

Manufacturers
ALLIANCE

**TREASURY FUNCTION:
LEADERSHIP & STRUCTURE
2023 BENCHMARKING**

KEY FINDINGS

Leadership

- **An overwhelming majority have been Treasurers for 10 years or fewer** – 72 percent, close to $\frac{3}{4}$ of respondents, have been in their roles for fewer than 10 years.

Reporting to the Board

- **Treasurers wear many hats** – Treasurers are juggling multiple activities, with insurance/risk management being the top activity (60%). But they are also overseeing credit card management programs (46%), structured financing initiatives (40%), investor relations (34%), strategic planning (17%), tax (14%) and more.

Structure and Responsibilities

- **Treasury departments believe in a clear chain of command** – A vast majority of treasury functions (88%) have reporting structures that are well defined, where decision-making is formal and flows from the top down.

Personnel

- **Treasurers are embracing the new world of work** – A commanding majority (80%) allow their staff to work under a hybrid arrangement.

About the Survey

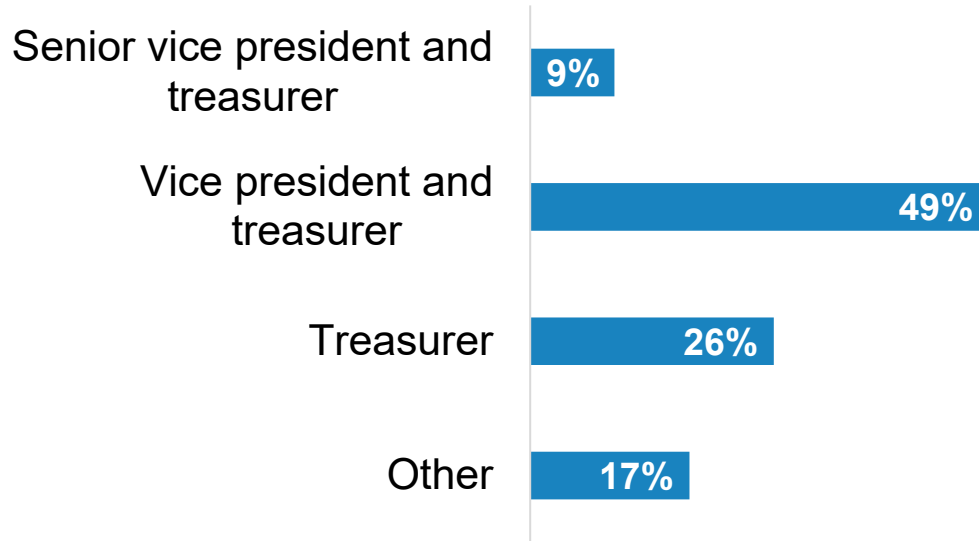
- **New & departing Treasurers share a common thread** – 88 percent arrive from outside the organizations, and 61% of departing employees take opportunities outside the company.

Leadership



THE HEAD OF TREASURY IS MOST OFTEN AN OFFICER

The title of the head of treasury is:

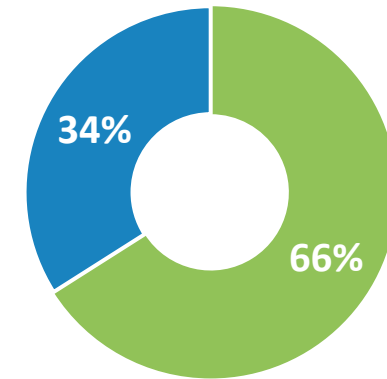


Other:

- Vice President, Finance and Treasurer.
- Senior Vice President, CAO and Treasurer.
- Vice President Treasury & Investor Relations.
- Treasurer & Vice President of Investor Relations.
- EVP, CFO & Treasurer.
- VP Investor Relations and Treasurer.

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Is the treasury function leader an officer of the company?

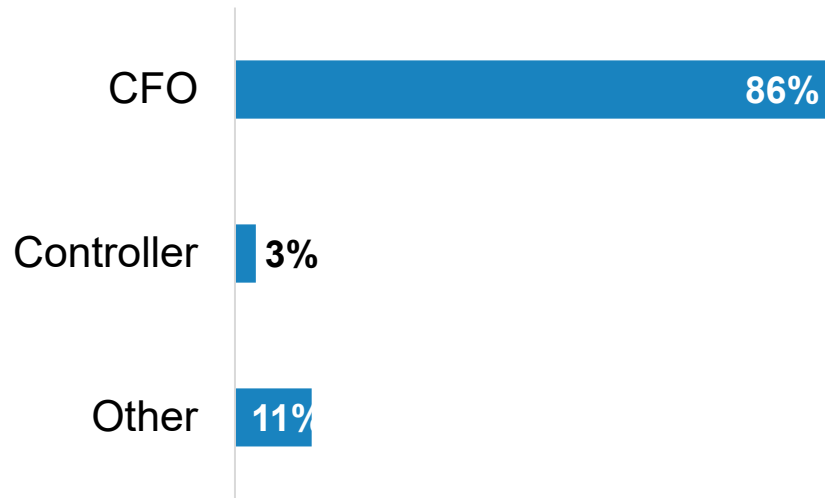


■ Yes ■ No

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NEARLY $\frac{3}{4}$ OF TREASURERS HAVE BEEN IN THE FUNCTION FOR FEWER THAN 10 YEARS

The treasury function leader has a reporting line to:

