



# TREASURY PERSPECTIVES

## 2020 SURVEY RESULTS



### **CRAIG JEFFERY**

Founder & Managing Partner  
Strategic Treasurer

### **TOM GREGORY**

SVP Head of Treasury Mgmt. Sales  
TD Bank



### **WHAT.**

Results, analysis, discussion and takeaways from the 2020 Treasury Perspectives Survey.



### **WHEN.**

Thursday, October 1, 2020  
11:00 AM – 12:00 PM EDT



### **WHERE.**

Live Online Presentation  
Replays at [StrategicTreasurer.com](https://StrategicTreasurer.com)



This presentation is provided by Strategic Treasurer and TD Bank

# SPEAKERS

GET TO KNOW TODAY'S  
SUBJECT MATTER EXPERTS



## CRAIG JEFFERY

Craig Jeffery formed Strategic Treasurer LLC in 2004 to provide corporate, educational, and government entities direct access to comprehensive and current assistance with their treasury and financial process needs.

His 20+ years of financial and treasury experience as a practitioner and as a consultant have uniquely qualified him to help organizations craft realistic goals and achieve significant benefits quickly.



## TOM GREGORY

Tom is the Director of Treasury Management Services Sales and Marketing for the Corporate Products and Services line of business at TD Bank, America's Most Convenient Bank®.

Prior to joining TD Bank in 2000, Tom was Director of Decision Support Consulting Services at Automated Financial Systems of Exton, PA. While there he worked with several of the top 50 U.S. banks to increase productivity, improve MIS, and enhance effectiveness in the cash management and commercial lending lines of business. Tom also spent part of his career as Senior Vice President, Cash Management Sales to Global & Specialized Industries at the former CoreStates. Tom received both his undergraduate and graduate degree at Drexel University in Philadelphia.

