Cash Engineers

Treasury is becoming a strategic engineering function: Real-time data from ERP, TMS, and banks, along with AI-powered simulations, make liquidity management up-to-date, resilient, and precise—tailored to the specific business model. By Michael Völkl

Treasury teams are increasingly evolving into "treasury engineers" who actively shape change. Their role is shifting from administrative tasks to strategic responsibilities—and this shift requires proactive management. In light of technological change, geopolitical risks, and fragile supply chains, traditional planning models are increasingly reaching their limits . The key is the ability to manage liquidity flexibly and on a daily basis—supported by intelligent systems that automatically detect deviations and trigger responses .

"Real-time integration of cash-relevant data is the foundation."

Technology provides a competitive advantage on multiple levels. Real-time integration of cash-relevant data—and thus a seamless data foundation from all relevant systems (ERP, TMS, banks)—is a prerequisite for an accurate view of liquidity. The automation of processes such as currency hedging, operational management of financing structures, and bank transfers enables rapid faster responses and relieves teams of manual routines. And last but not least: AI-based analyses and simulations can improve liquidity management, reduce risks, and provide a better basis for decision-making.

Planning follows the business

This means that liquidity planning requirements must be tailored to the specific business model. Some examples: Industrial companies often have long payment cycles and high working capital requirements. Accordingly, planning should reflect long-term capital commitments. For retail companies, on the other hand, the focus is on consolidating large volumes of data to be able to react quickly to seasonal fluctuations. Project-oriented companies in mechanical and plant engineering have less to contend with in terms of small-item scheduling, but instead deal with large cash flows. These are closely tied to milestones—and require particularly agile planning.

Liquidity planning should therefore reflect the realities of the respective industry. It is also important to link different planning levels to create a robust overall picture. Daily cash flow management, which typically covers the next three days, ensures solvency and manages cash positions. Short-term planning, often with a horizon of one to twelve weeks, focuses on operational cash flows to manage day-to-day business. Medium-term planning, typically three to 24 months, forms the basis for strategic decisions such as investments and financing strategy.

Effective liquidity planning also requires consolidating data from various sources and systems. Here, it is worth examining the group-wide system architecture to establish a suitable technical foundation for data consolidation. Particularly in project-based business, schedule changes must be incorporated into planning in a timely manner. In internationally active companies, the pla-
in local currencies is important to transparently reflect currency risks. A seamless process from forecasting to hedging improves forecast quality and supports financial stability.

New technologies can help in this regard: AI-based treasury agents detect deviations in real time, simulate scenarios, and provide recommendations for action—based on reliable, internal company data. Treasury thus evolves from a reactive to a proactive, strategic function that creates measurable value. Companies that integrate and technologically modernize their planning processes benefit from higher forecast accuracy, more manageable currency risks, and optimized financing costs. That is a result that treasury departments are happy to see.

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