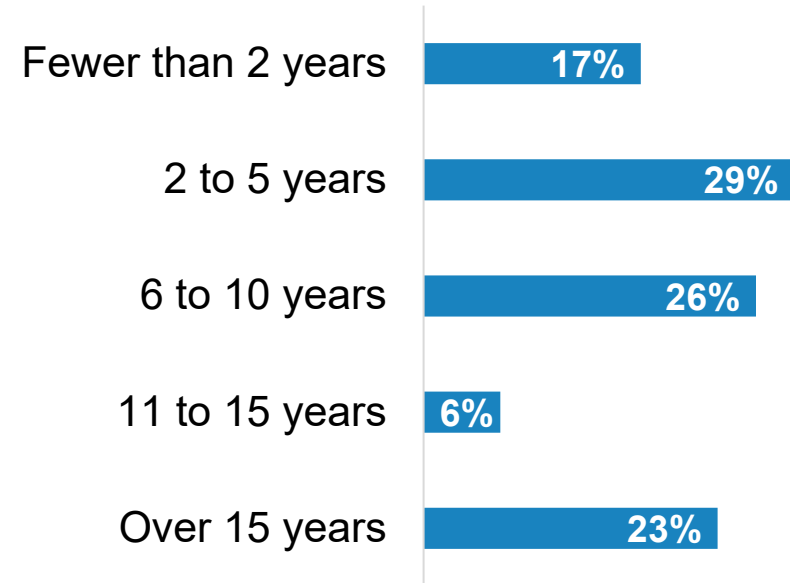


Other:

- Chief Accounting Officer - CAO.
- Tax.
- CEO.

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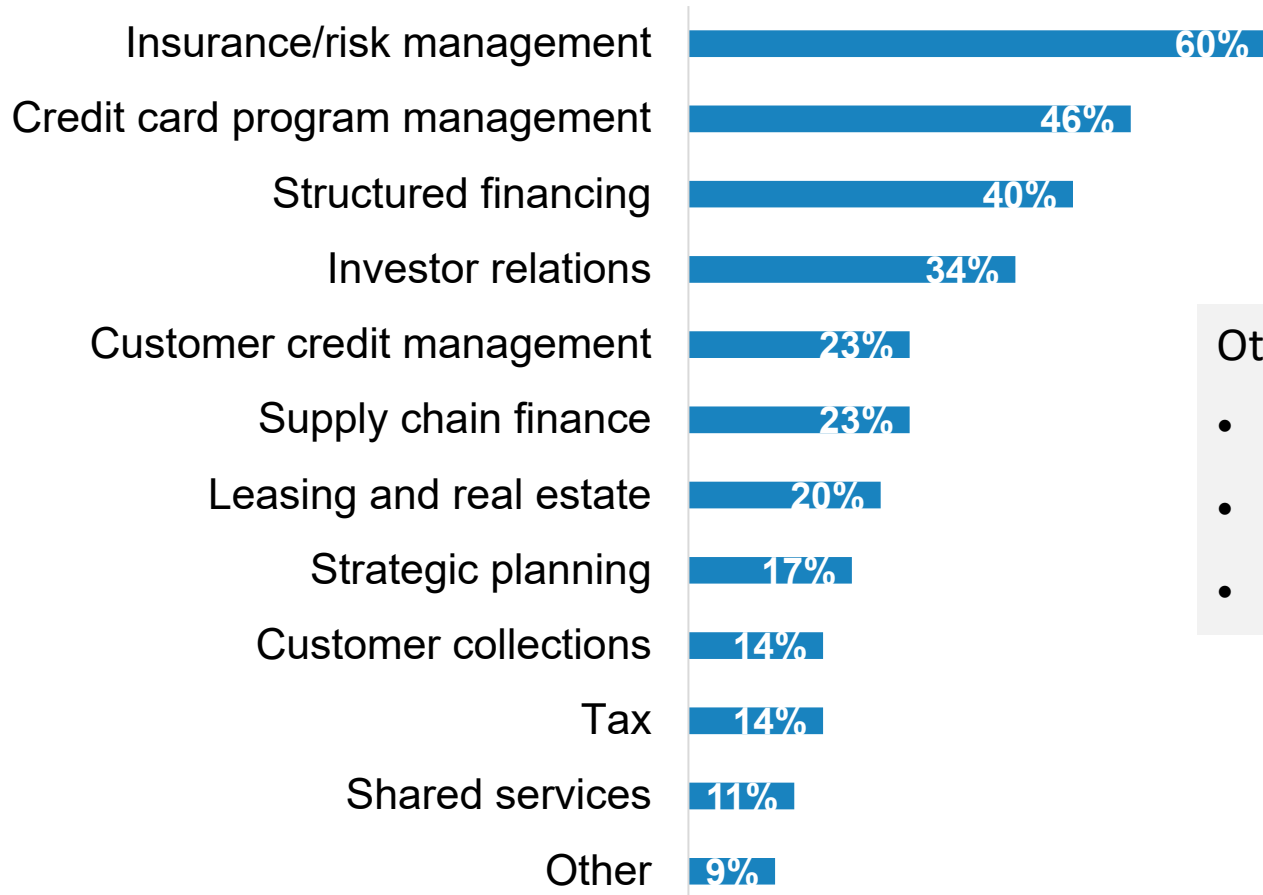
How long has the treasurer been in the treasury function?



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TREASURY PERFORMS A WIDE VARIETY OF TASKS

Please select the non-core treasury functions that report to, or are performed by, treasury at your company. Select all that apply.



- Other:
- FP&A, Opex Controlling, AP.
 - Pension investments.
 - RPA.

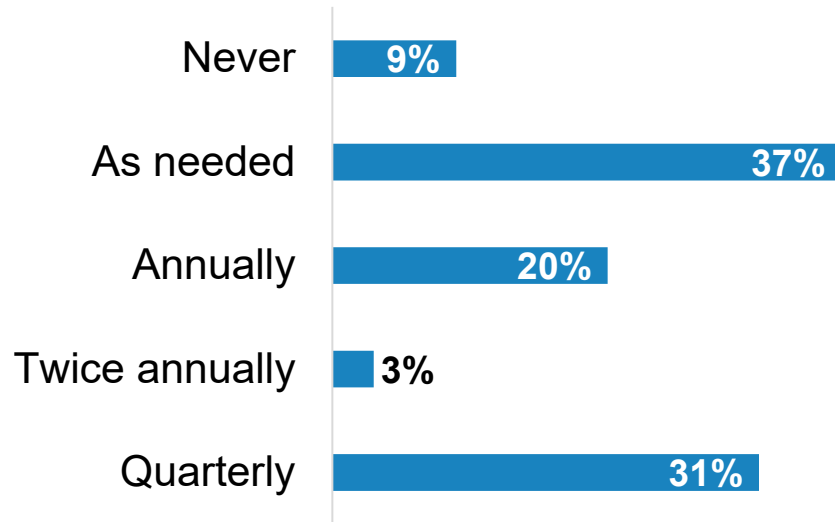
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Reporting to the Board