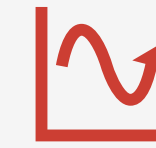
# TOPICS OF DISCUSSION

KEY AREAS OF FOCUS & ANALYSIS



## ABOUT THE SURVEY

KEY POINTS OF INTEREST



## PANDEMIC IMPACT

COVID-19 HITS OUTLOOKS HARD



## FRAUD

ON THE RISE AND CONTROLS THAT ARE BEING UTILIZED



## TECHNOLOGY USE

FUTURE ADOPTION OF NEW TECH



## CASH MANAGEMENT

EXPECTATIONS



## KEY TAKE-AWAYS

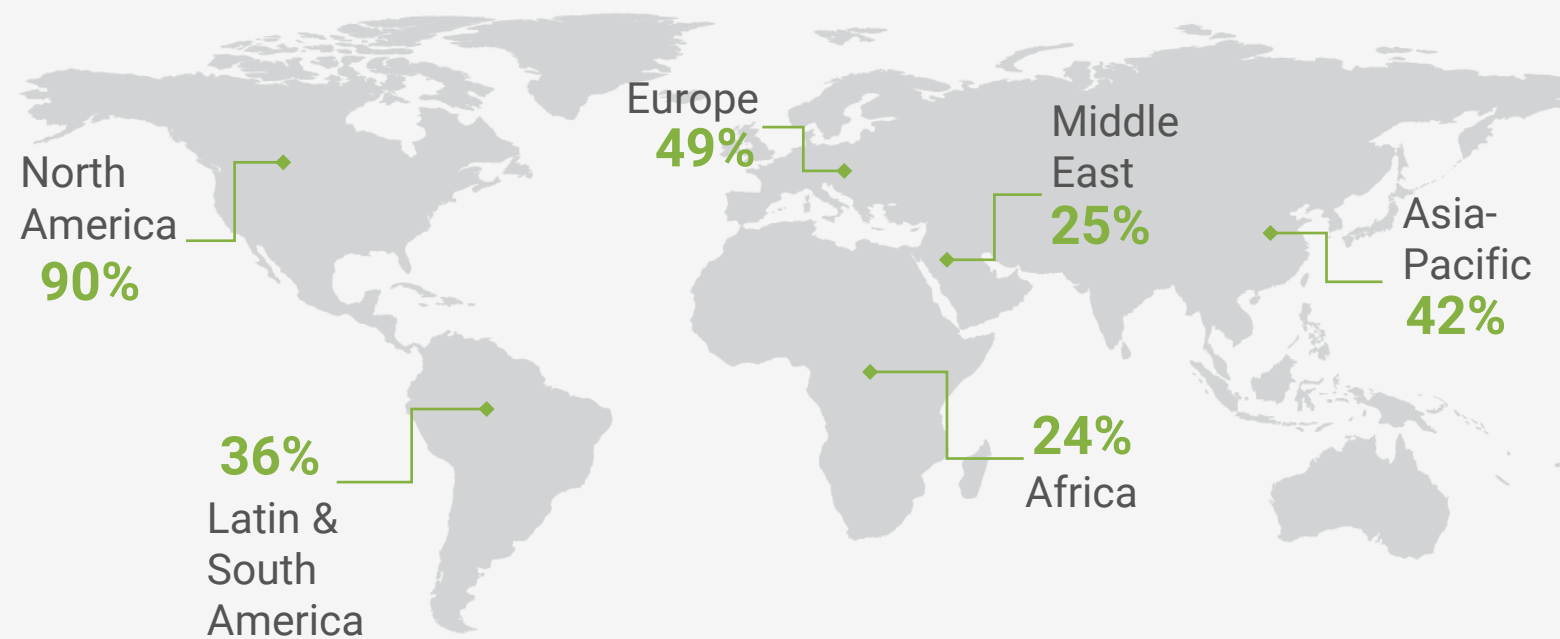
FROM THE RESEARCH

# SURVEY QUICK STATS

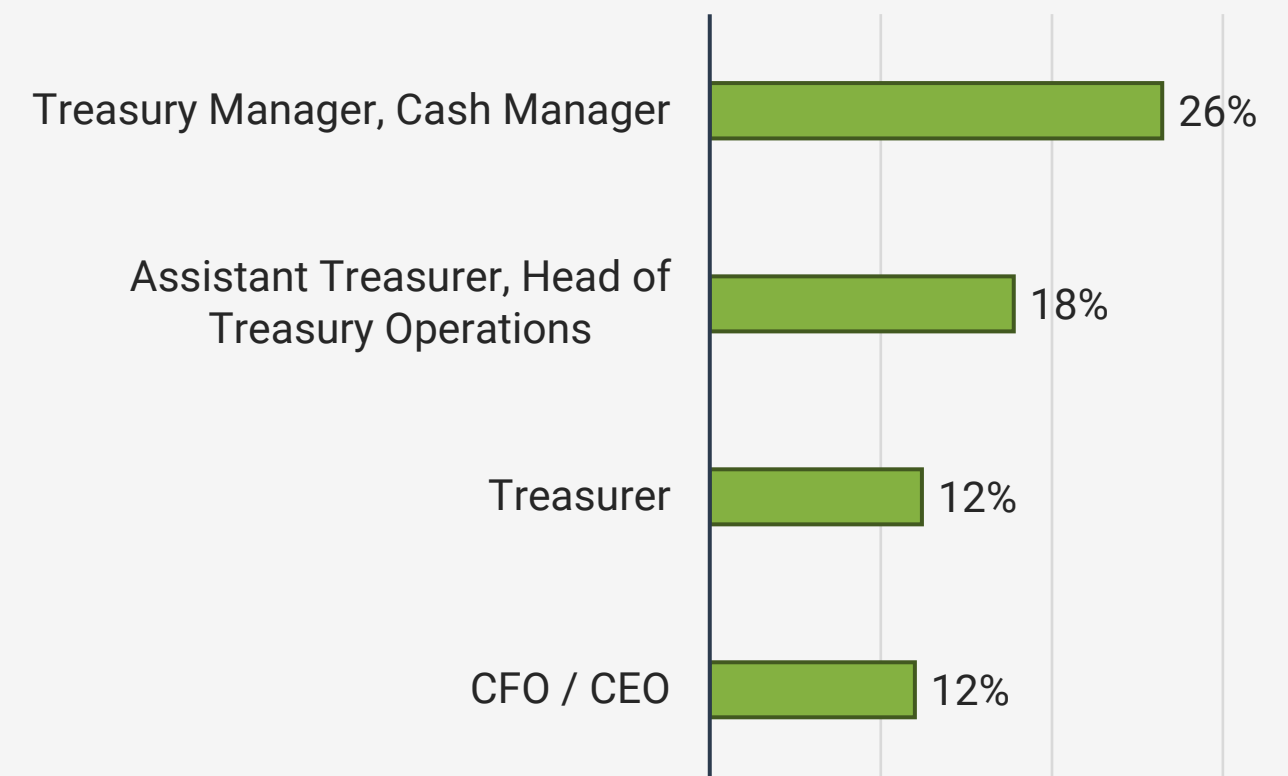
## 2020 TREASURY PERSPECTIVES



### Regions of Operations



### Top Respondent Roles





# The Pandemic Hammers Company Outlook in 2020 and Dampens Expectations for 2021

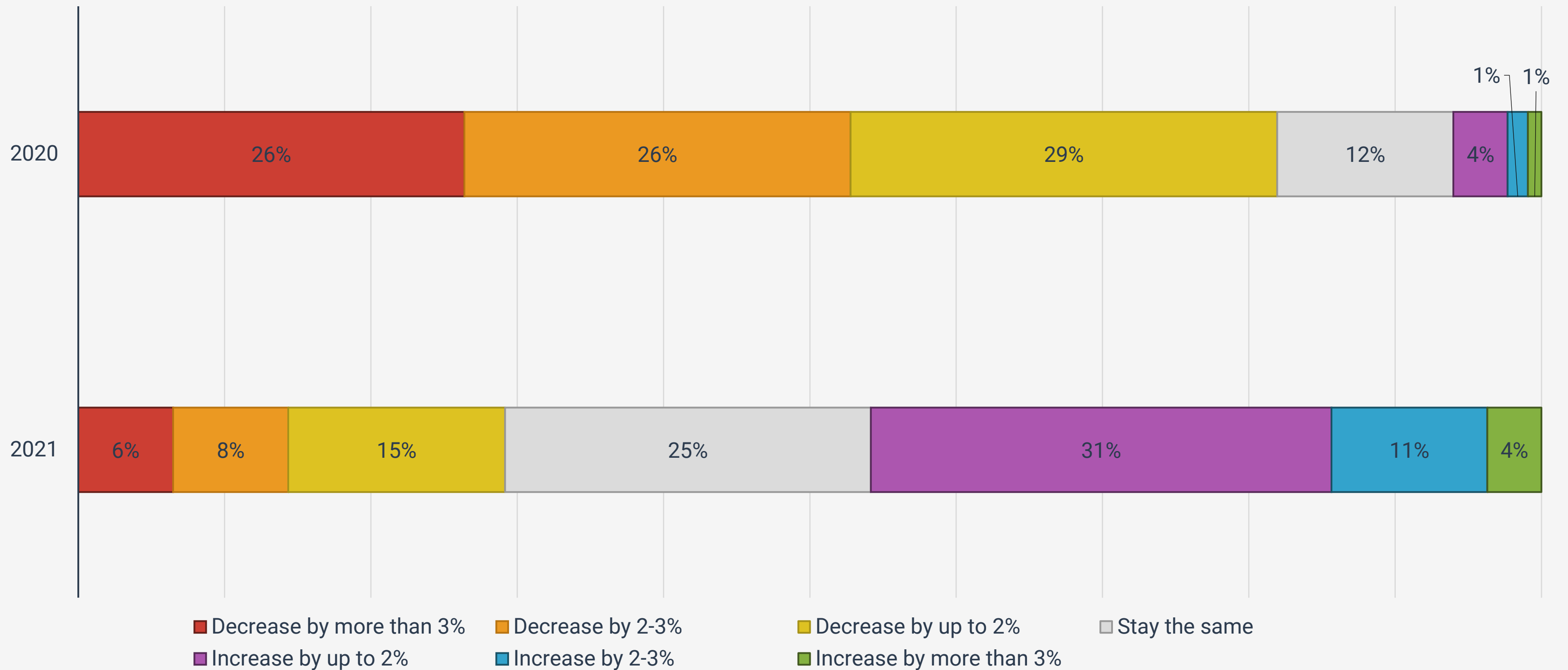
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# ECONOMIC OUTLOOK

## POUNDED BY THE PANDEMIC

The vast majority see 2020 ending with a significant overall economic (GDP) decrease. This impact is expected to extend into 2021, as there was a 30% drop in firms expecting a revenue increase compared to last year's survey.

» In the upcoming years, we expect the Gross Domestic Product (GDP) of the country where we are headquartered to:

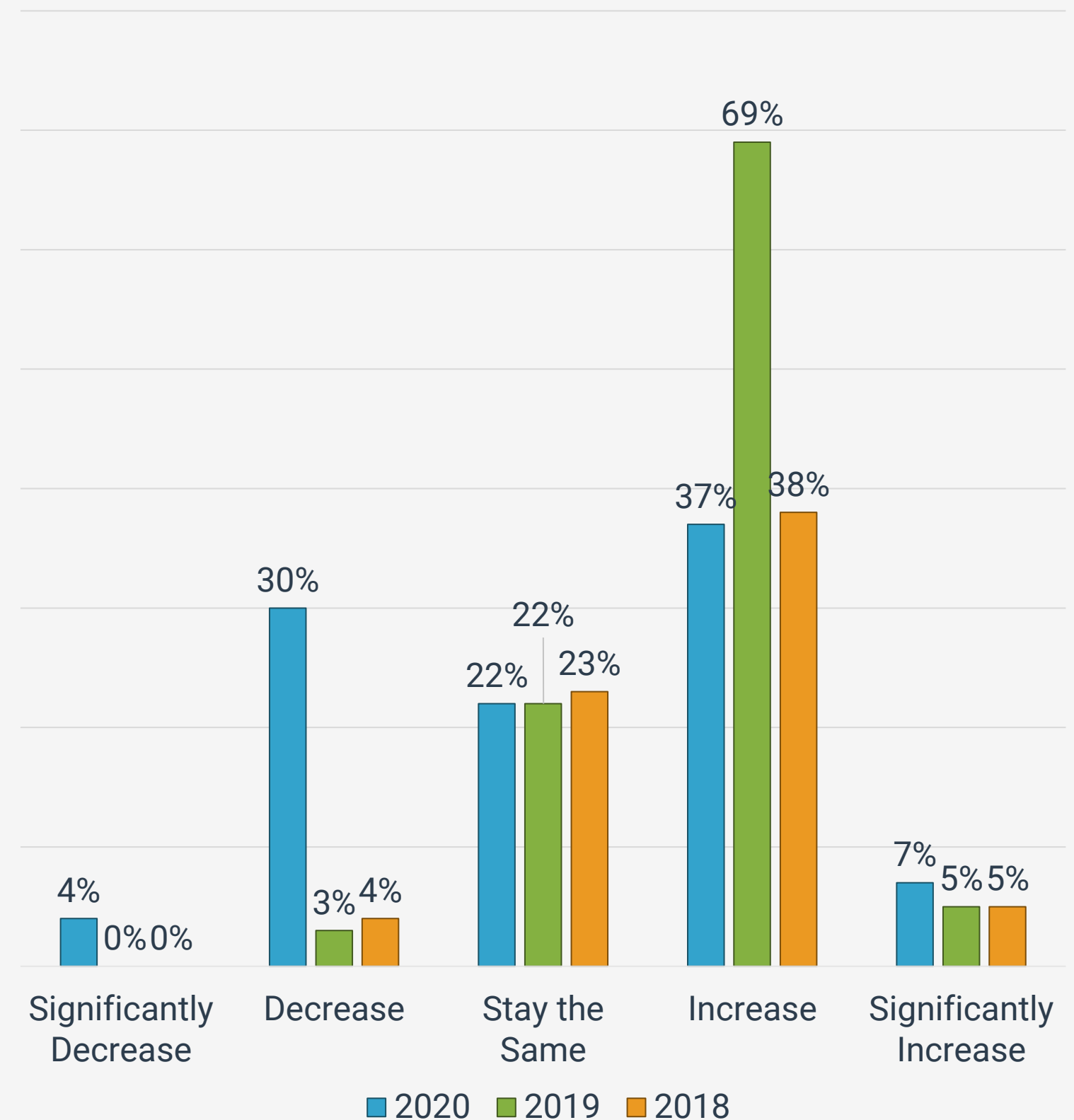
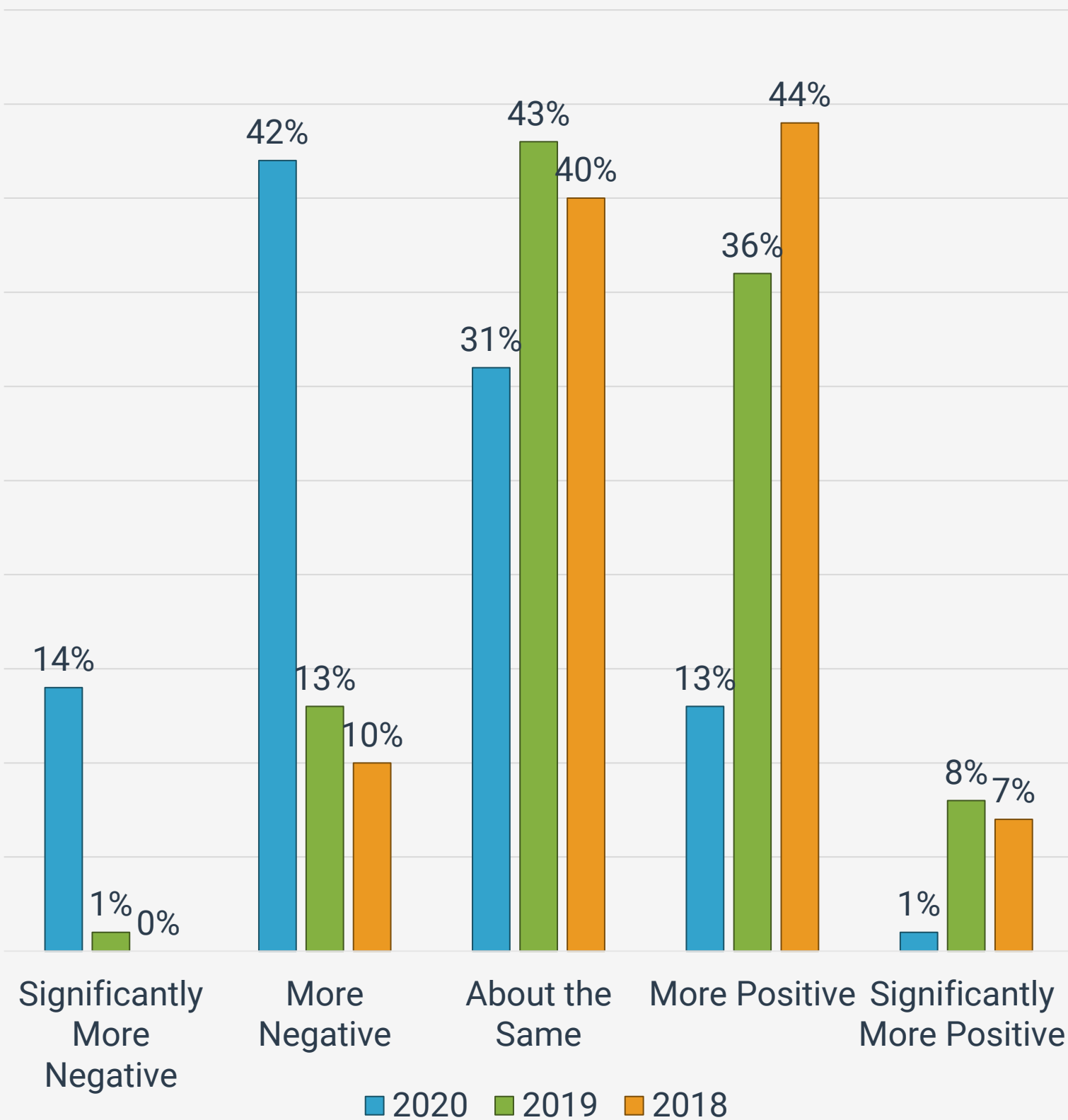


