested in using application programming interfaces (APIs) in treasury?

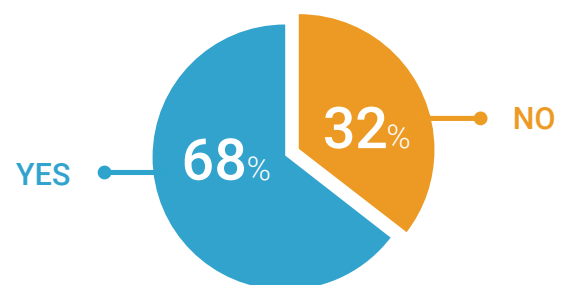


7. Over Two-Thirds of Companies Emphasize Working Capital Optimization.

Sixty-eight percent of companies report placing a heavy emphasis on working capital optimization across inventory, receivables, and payables. This is a 10-point jump from the prior year and matches the highest level in this survey's history in 2020. The impact of COVID on concerns about collecting appear to have been the major cause for the increase in 2020. Our view is that increasing cost due to elevated interest rates have driven most of the increase in 2024 on this question. For smaller companies, this number sits slightly higher, at 70%.

Two-thirds of those (66%) focus on AR while another 64% focus on payables.

Does your organization place a heavy emphasis on working capital optimization and associated operations (inventory, receivables, payables)?



8. Increasing Nervousness About AI and ML, but Continued Excitement Around Tech Development.

The number of those that agree or strongly agree with the statement, “I am nervous about innovations in AI/ML/RPA,” has increased over prior years. Now, 32% indicate nervousness, while in 2020, only 12% fell into this category. For those that disagreed or strongly disagreed with this statement, the percentage fell from 54% in 2020 to 34% this year. Roughly one-third of survey respondents are neutral on this topic. Those that are neutral have maintained roughly the same percentage each year (2020: 34%; 2021: 27%; 2023: 37%; 2024: 34%).

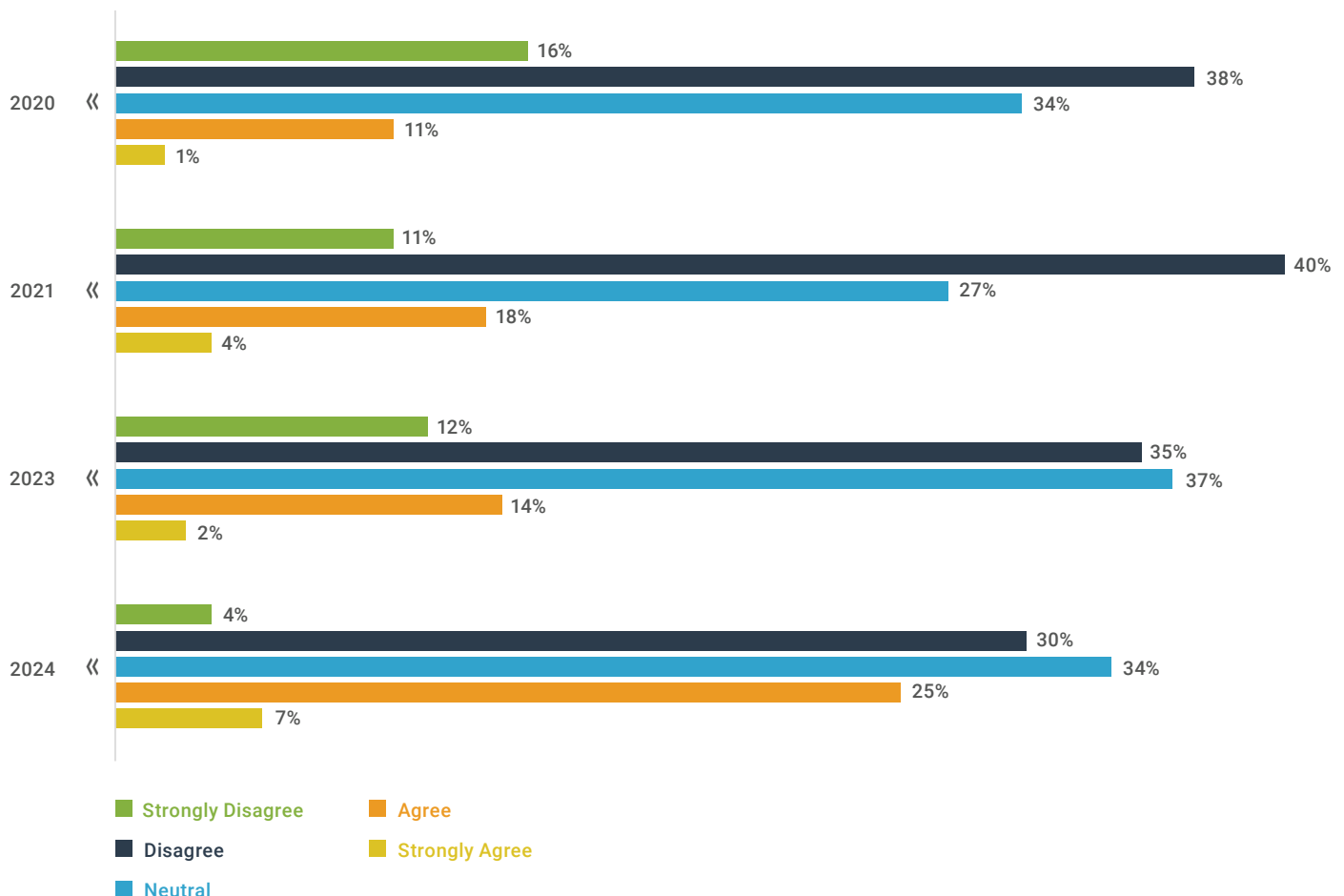
At the same time, the percentage that are “excited about the development of new technologies” remains quite high and is slightly increasing. The percentage of those that agree or strongly agree has risen from 77% in 2023 to 84% in 2024.