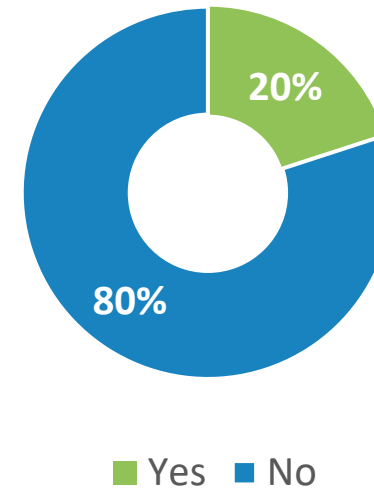
BOARD REPORTING VARIES WIDELY

How often does the corporate treasurer report his/her activities to the board of directors or a committee of the board?



n=35

Does the treasurer ever meet in private executive sessions (i.e., not in the presence of other management) with the board or its cognizant committee?



n=35

Structure and Responsibilities

The background features a collage of images related to construction and infrastructure. On the left, a large, multi-arched bridge spans across a body of water. On the right, there are several smaller images: a close-up of a worker's hands, a close-up of a worker's face, and various construction materials like rebar and concrete. The overall color scheme is dominated by blue and green tones.

HIERARCHICAL STRUCTURE IS THE NORM FOR TREASURY

The basic reporting structure of the treasury function is:

Hierarchical (i.e., well-defined reporting structure so that, for example, an employee reports to a manager who reports to a director who reports to the senior [treasury] executive)

69%

Team-based (i.e., tasks or projects managed using a team approach across functions) and team heads report to treasurer or AT

14%

Matrixed (i.e., most key functions report to both business unit and corporate functional heads)

3%

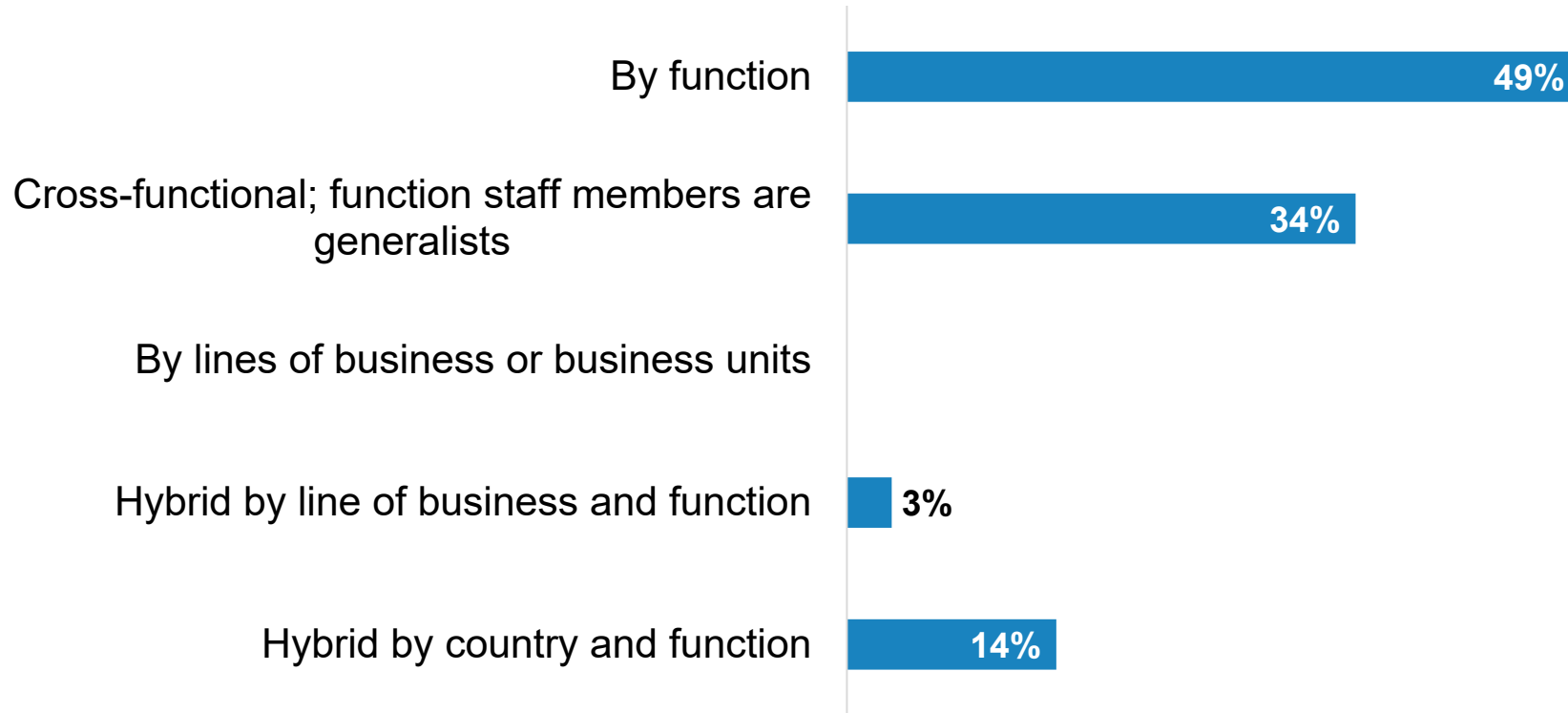
None of the above because the department is too small

14%

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HIERARCHICAL STRUCTURE IS THE NORM FOR TREASURY (continued)