# ORGANIZATION OUTLOOK

## UNSURPRISINGLY NEGATIVE

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

» In the next year, we expect our sales / revenue to:





## **The Pandemic Hammers Company Outlook in 2020 and Dampens Expectations for 2021**



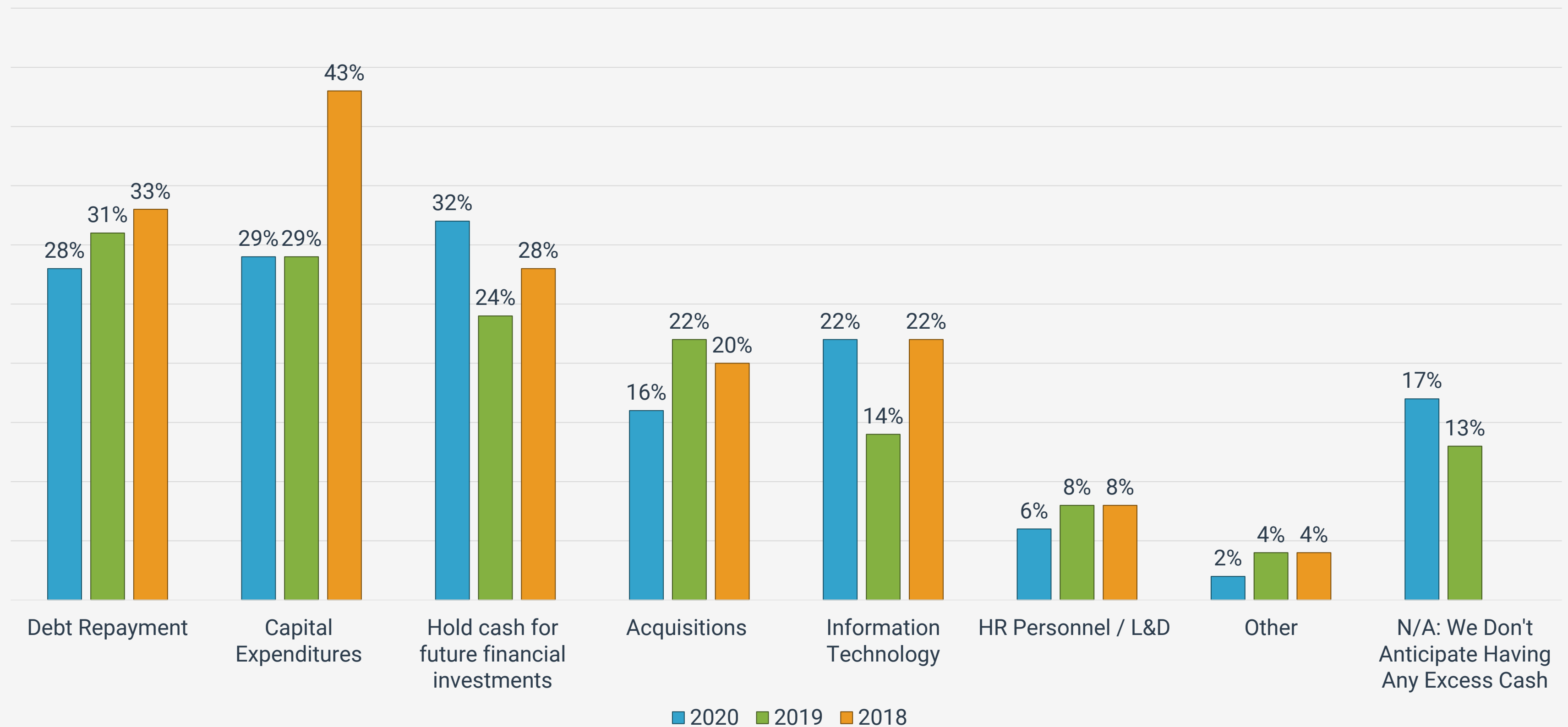
**Leading to a Situation Between Lenders and Borrowers of  
More Cash Managed More Tightly**

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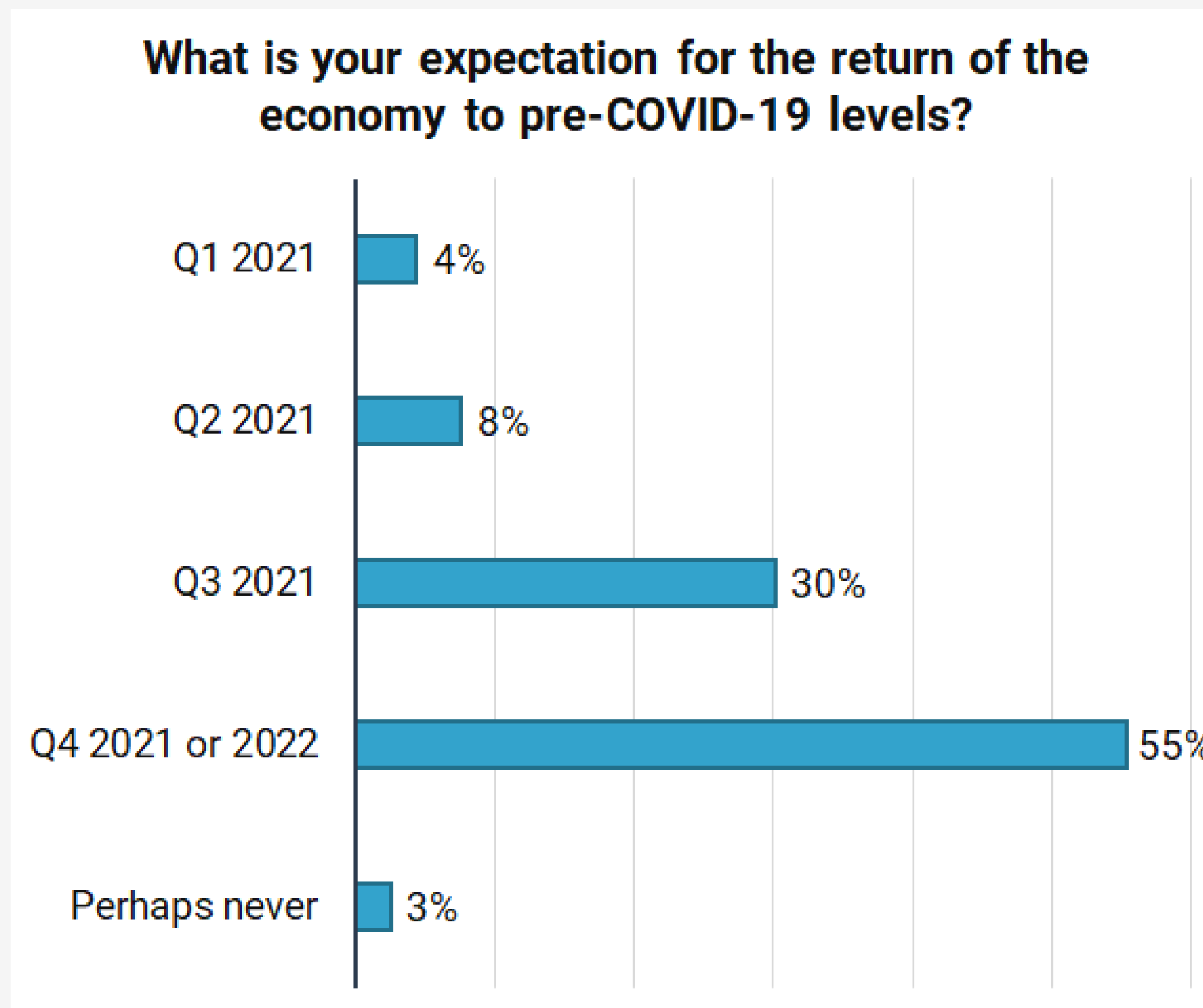


# HOLDING ON TIGHT TO CASH

» Where do you anticipate allocating most of your excess cash? (Select no more than two)



