

WHY BOTHER TO GET UP?

Most articles published in the first New Year editions of professional magazines refer to the passing Christmas and New Year's Eve festivities, the hangovers, the guilty consciences, the resolutions already broken. Oceanus can almost smell the rank, stale cigar fumes and see the blotched complexions. What will the New Year hold in store? Is there any possibility at all that it may be better than the last?

The articles also tend to be very serious as they appear to strive to make amends for the frivolous and sometimes jovial pieces crammed into the festive editions. Even the solution to the Christmas crossword puzzle can look depressingly intelligent.

So why bother to get up for January at all? Why not move directly on to February when some semblance of normality may have seeped back into our corporate treasury lives?

But Oceanus is an optimist. Part of the treasurer's job is to fear the worst and to make sure the company is well protected should it come to pass and to be confident that the strategy employed is well founded and sufficiently well structured to allow for adjustments as market and business conditions develop. If the treasurer was a pessimist and thought that everything that could happen, would happen, then he/she certainly would not bother to get up at all.

2001 has seen financial downturns and has seen tragedy. Many companies have deferred projects involving capital spend and have concentrated limited resource on essential issues to ensure survival in difficult market conditions. But the last recession was not too long ago and many managers with first hand experience of the problems, mistakes and lessons learned have acted quickly in the face of the new potential challenge.

Because of this early action and the apparent resilience of the economy, 2002 will see many of the deferred projects renewed. Many companies have reviewed their treasury operations and the systems employed. There is very little spare fat in the typical UK corporate treasury of today and not only are cash and risk management essential to the role, but so is time management.

Some companies are continuing with major re-organisations of their group treasury structure and their cash management policies. These and others will be looking particularly at the software employed and examining the benefits available from internet technology. The realisation of 'straight through processing' (STP) as being far more than just a paperless treasury has brought into being a major opportunity for the treasurer vexed by the employment of different systems on different platforms in different time zones. The purchase of treasury systems, over recent years very frequently in response to the compelling needs of euro introduction, Year 2000 compatibility and FAS 133, etc, is now very much project related. These and other rebuilding projects are demanding and hopefully rewarding for the treasurer and many treasuries will be busy on such projects for 2002.

So there is something to go for this year, something to get up for. Let's hear it for the optimists!

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