The organizational structure of the treasury function is:



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Key Findings

Leadership

Reporting to the Board

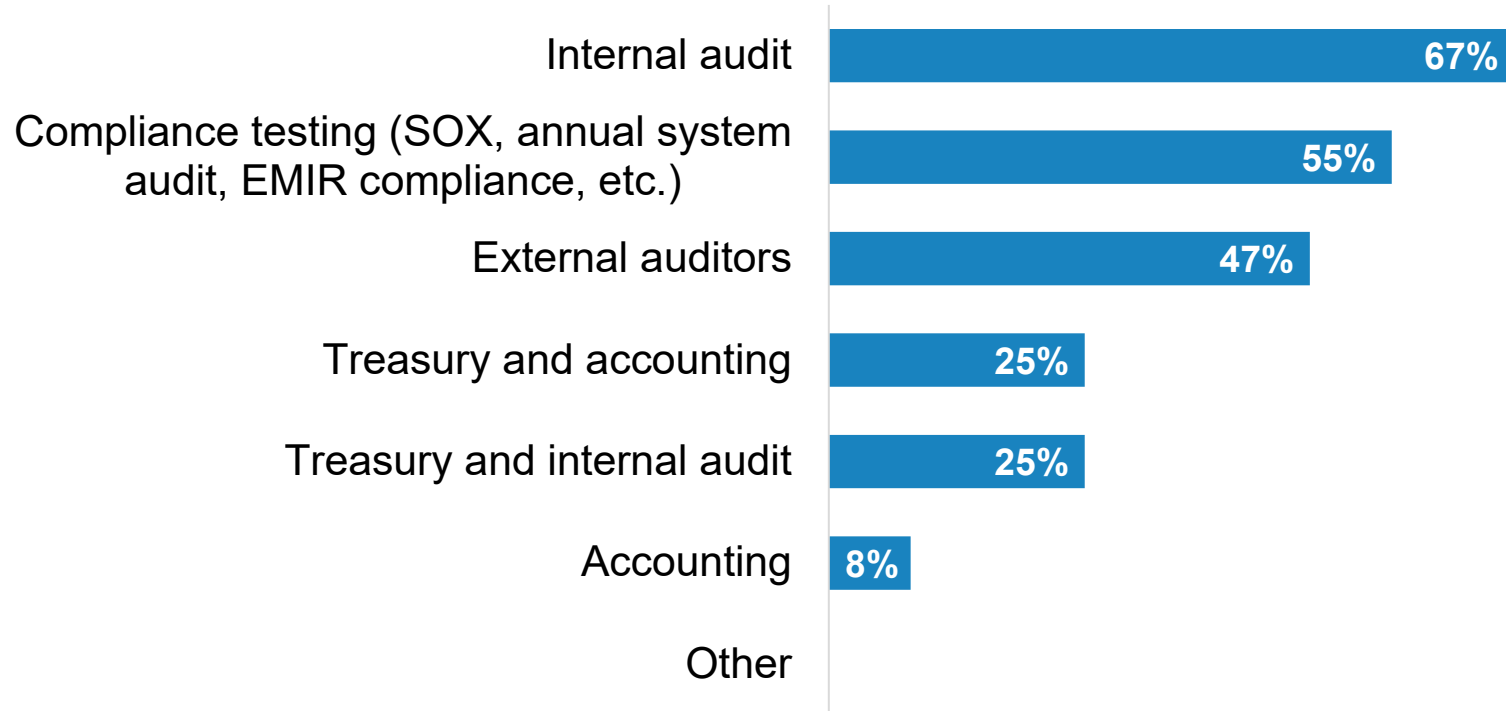
Structure and Responsibilities

Personnel

About the Survey

COMPLIANCE TESTING IS MORE LIKELY TO BE DONE BY AN EXTERNAL AUDITOR THAN BY TREASURY ITSELF

Which function performs compliance testing for the treasury department? Select all that apply.