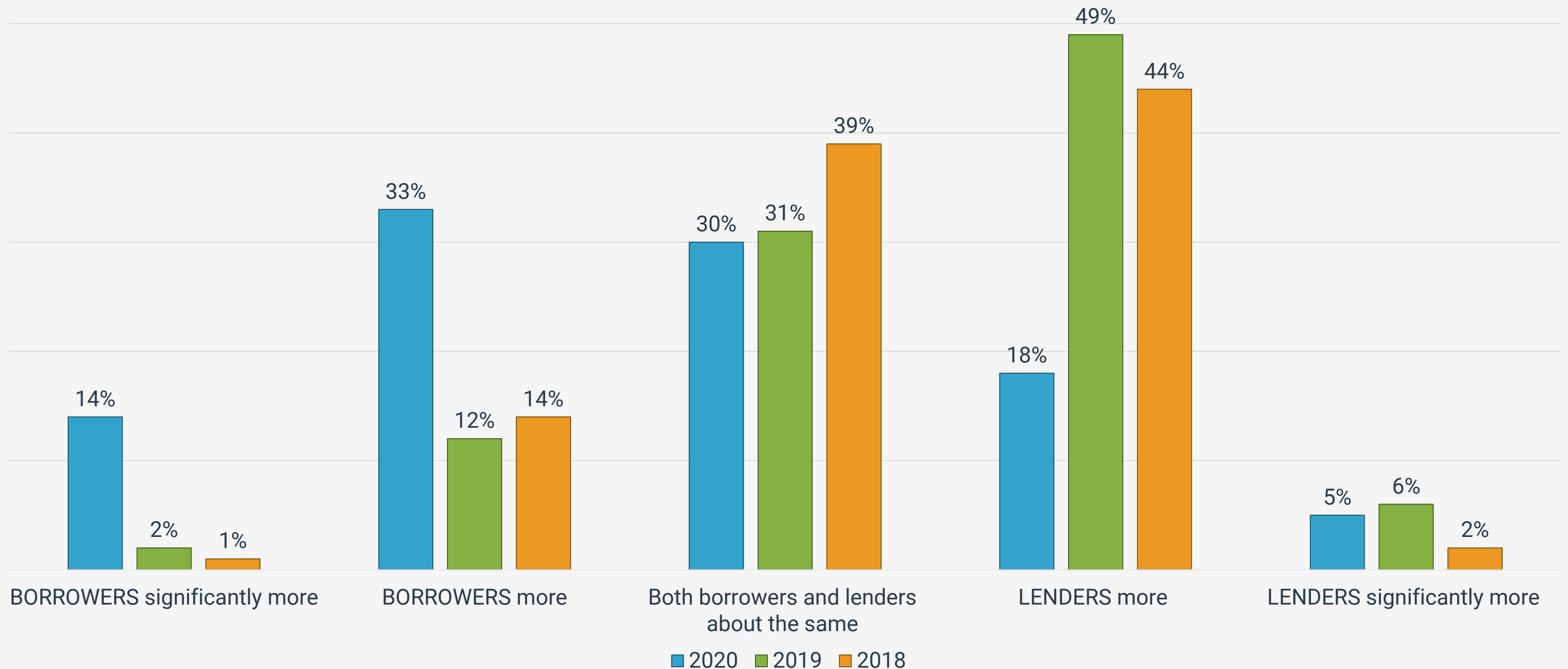
# POLL QUESTION



# FAVORING BORROWERS

## SHIFT FROM PREVIOUS YEARS

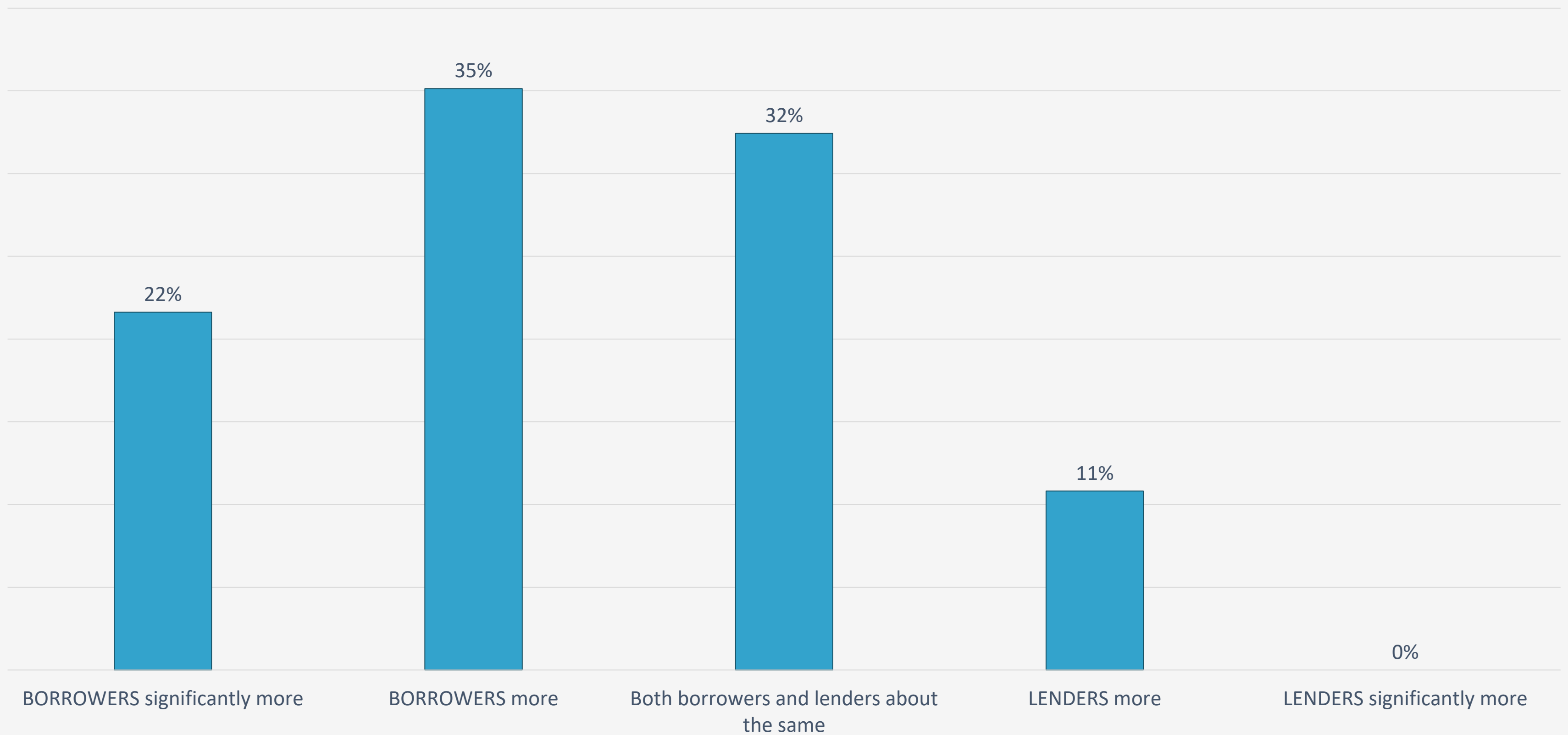
» Corporates: We expect loans over the next year to favor:



# BANKS AGREE

## BORROWERS FAVORED

» Banks: We expect loans over the next year to favor:

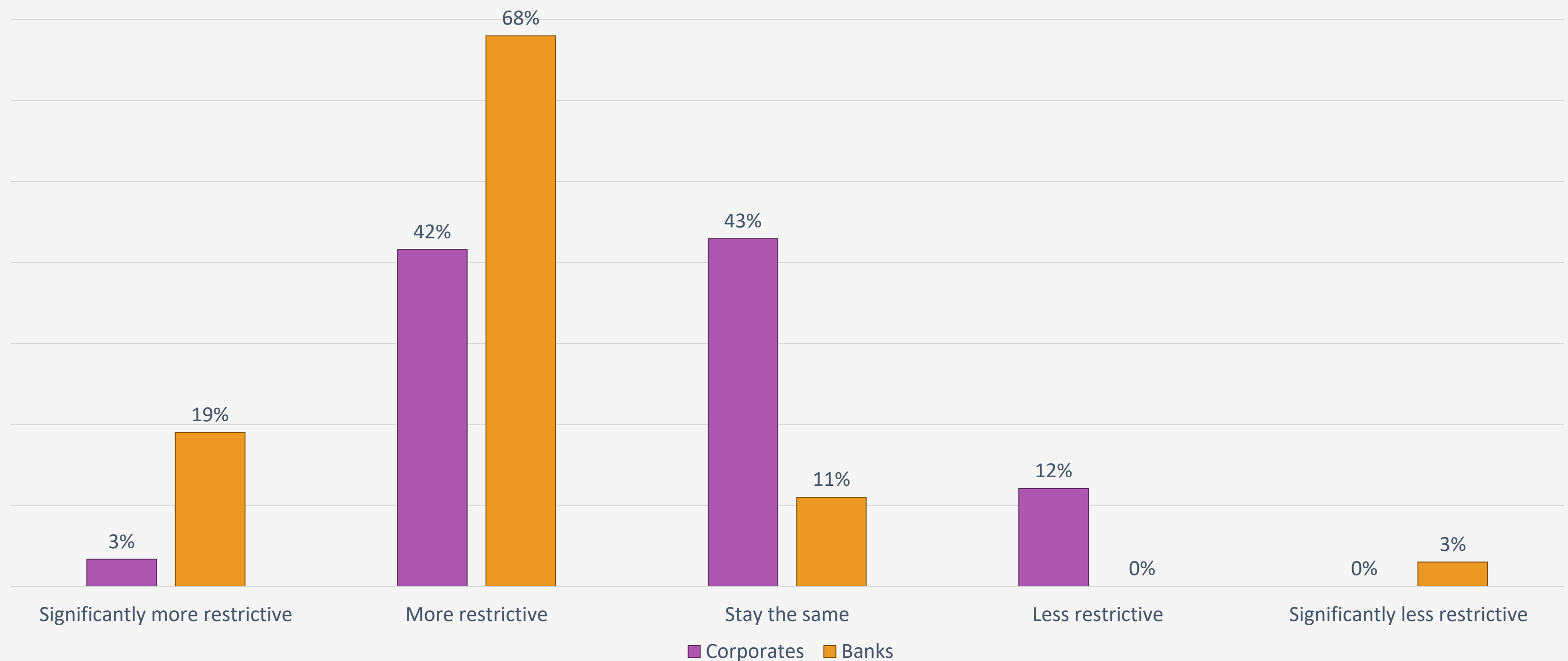


# COVENANTS

## MORE RESTRICTIONS EXPECTED

The change in power is not without some cautionary signs, as both banks and corporations indicated the clear expectation of more restrictive covenants and even more stringent non-compliance enforcement of covenant violations. Increased liquidity is expected domestically over the next two years, while contraction is anticipated internationally.

» We expect loan covenants and restrictions will become:

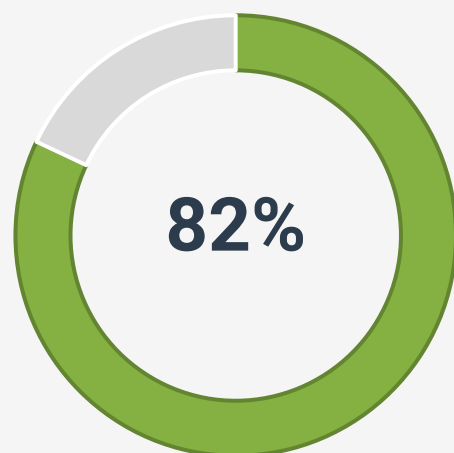


# TOP GLOBAL ECONOMIC CONCERNS

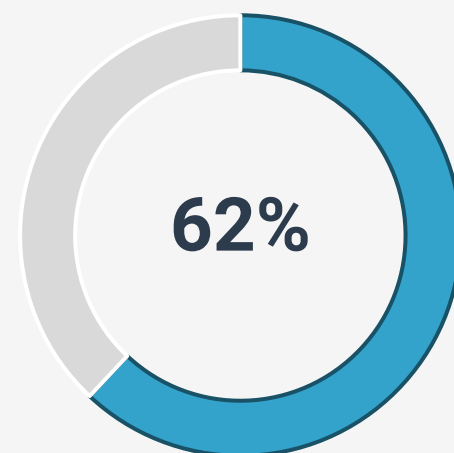
CYBERFRAUD TOPPED THE LIST IN 2019

» Please select your top three concerns about global economic and operational risks.

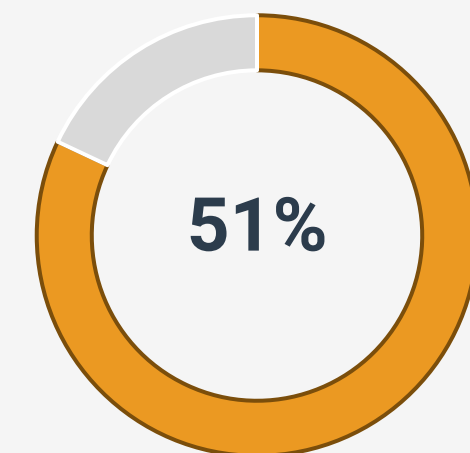
Global health pandemic  
that could affect  
customer supply chain



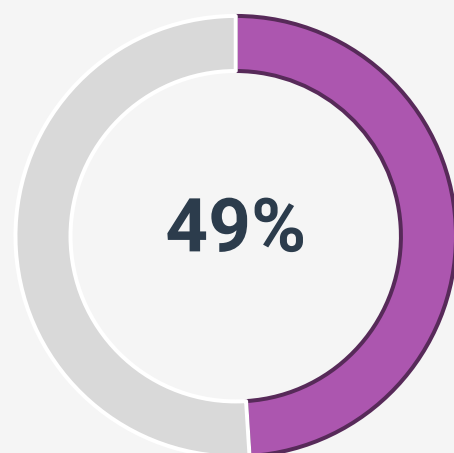
Increasing cyberfraud



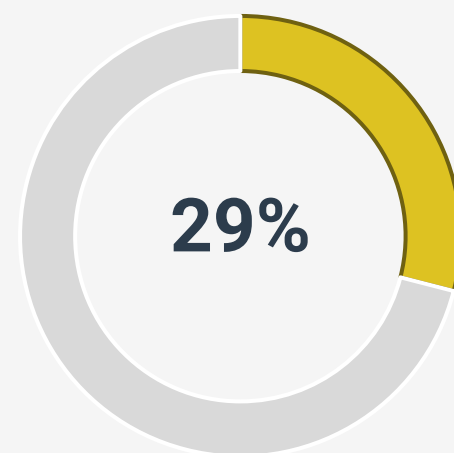
Interest rate risk



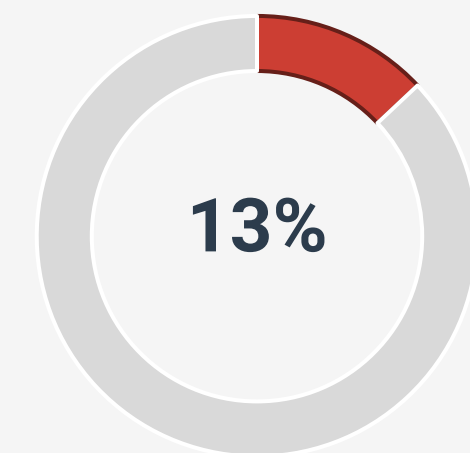
Trade conflicts with  
China



Changing oil &  
commodities prices



Political conflicts with  
North Korea, Middle  
East, Russia, etc.

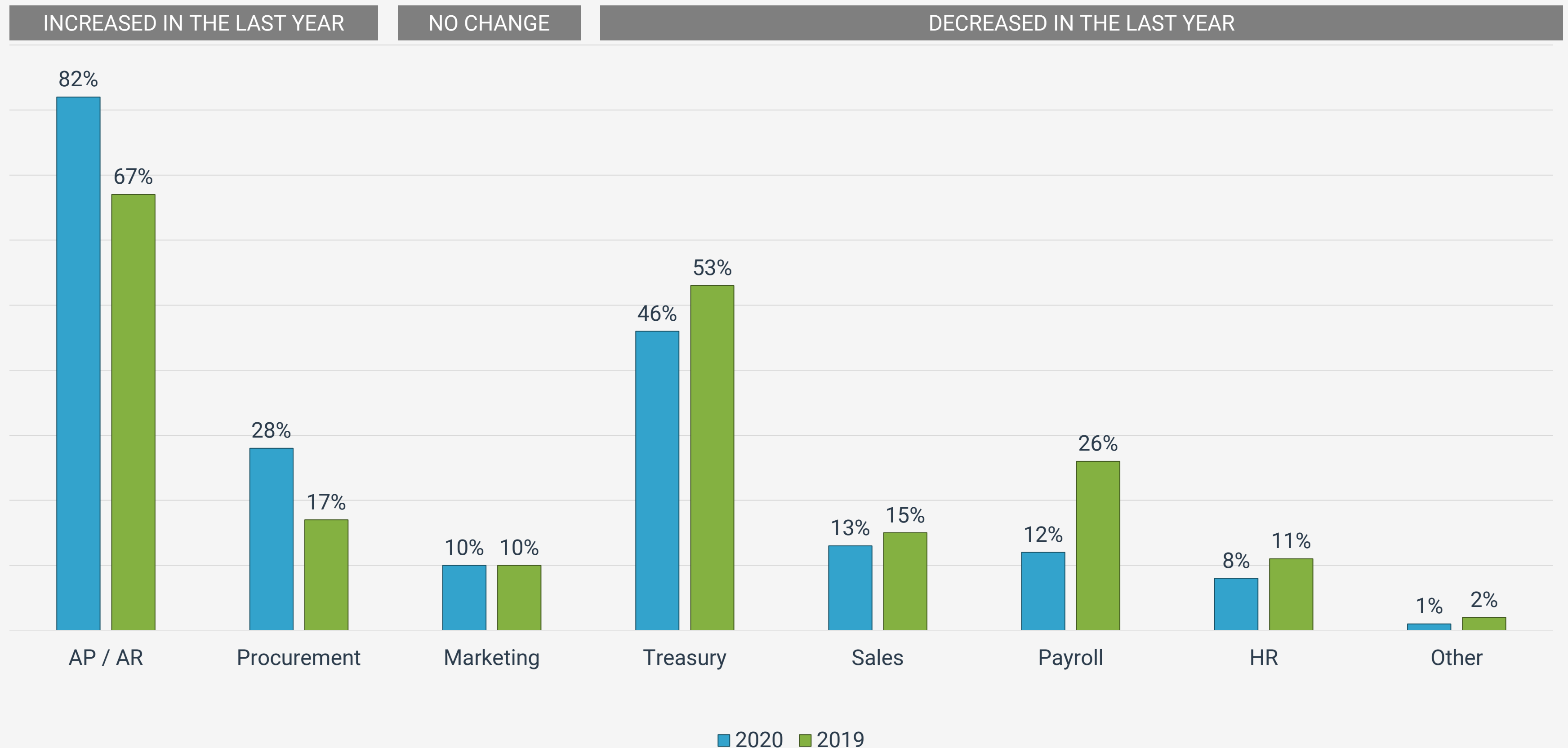


# FRAUD CONCERNS

## AP/AR SEEN AS THE MAIN TARGET

The rate of organizations pointing their finger at AP/AR as the group most susceptible to fraud moved from a solid majority to a veritable landslide. Both treasury's and payroll's positions improved.