Banker Perspective: Nearly all bankers (88%) agree or strongly agree that they are excited about the development of new technologies. Thirty-seven percent, however, are nervous about innovations in AI/ML/RPA.

Roughly half (47%) of banks are concerned staff isn’t keeping up with technology, and just over half (52%) indicate they would rather upgrade technology than hire more staff.

Please indicate how you feel about each of the following statements.

I am nervous about innovations in artificial intelligence / machine learning / robotic process automation.



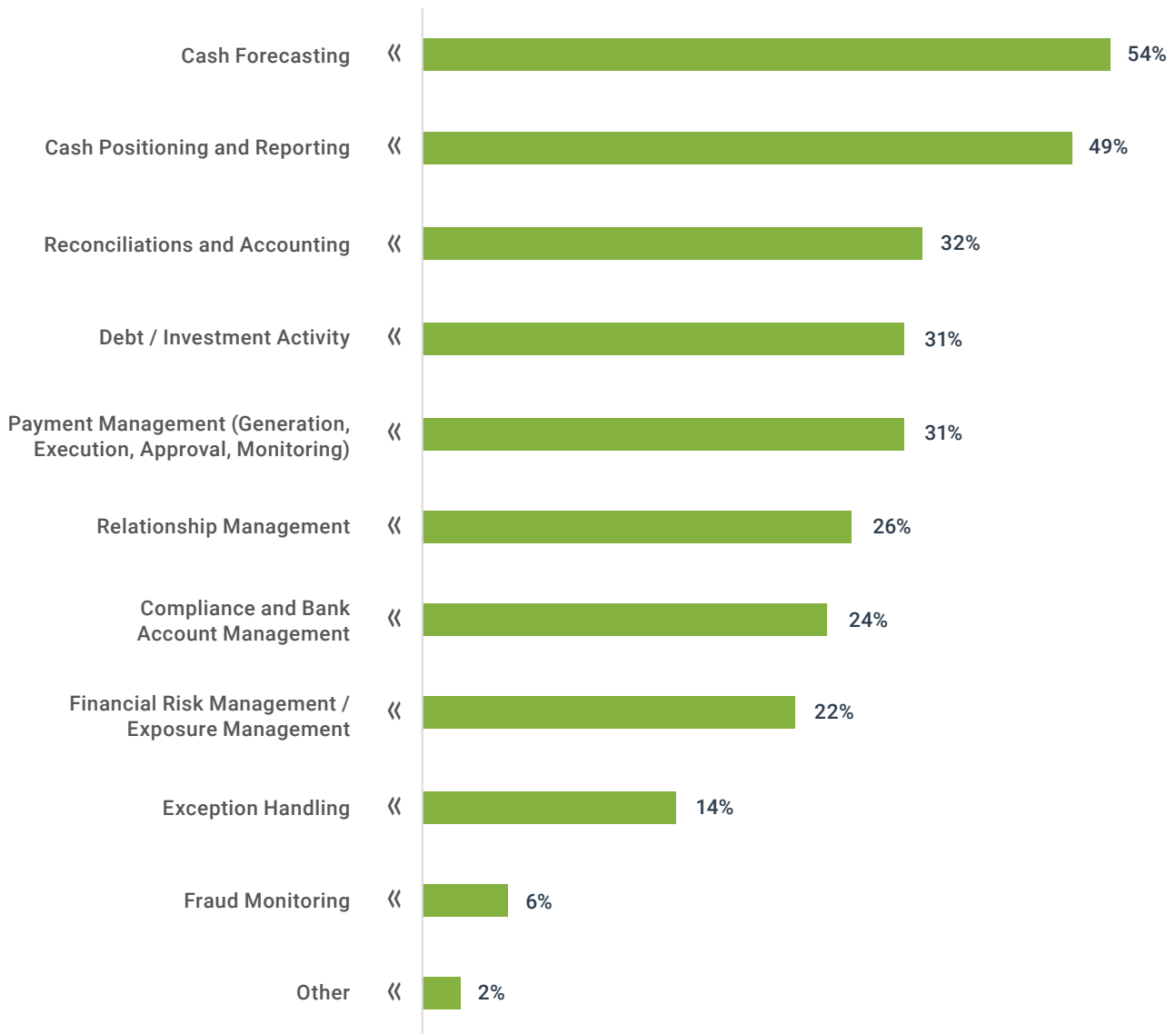
9. #1 Time Absorber: Cash Forecasting.