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Key Findings

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Reporting to the Board

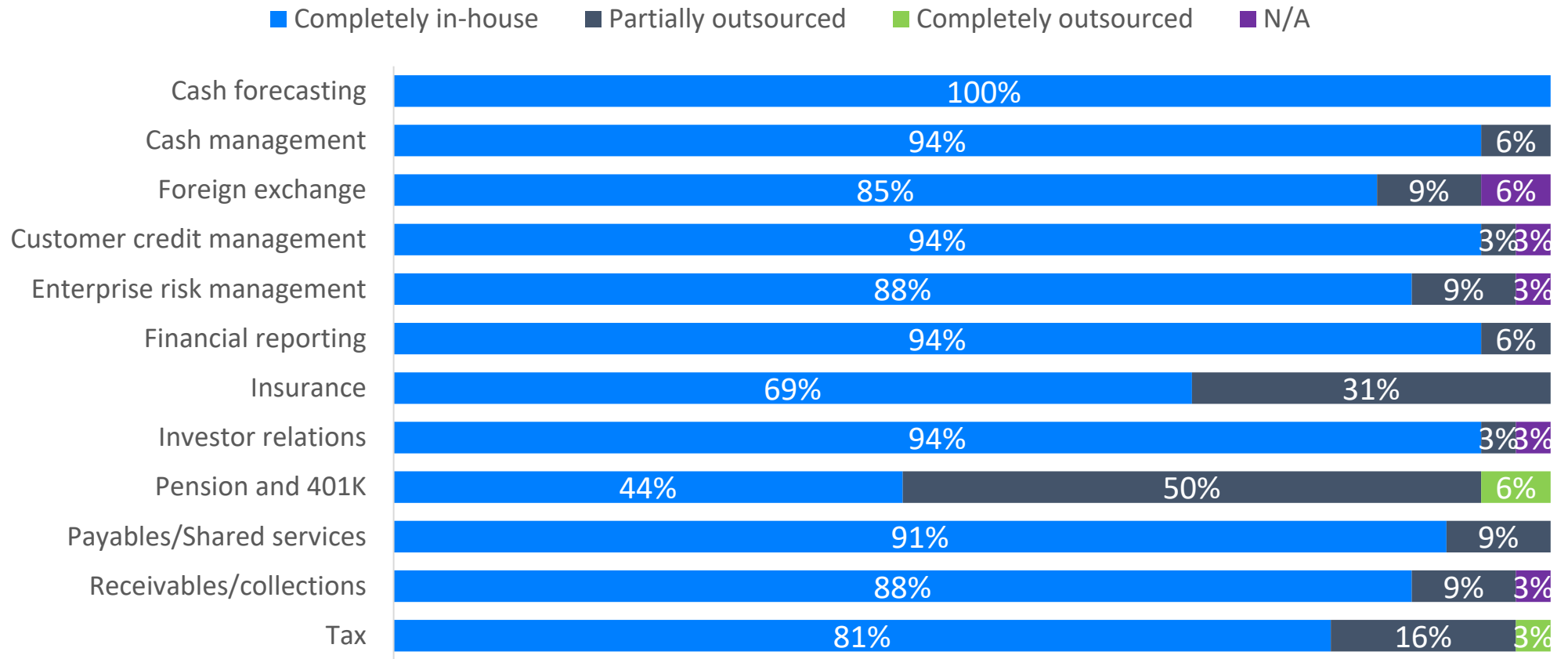
Structure and Responsibilities

Personnel

About the Survey

PERFORMANCE OF, AND RESPONSIBILITY FOR, ACTIVITIES

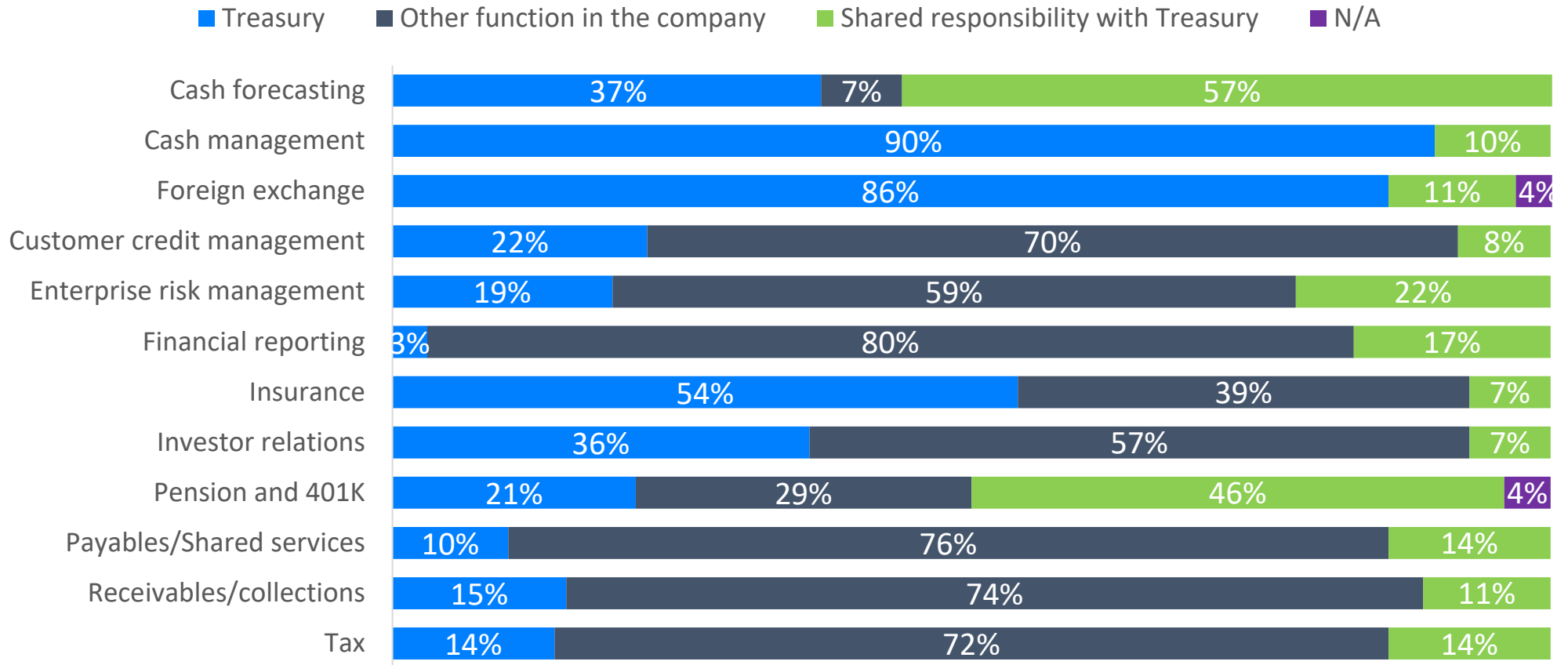
For each of the following areas, indicate whether business activities are performed completely in-house, partially outsourced, or completely outsourced.



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PERFORMANCE OF, AND RESPONSIBILITY FOR, ACTIVITIES (continued)

For each of the following activities performed in-house, indicate who is responsible.