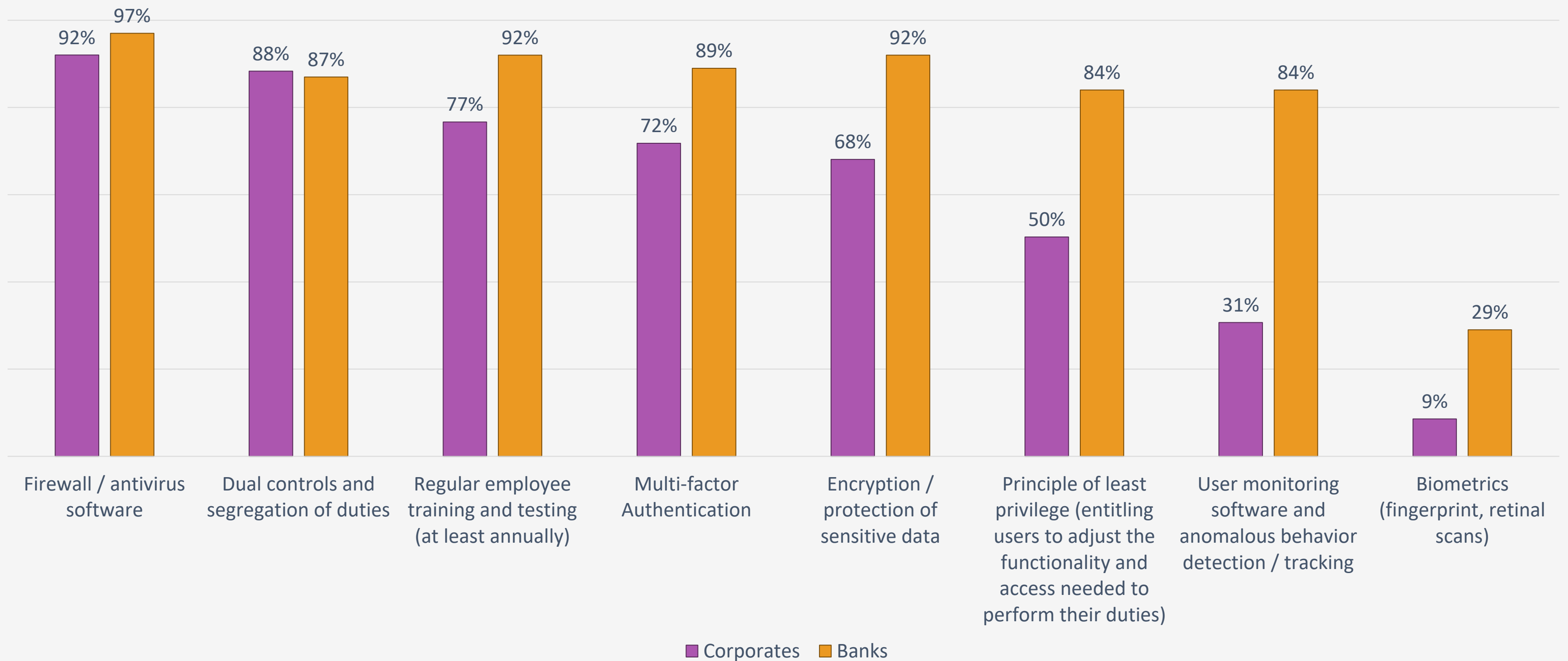
» Select the two internal groups / departments that you feel are most susceptible to fraudulent attacks or cyber threats:



# CORPORATES LAG BEHIND BANKS

## IN CONTROLS

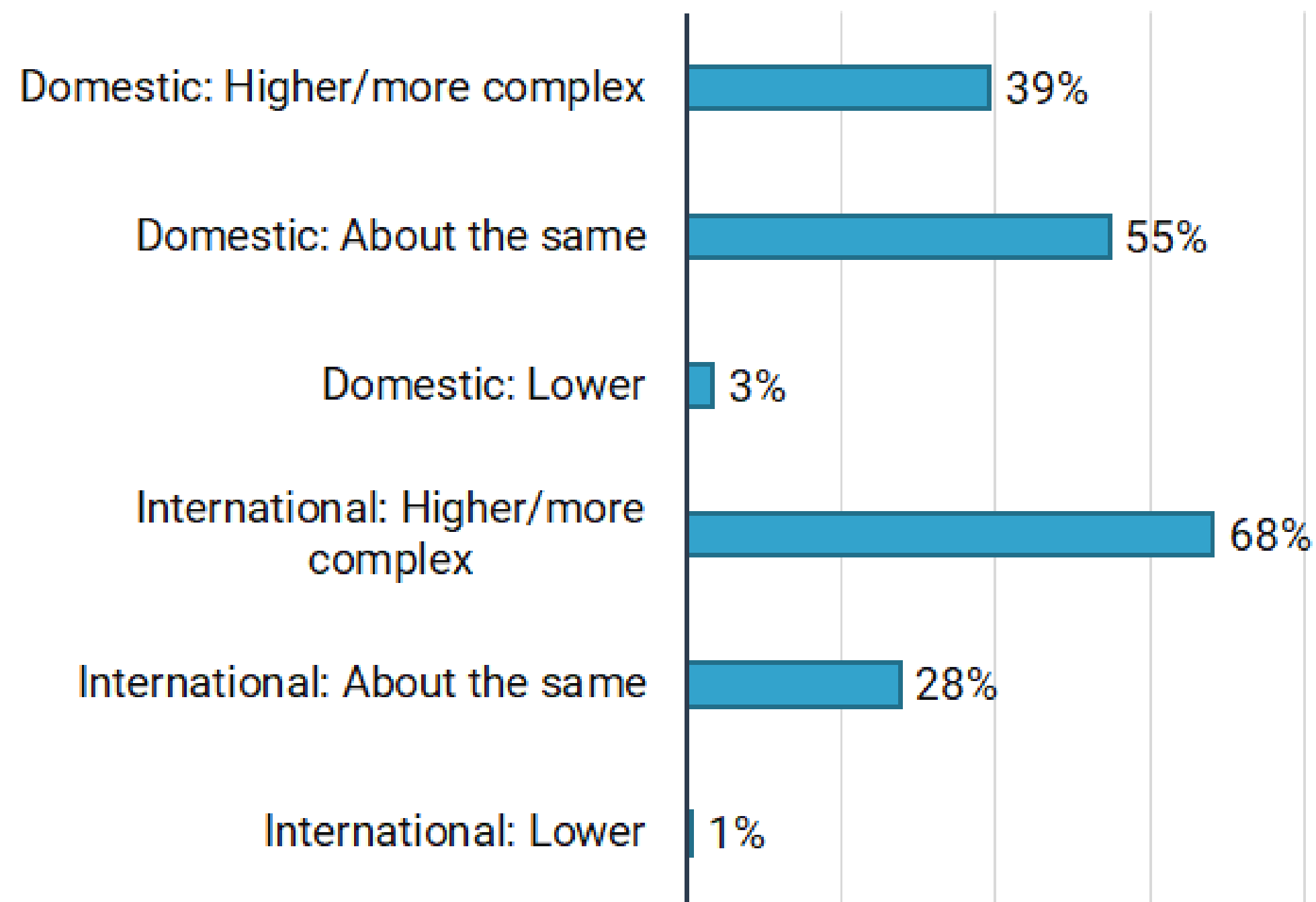
» What controls does your organization have in place to prevent fraud / cyber-attacks? (Select all that apply)