The majority of companies and organizations indicate that cash forecasting is the area that they spend the largest amount of time working on. Cash forecasting has now been the top area for four consecutive surveys, and it was noted by over half of respondents for five consecutive surveys.

Payment management has five years of decline. It dropped down from 1st in 2019 (54%) and is now tied for 5th in 2024 (31%).

Cash positioning and reporting has four years of expansion, growing from 41% in 2020 to 49% in 2024.

Considering all of your operations, what three (3) areas do you spend the most of your time working on? (Select three [3] choices)



10. Investment in Tech: TMS, Fraud Security, Cash Forecasting.

The top three financial operations areas where companies plan to invest in the next 12 months are:

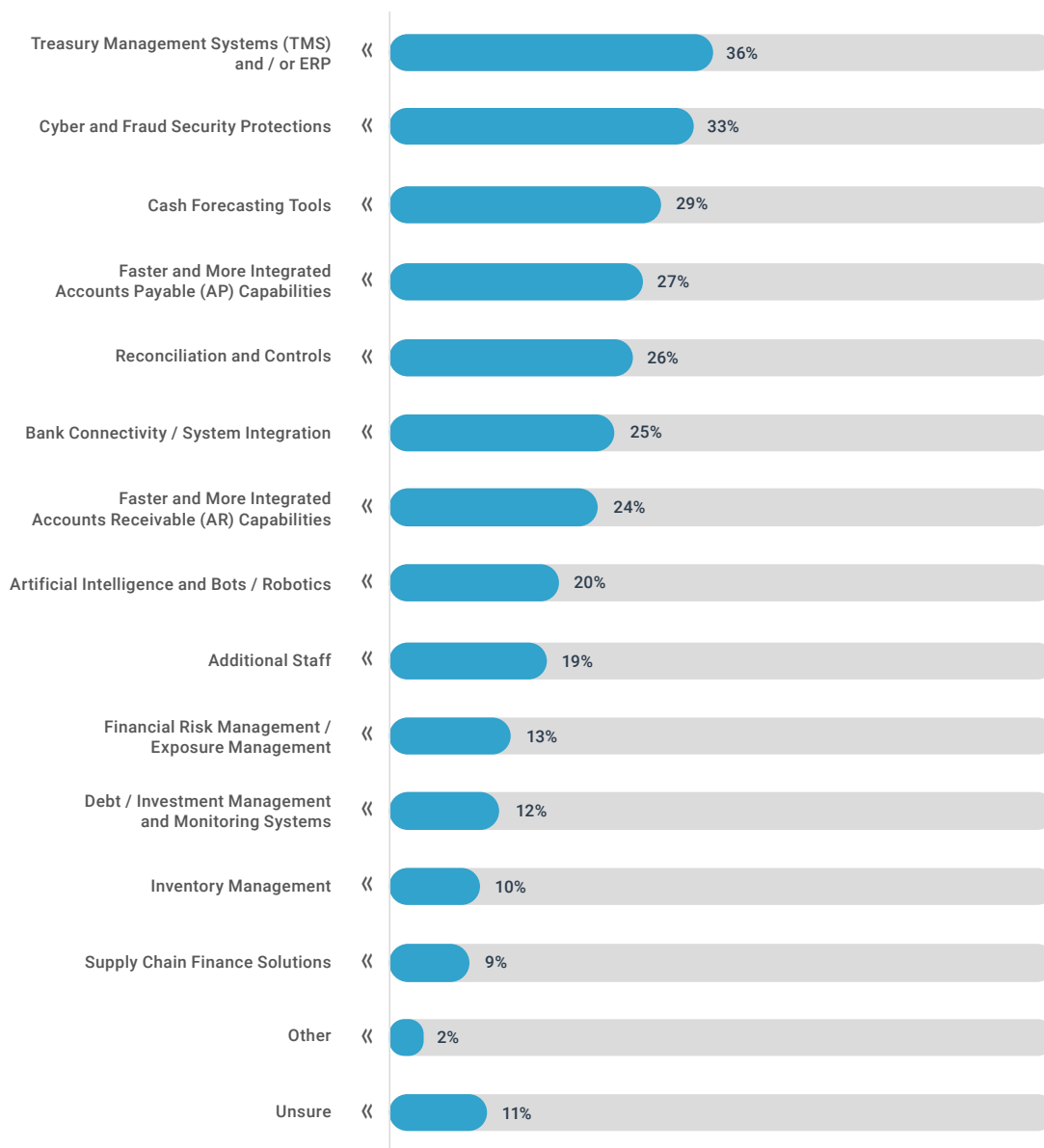
- » TMS and/or ERP.....36%
- » Cyber and fraud security.....33%
- » Cash forecasting tools.....29%