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Key Findings

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Reporting to the Board

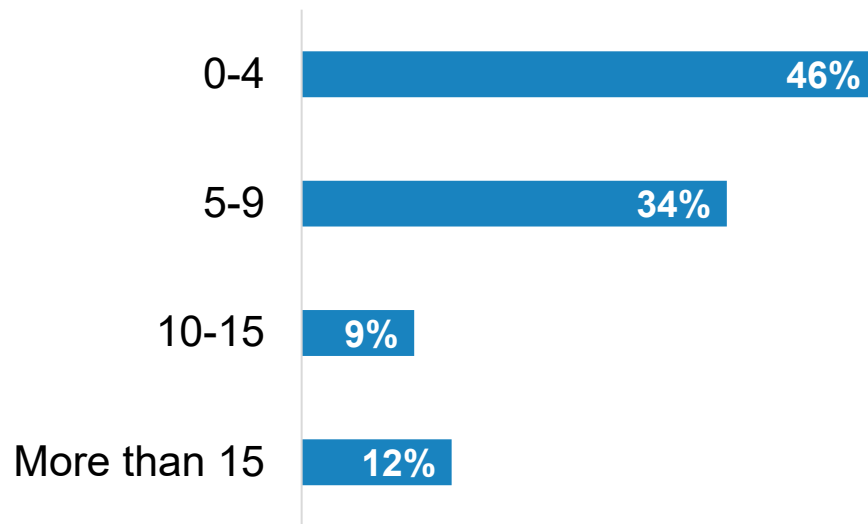
Structure and Responsibilities

Personnel

About the Survey

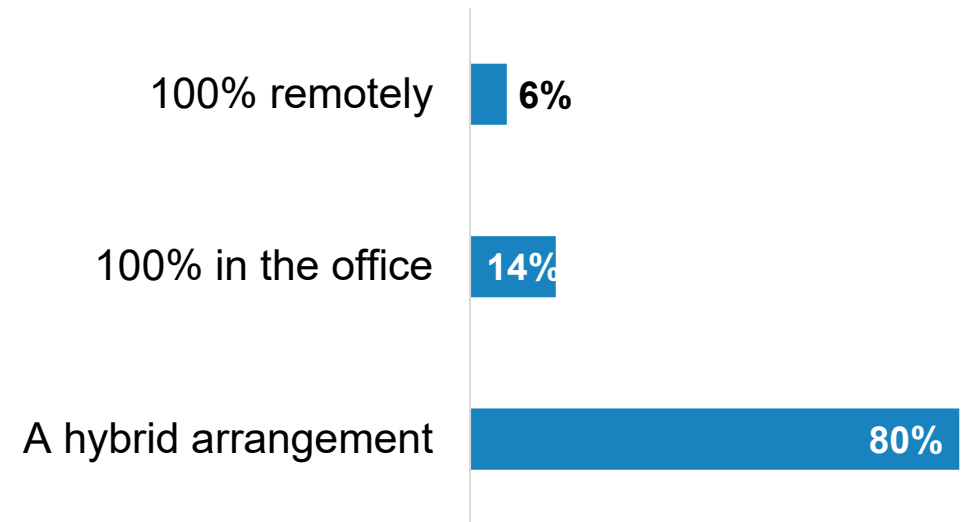
HYBRID WORKING HAS BECOME THE NORM

What is the total number of full-time equivalent (FTE) personnel on the corporate staff whom you consider to be members of treasury (e.g., an individual spending half of his/her time in the function counts as 0.5 FTE, whether or not they are located in the department)?



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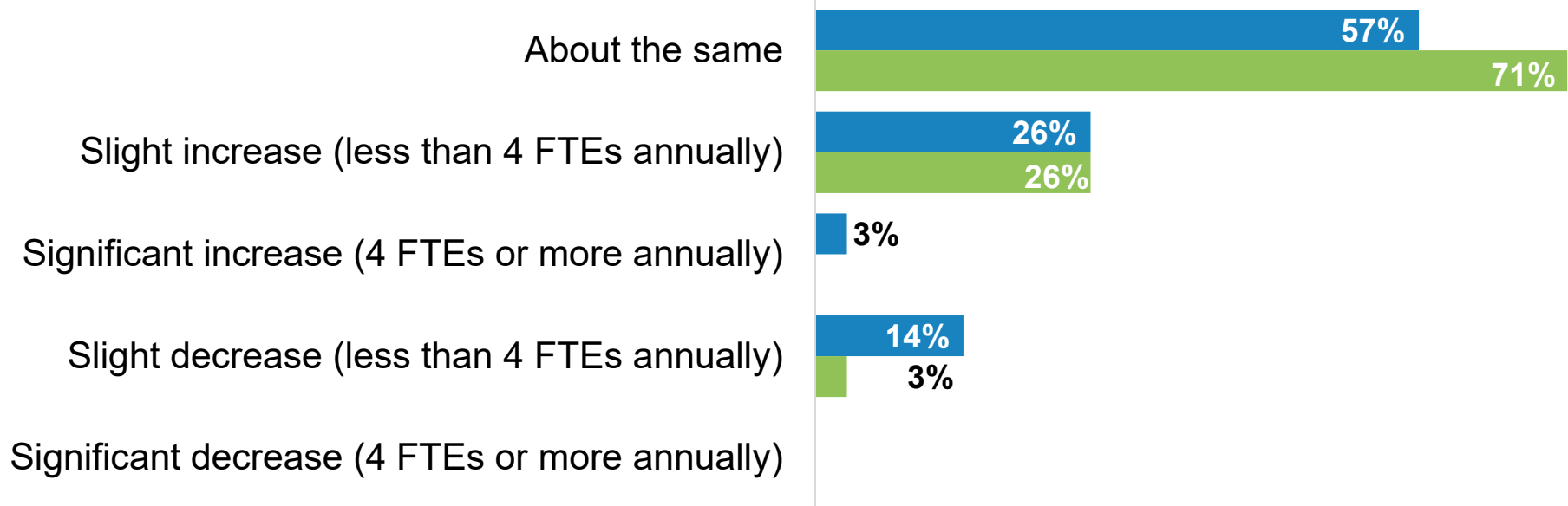
Do your FTEs work 100% remotely, 100% in the office, or in a hybrid arrangement?



n=35

THE SIZE OF TREASURY TEAMS HAS BEEN RELATIVELY STABLE

*Over the last three years, the number of FTEs in treasury has:
Do you expect the number of professionals in your department to increase, decrease, or stay the same over the next three years?*