# POLL QUESTION

**My expectations regarding regulations over the 12 months are: (Select two)**

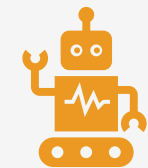




## **The Pandemic Hammers Company Outlook in 2020 and Dampens Expectations for 2021**



## **Leading to a Situation Between Lenders and Borrowers of More Cash Managed More Tightly**



## **Proving to Be a Catalyst for the Expansion of Technology**

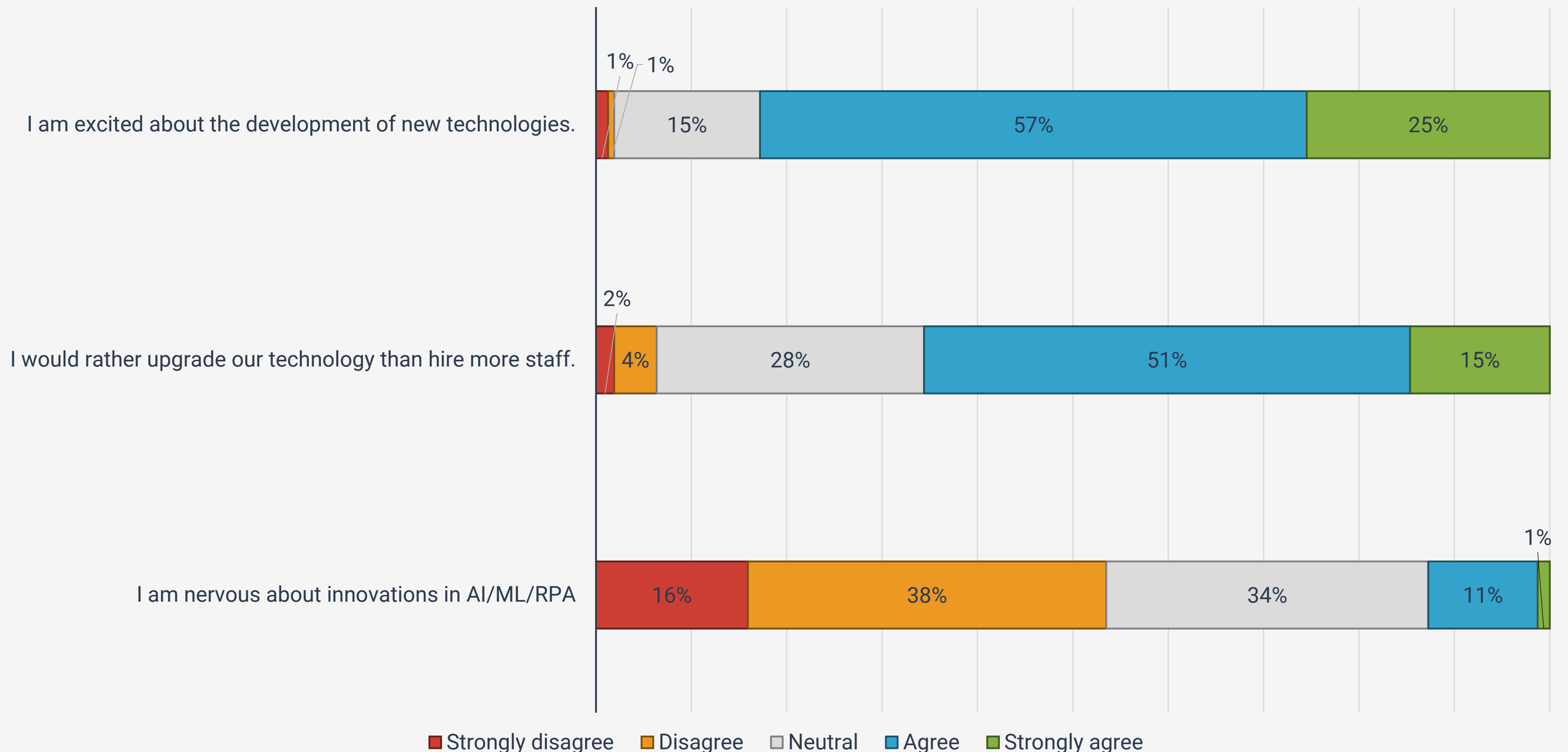
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# NEW TECHNOLOGY

## WELCOMED WITH LITTLE HESITATION

The rapid move to a WFH environment is a likely accelerator of adoption and excitement about newer and established technologies. More than 4/5ths of respondents are excited about the development of new technologies (AI/ML, RPA, API) while those same technologies are making 12% nervous.

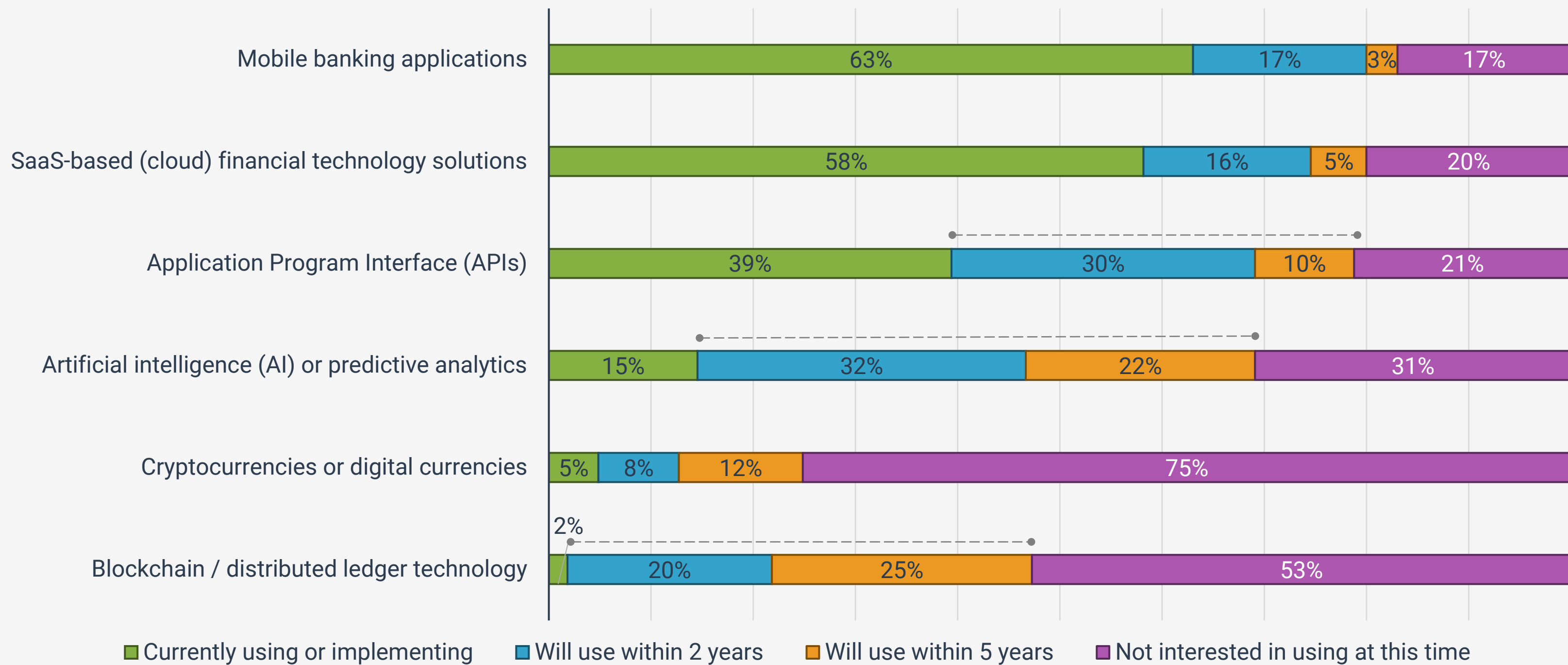
» Please rank how you feel about each of the following statements.



# EXPANDING TECHNOLOGY

## RAPID ADOPTION EXPECTED

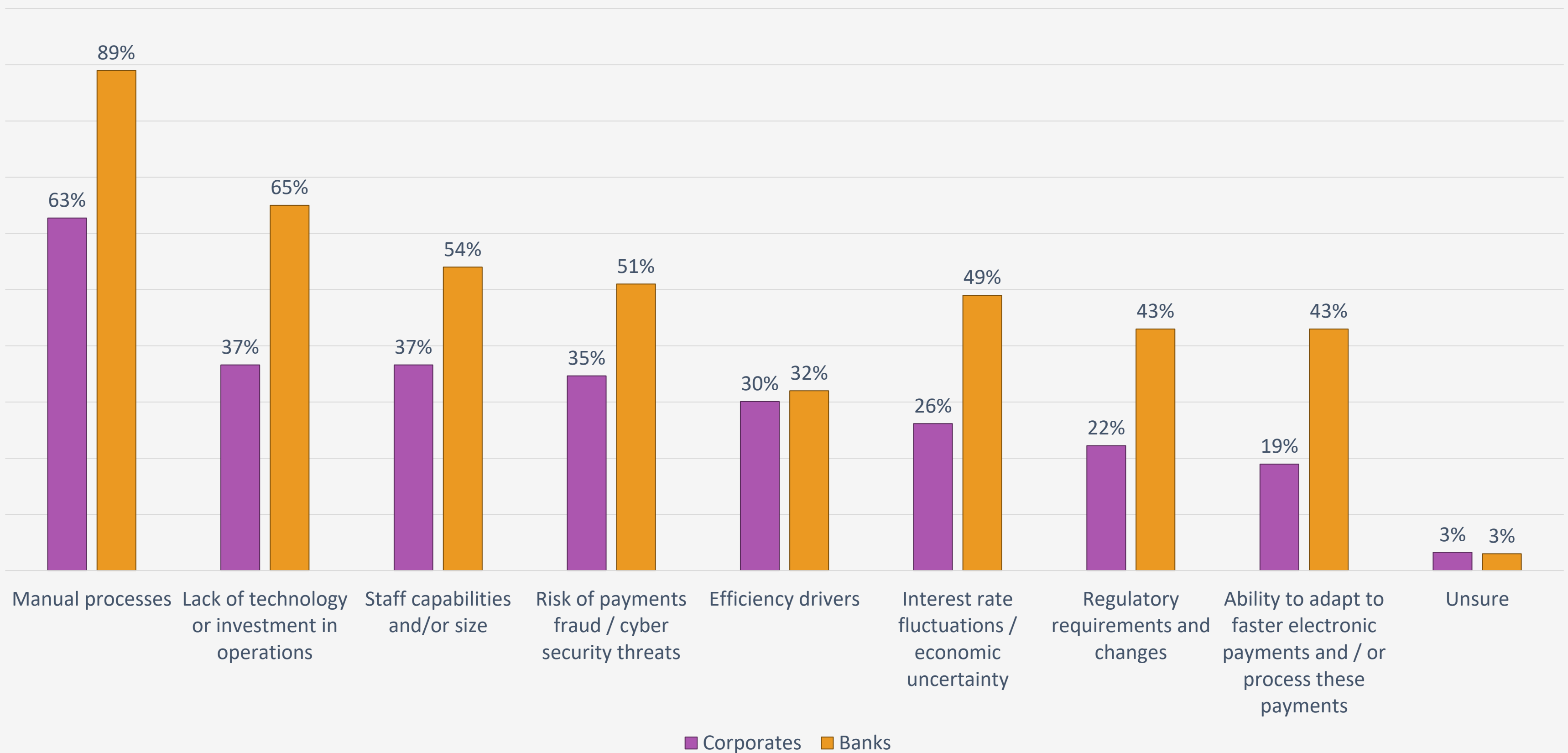
» Which of the following technologies are you using / interested in using in treasury?



