



The Strategic Imperative

Elevating Treasury's Role for CFOs and Group Treasurers

By Hennie de Klerk, Founder & CEO, TreasuryONE

The treasury function has evolved from traditional cash management and risk mitigation into a strategic partner for today's CFOs and Group Treasurers. This transformation is driven by economic complexity, technological advancements, evolving regulatory requirements, and heightened stakeholder expectations.

Liquidity visibility

The foundation for strategic treasury management is clear, real-time visibility into liquidity positions. Today's CFO requires a comprehensive view of global liquidity—cash positions, investments, and credit lines—in real time. Treasury

departments must therefore transition from periodic reporting to proactive, predictive liquidity management, leveraging advanced forecasting tools and scenario analysis.

Strategically, treasury can contribute significantly to financial agility by forecasting liquidity scenarios—ranging from sudden market disruptions to regulatory shifts—and evaluating their potential impact on corporate liquidity. This approach equips CFOs with actionable insights, enabling timely decision-making around short-term borrowing, capital allocation, and strategic investments. By continuously refining working capital management through advanced receivables, payables solutions, and supply-chain finance mechanisms, treasury can directly impact the organisation's cash conversion cycle. Each incremental improvement provides CFOs additional liquidity that can be strategically deployed to drive growth or improve the balance sheet.

Optimising capital structure

Treasury departments are tasked with continuously evaluating and optimising the capital structure to maintain balance sheet strength, liquidity, and strategic flexibility. This involves analysing debt maturity profiles, cost of capital, refinancing opportunities, and alternative funding mechanisms such as green bonds, syndicated loans, or structured lease arrangements.

Strategic capital structure management necessitates rigorous analytics to assess the impact of varying interest rate environments, currency fluctuations, and economic cycles on corporate financing. Treasury's role is to provide comprehensive scenario analyses

and stress testing to enable CFOs to proactively manage financial risks. Such strategic clarity around financing decisions allows CFOs to dynamically manage risk and seize market opportunities efficiently.

Comprehensive risk management beyond traditional hedging

Risk management, traditionally limited to hedging interest rate and currency exposures, now requires a broader, forward-looking, and holistic approach. CFOs expect treasury departments to implement comprehensive risk frameworks that incorporate scenario modelling, stress-testing, and predictive analytics. This requires treasury to continuously refine its approach to exposure identification, quantitative measurement, policy governance, and risk mitigation execution.

Strategically, treasury can position itself as a trusted advisor to the CFO by providing insightful analysis of financial, operational, and strategic risks. Enhanced predictive modelling can assess potential impacts of global economic events, regulatory changes, and market volatility, allowing CFOs to proactively manage exposures and guide informed decision-making at the board level. This expanded risk mandate moves treasury beyond compliance into strategic risk advisory, aligning risk management practices with broader organisational objectives.

Leveraging technology

CFOs and Group Treasurers must invest in advanced treasury management systems (TMS), integrated data platforms, automated reporting, and cloud-based solutions to drive real-time

data visibility, analytical agility, and operational efficiency.

Implementing technologies such as AI-driven forecasting, predictive analytics, and blockchain-based transaction processing provides treasury with unprecedented capabilities to convert data into strategic insights. Customised dashboards deliver real-time financial intelligence directly to CFOs, allowing rapid interpretation of trends, risks, and strategic opportunities. Technology-enabled agility allows treasury to swiftly evaluate the financial implications of corporate actions such as acquisitions, expansions, or capital investments, empowering CFOs to make confident, informed decisions.

Collaboration and strategic integration across the enterprise

Treasury's strategic value increases exponentially when integrated with broader organisational planning processes. Collaboration between treasury, financial planning and analysis (FP&A), procurement, legal, and operational units ensures treasury insights directly influence corporate strategies. Such integrated collaboration enables proactive identification of liquidity needs, optimises capital deployment, and mitigates hidden risks.

Early treasury involvement in strategic initiatives such as mergers, acquisitions, market entries, and large-scale capital projects is crucial. Treasury's detailed understanding of liquidity impacts, funding structures, and risk considerations informs strategic decision-making and minimises financial surprises. By acting as an integral part of the strategic planning process, treasury directly contributes to robust, resilient financial planning and execution.

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Developing treasury talent to build a strategic culture

Elevating treasury's strategic role requires targeted investment in talent development and organisational culture. CFOs and Group Treasurers must prioritise attracting and nurturing treasury talent with strong analytical, technological, and commercial capabilities. Comprehensive training programmes in areas such as advanced analytics, digital technology, and strategic finance ensure treasury teams are equipped for future complexities.

Rotational programmes across finance, operations, and risk management broaden treasury team members' understanding, enabling them to deliver nuanced, enterprise-wide insights. Cultivating a culture of curiosity, innovation, and strategic engagement fosters a proactive treasury function deeply aligned with the CFO's strategic vision.

Integrating sustainability into strategic treasury

Sustainability finance has rapidly moved from peripheral consideration

to strategic imperative. Treasury plays a vital role in embedding environmental, social, and governance (ESG) objectives within corporate finance strategies. CFOs now rely on treasury to drive sustainability finance initiatives, such as issuing green bonds, securing sustainability-linked loans, and structuring ESG-aligned working capital programmes.

Strategically integrating sustainability finance allows companies to align financial and ESG objectives, enhancing reputation among investors, customers, and regulators. Treasury must proactively engage in transparent, strategic ESG communication, showcasing the tangible financial benefits of sustainability-linked financing, thus reinforcing treasury's pivotal strategic role.

Anticipating and adapting to regulatory change

As regulatory environments continue to evolve rapidly, treasury's role in strategic regulatory management becomes essential. Treasury must stay ahead of regulatory developments, analysing

potential financial impacts and preparing strategies for seamless compliance. This proactive approach ensures CFOs can anticipate and mitigate regulatory risks effectively.

Strategic regulatory management includes continuously monitoring international developments, assessing potential impacts on liquidity, funding, and capital structures, and advising CFOs proactively. This role further positions treasury as a strategic advisor.

Strategic treasury as a competitive advantage

By proactively investing in treasury's strategic development, CFOs and Group Treasurers empower the function to become a central, strategic enabler – one capable of navigating complexity, mitigating risks, and driving long-term organisational success. In this strategic evolution, treasury transitions from a supporting actor to a lead protagonist, essential to achieving corporate excellence and sustainable competitive advantage.

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HENNIE DE KLERK

Founder & CEO, TreasuryONE

Hennie de Klerk is the Founder and CEO of TreasuryONE, a leading treasury services provider in South Africa. Since establishing the company in 2000, he has been instrumental in its growth and success, offering comprehensive treasury solutions to a diverse clientele. Under his leadership, TreasuryONE has become a trusted partner for many businesses, providing services such as foreign exchange risk management, cash and liquidity management, and treasury technology solutions.

Beyond his corporate achievements, Hennie is known for his passion for motorsport. He has participated in three Dakar Rallies, one of the most challenging off-road races globally, showcasing his determination and resilience.

Hennie de Klerk's blend of strategic business acumen and adventurous spirit continues to drive TreasuryONE forward, solidifying its position as a treasury services and technology industry leader.