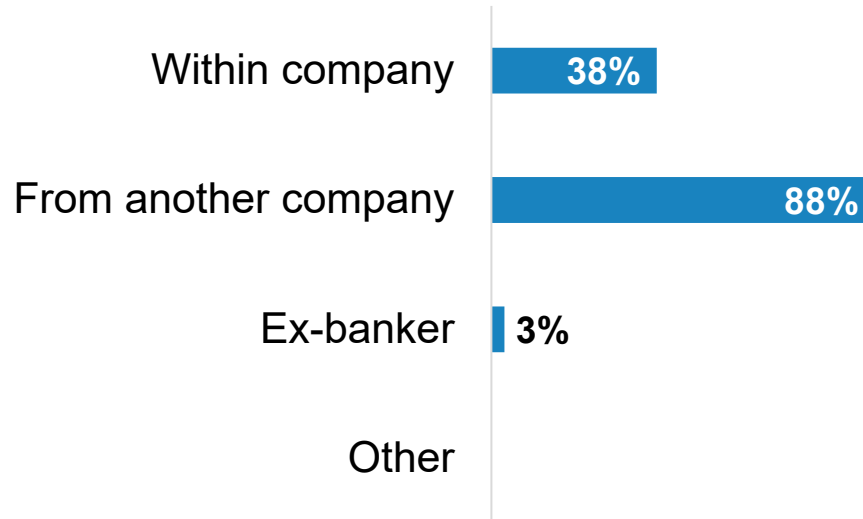


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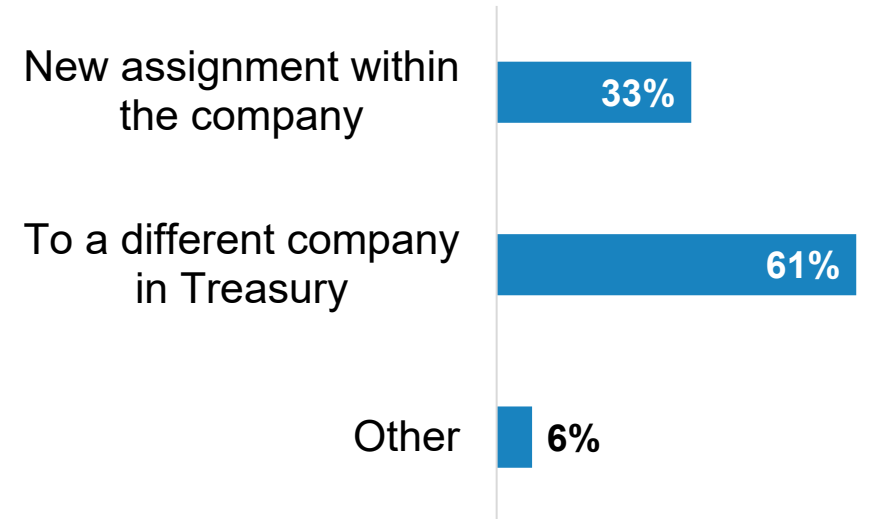
NEW HIRES & DEPARTING STAFF SHARE A COMMON LINK: THEY ARRIVE FROM OUTSIDE THE COMPANY & LEAVE FOR OUTSIDE OPPORTUNITIES

Where are your new hires coming from?



n=41

When treasury staff leave your department, where do they tend to go?



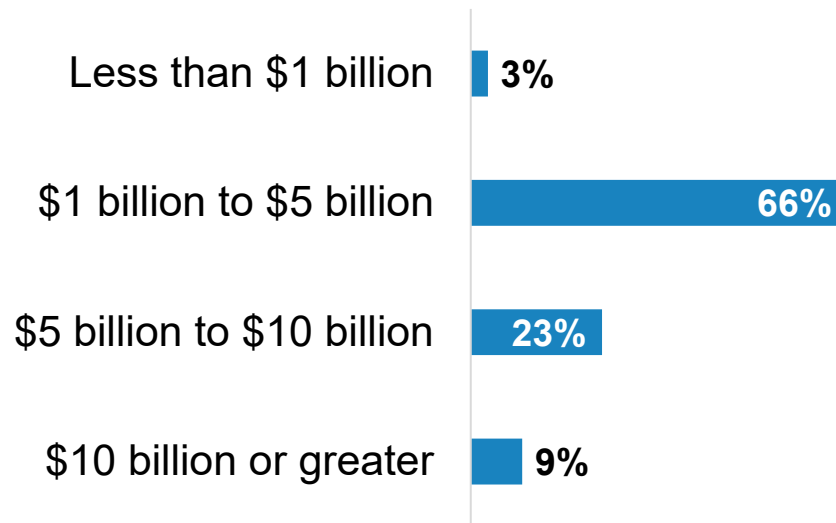
n=33

About the Survey

The background of the slide is a complex collage. It features several overlapping images: a person in a blue shirt working in a field, a close-up of a plant with long, thin leaves, and a person holding a tool. The collage is set against a gradient background of blue and green. The text 'About the Survey' is written in a large, white, sans-serif font across the middle of the slide.

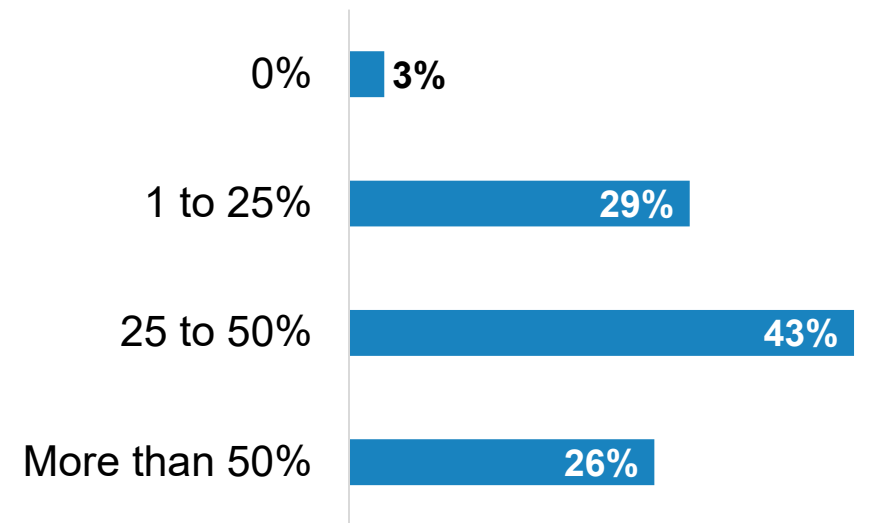
ABOUT THE SURVEY RESPONDENTS

Please estimate your company or business unit's sales in the most recent fiscal year.



n=35

Please estimate your percent of total revenue derived from business outside of the United States.

