

Dr. Matthias Dünckelmeyer Ahmet Bozhüyük

Treasury in Mid-Sized Companies 2026

From Payment Processing to Strategic Financial Management

The success of mid-sized companies is a key determinant of an economy's competitiveness. At the same time, companies face rising interest rates, geopolitical uncertainty, volatile commodity markets and new regulatory requirements. Against this backdrop, treasury is taking on a new role: moving away from the administrative processing of financial transactions towards the strategic management of liquidity, risk and capital structures.

Executive Summary

Rising financing costs, volatile interest-rate markets and growing liquidity reserve requirements are fundamentally changing the role of treasury in mid-sized companies.

Treasury is evolving from an operational payment-processing function into a central management lever for liquidity, risk and financial resilience.

This paper presents a pragmatic operating model that enables CFOs to create transparency, safeguard financing headroom and actively manage market-price risks.

KEY TAKEAWAYS

- Cash visibility becomes the basis for decision-making.
- Interest-rate and FX risks belong in an integrated risk dashboard.
- Treasury excellence starts with governance, not software.
- A company's financial performance can be improved significantly through process optimization in treasury management.

01 | Treasury is a Management Priority

Current Situation

Many mid-sized companies have strong operating business models, but only limited transparency regarding group-wide liquidity, banking relationships and short-term financing needs.

The consequences are excessive cash buffers, inefficient credit facilities, delayed responses to interest-rate changes and inconsistent hedging decisions.

Typical Risk Areas

- Liquidity positions are not consolidated daily.
- Cash forecasts rely on Excel and individual data requests.
- Bank portfolios, covenants and facility utilization are rarely optimized systematically.
- FX and interest-rate risks are assessed in isolation rather than on an integrated basis.

Table 1: Treasury Excellence Framework

Cash Visibility	Liquidity Management	Risk Management	Governance & Tools
Accounts, balances, cash flows, forecasts	Financing, cash pool, credit facilities	Interest rates, FX, counterparties, limits	Roles, processes, reporting, systems

DESIGN PRINCIPLE

- The Treasury Excellence Framework provides a structured approach to relevant treasury topics.
- A focused review can quickly improve process reliability and financial performance.

This publication has been prepared by Alpha Twin Consulting for general informational purposes only. The content reflects the authors' views as of the date of publication and may be subject to change without notice. The information contained herein does not constitute financial, investment, legal, accounting or tax advice and should not be relied upon as the basis for any business decision. While every effort has been made to ensure the accuracy of the information presented, Alpha Twin Consulting makes no representation or warranty regarding its completeness or accuracy. Alpha Twin Consulting shall not be liable for any losses arising from the use of this publication.

02 | The CFO Agenda: Five Pragmatic Steps

#	Action	Management Benefit
1	**Create cash visibility**	Daily transparency regarding bank accounts, payment flows and available liquidity.
2	**Professionalize forecasting**	Link rolling cash forecasts to operational drivers instead of merely collecting Excel-based inputs.
3	**Financing structure optimization**	Regularly review credit facilities, maturities, covenants, collateral and banking partners.
4	**Manage risks systematically**	Quantify interest-rate and FX exposure, define limits and document decisions.
5	**Establish treasury governance**	Clearly define roles, policy, reporting cadence and the tool roadmap.

Management Perspective

"Treasury should no longer be viewed solely as a cost center. Properly structured, it becomes a value driver that reduces financing costs, keeps risks manageable and creates strategic flexibility."

ALPHA TWIN FINANCE BRIEF

○ **01 Treasury in Mid-Sized Companies**
○ 02 Worth the Hype – Crypto, AI and Real-Time Treasury
○ 03 Foreign-Currency Accounts – When Are They Necessary?
○ 04 Bank Communication for CFOs

CONCLUSION

- Many **mid-sized companies** are operationally excellent, yet still manage their financial flows with **limited transparency and fragmented processes**. This results in tied-up capital, unnecessary financing costs and avoidable risks.

- **Modern treasury creates transparency**, safeguards liquidity and enhances financial flexibility. Companies that professionally manage cash visibility, forecasting, financing and risk management today create a sustainable competitive advantage.

- **Alpha Twin Consulting** helps companies take their treasury to the next level. Through our compact **Diagnostic Sprint** (Treasury Quick Check) we quickly identify concrete opportunities to optimize liquidity, financing and risk management.

Free of charge. No obligation. Immediate added value.

This publication has been prepared by Alpha Twin Consulting for general informational purposes only. The content reflects the authors' views as of the date of publication and may be subject to change without notice. The information contained herein does not constitute financial, investment, legal, accounting or tax advice and should not be relied upon as the basis for any business decision. While every effort has been made to ensure the accuracy of the information presented, Alpha Twin Consulting makes no representation or warranty regarding its completeness or accuracy. Alpha Twin Consulting shall not be liable for any losses arising from the use of this publication.