Security is up 9 points from last year (24%), while TMS/ERP and cash forecasting are relatively consistent with recent surveys.

Cyber and fraud security diverges between smaller (25%) and larger firms (39%). This represents a 14-point spread.

The TMS has a similar rate between smaller (39%) and larger (34%), with a 5-point spread likely reflective of a greater percentage of larger companies already using a TMS.

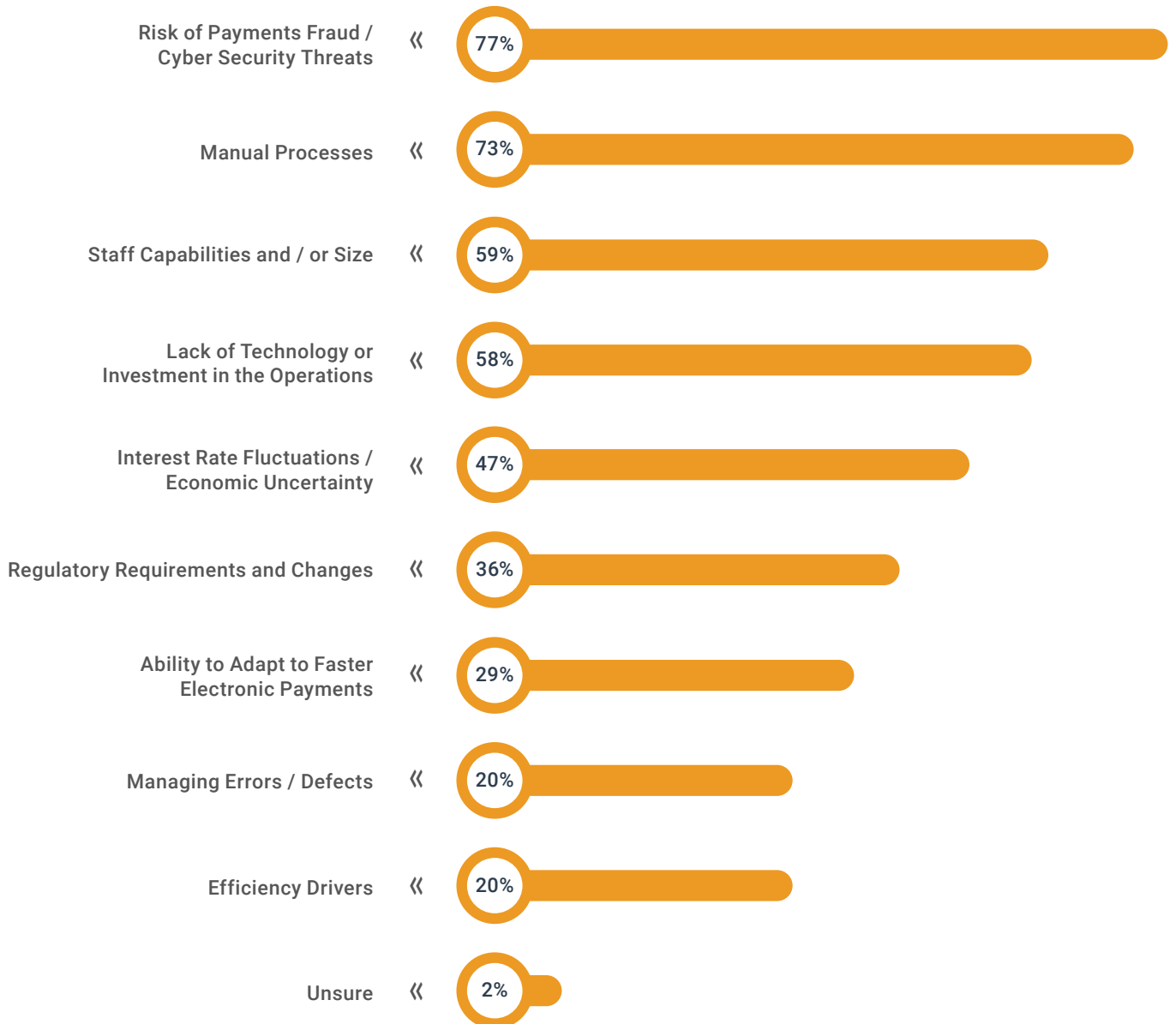
In which areas of your financial operations does your organization plan to invest in the next 12 months? (Select all that apply)



11. Banks See Fraud and Manual Processes as the Top Operational Challenges for Clients.

Seventy-seven percent saw risk of payments fraud and cyber security threats as the top challenge, with 73% identifying manual processes. Economic uncertainty and interest rate fluctuations came in fifth at 47%.

What areas represent the top operational challenges for your clients in the next 12 months?
(Select all that apply)



Survey Methodology

Strategic Treasurer is committed to meeting or exceeding industry standards for survey management and providing honest representation of high-quality, thorough research data. With experience researching the treasury and finance industries since 2004, we have developed a strict methodology to ensure that our readers and partners can rely on the data we offer.

This methodology includes using professional survey tools, requiring significant sample sizes before publishing or stratifying data, and cautious wording of the reports we write to ensure that correlation is stated only as correlation and that data is represented with accuracy and clarity, never twisted to support a specific agenda. For longitudinal data, we require that the questions used remain unchanged from year to year to ensure that the comparison is reasonable. We cull bot (robotic or programmed) responses by analyzing factors such as email address, completion speed, IP address repetition, and normal response ranges. Only real responses are counted for determining whether a significant sample size has been reached.

We prize respondent confidentiality and anonymity and will always protect personal and company information. Personally identifiable information collected may be combined with existing data in our databases for further analysis, but we will never report any personally identifiable information in any way to outside recipients or to underwriters. Additionally, Strategic Treasurer does not use company or respondent specific survey data or responses for any sales purposes. Translation: This further means that the business development/sales team is not given access to this data.

To learn more about the importance of robust survey methodologies, listen to our founder and managing partner, Craig Jeffery, discuss research and data quality on [episode 149](#) of the Treasury Update Podcast, or feel free to contact us with any questions by emailing info@strategictreasurer.com or calling +1 678.466.2222.

About the Firms



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Michael Gordon, District Sales Manager
www.td.com/us



Strategic Treasurer was founded in 2004 by Craig Jeffery, a financial expert and trusted advisor to executive treasury teams since the early 1990s. Partners and associates of Strategic Treasurer span North America and Europe.

This team of experienced treasury specialists are widely recognized and respected leaders in treasury. Known for their expertise in treasury technology, risk management, and working capital as well as other cash management and banking operations, they efficiently identify issues, creatively explore ideas and options, and provide effective solutions and implementations for their valued clients.

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