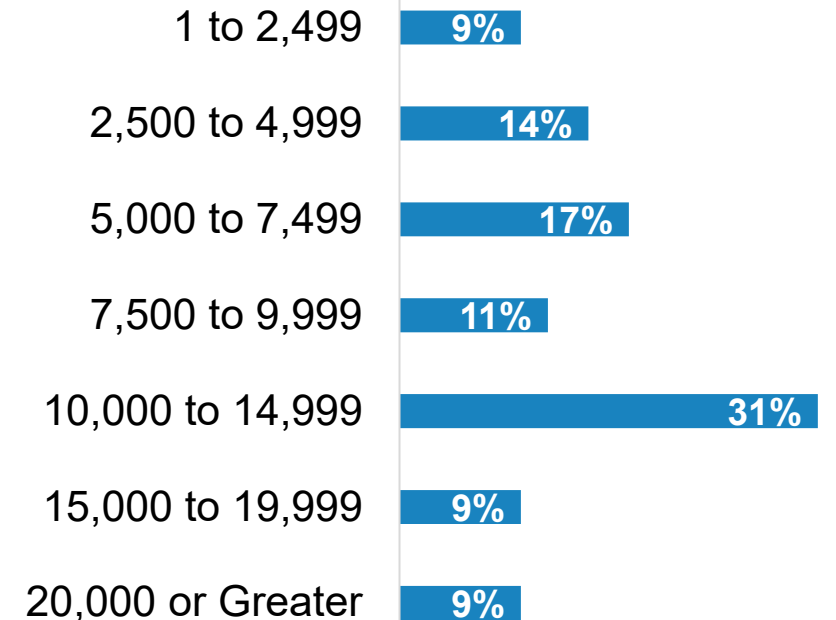
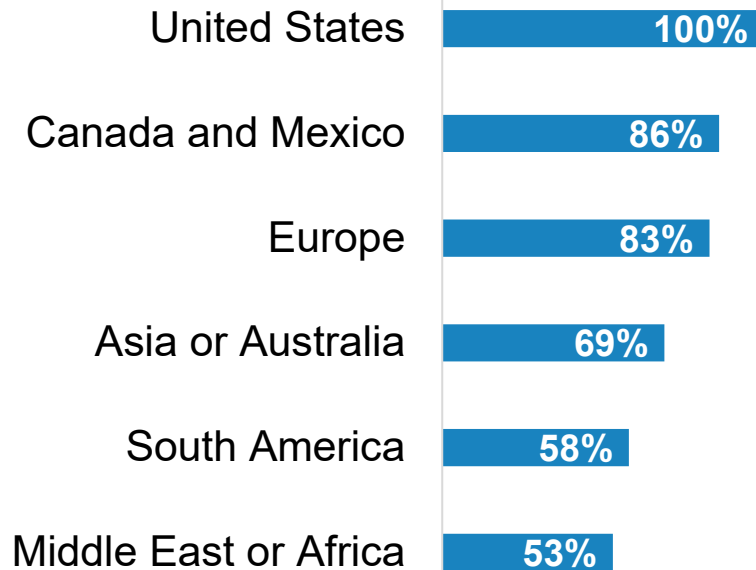


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ABOUT THE SURVEY RESPONDENTS

Please select all the regions where your company has a physical presence.

Please enter the number of employees as set forth in your company's annual report.



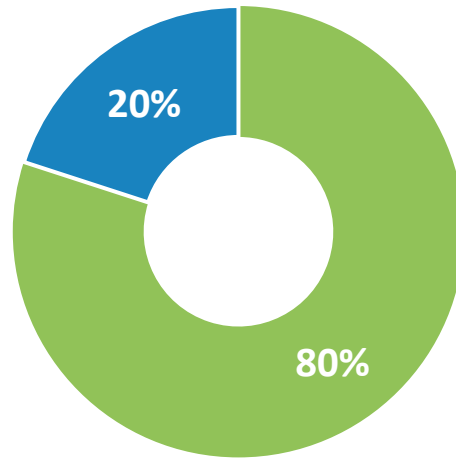
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ABOUT THE SURVEY RESPONDENTS

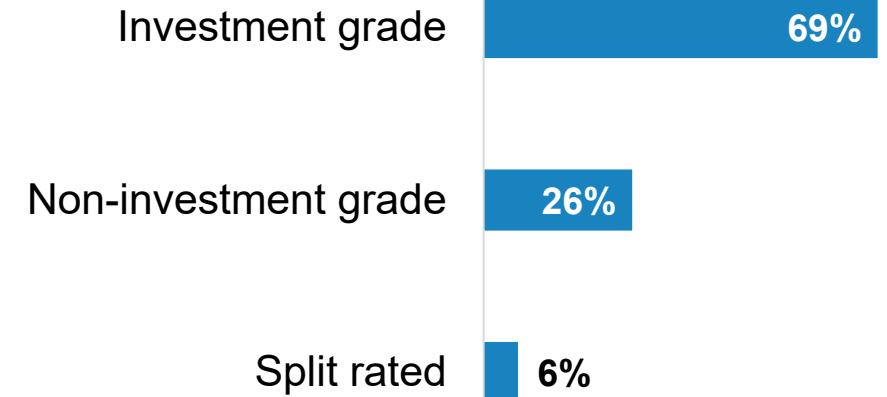
What is your corporate status? Select all that apply.

- Some or all of the company's stock is publicly traded
- None of the company's stock is publicly traded, i.e., the company is privately held



n=35

Is your company:



n=35

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About This Publication

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