# TOP CHALLENGES

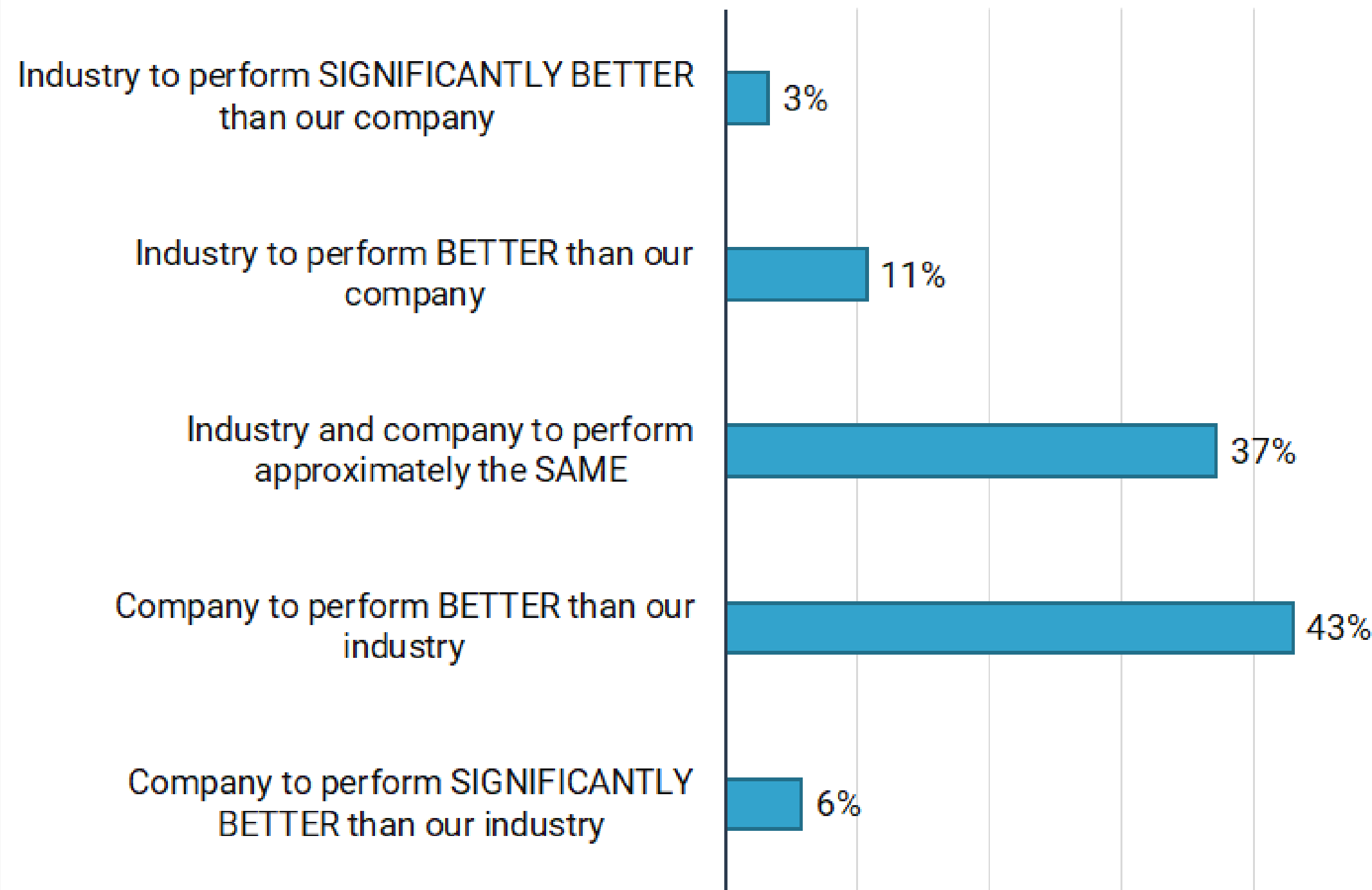
## MANUAL AND LACK OF RESOURCES TOP THE LIST

» What areas represent the top operational challenges for your organization in 2020? (Select all that apply)

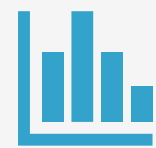


# POLL QUESTION

## Industry and Company Contrast: What is your 12-month Economic Outlook?



## KEY TAKE-AWAYS



### FORECAST

- Taking the steps, time and money to institutionalize better liquidity planning is always important.
- During disruptive times, it is 2X more important.

*Cash is king & forecasting excellence pays dividends.*



### ACT NOW

- The work from home (WFH) environment has significantly altered business processes.
- Prepare for the “new” normal with adequate technology and proper controls and utilize automation and outsourcing when possible.

*Seize the opportunity while the awareness is high.*



### REVIEW

- Identify areas of inefficiencies and opportunities, including:
  - Staff training
  - Credit arrangements
  - Compliance
  - Alternative technology
  - Security

*Protecting your cash requires protecting your bank accounts.*

# LET'S CONNECT.

DON'T LET THE LEARNING END HERE...  
CONTACT US WITH ANY FUTURE QUESTIONS.

Thank you for your interest in this presentation and for allowing us to support you in your professional development. Strategic Treasurer and our partners believe in the value of continued education and are committed to providing quality resources that keep you well informed.



## STRATEGIC TREASURER

Craig A. Jeffery,  
*Managing Partner*

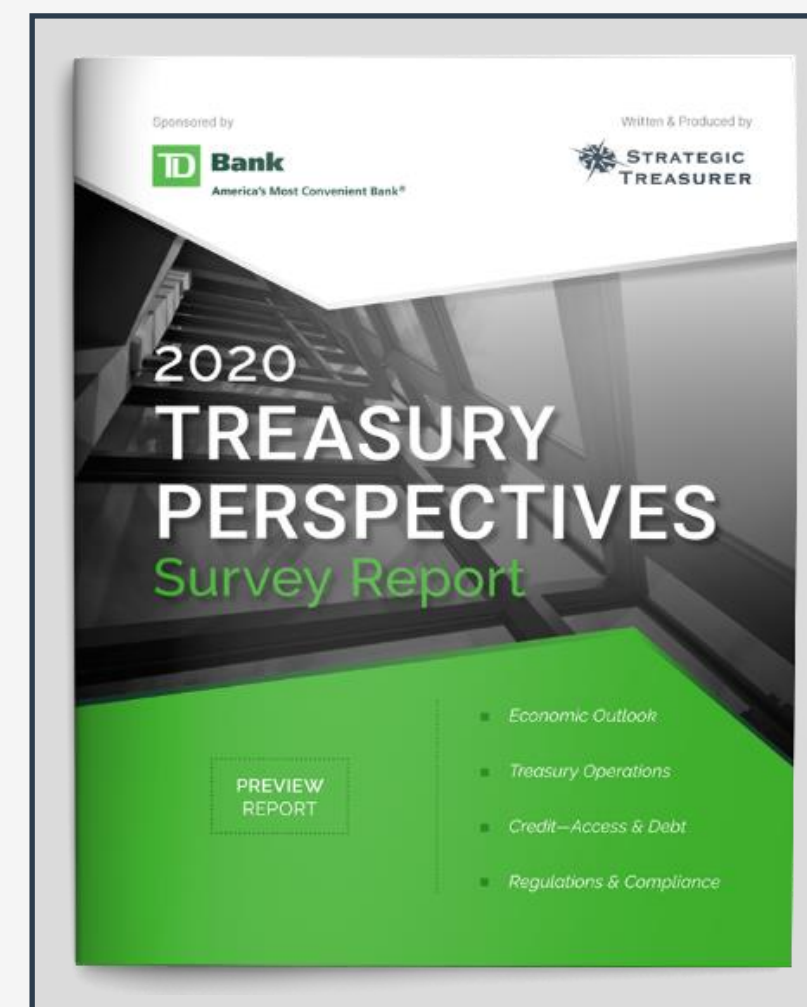
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## TD BANK

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## SURVEY PREVIEW REPORT

Download the 2020 Treasury Perspectives preview report today and receive the summary report and infographic upon release.

Survey respondents will be sent the executive report and infographic for completing the survey.



[Click to Download](#)