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In a new Deloitte survey, most C-suite and other executives (84.6%) feel confident in their organizations' abilities to manage cash and liquidity. But as uncertainty persists, it's important for organizations to continue to improve and strengthen their cash and liquidity management abilities so as not to provide a false sense of security.

“Liquidity management plays an integral role in an organization’s operations and growth — being a primary driver for business decisions,” said [Anthony Jackson](#), principal, Deloitte Transactions and Business Analytics LLP. “With increased disruption from the pandemic, it’s important for executives to build long-term,

sustainable strategies for liquidity versus focusing on short-term fixes which can

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more immediate business concerns — putting forecasting capabilities into the spotlight, which has shown weak points in these efforts. Gaining better visibility into forecasting to fully understand the liquidity impacts in their business is critical in navigating a path forward,” Jackson continued.

Advanced technologies are here to help but few are taking advantage

With forecasting challenging executives, especially in a time of increased disruption, leveraging advanced technologies can help. However, only 13.5% of respondents stated they are currently doing so and 18.8% of respondents plan to implement in the next 12 months. Almost half of respondents (46.8%) stated that they have no plans to use advanced technology in their liquidity management efforts.

Jackson said, “Utilizing technologies like advanced analytics can help executives save time and gain valuable insight that might not have otherwise been available — identifying trends and issues throughout areas like forecasting efforts. Ultimately, advanced technologies can help executives evaluate the most strategic ways to strengthen their liquidity.”

Through disruption, organizations are regularly updating liquidity management efforts

Executives stated that their organizations are updating cash flow and liquidity management plans in a regular cadence. Nearly a third (31.4%) of respondents are updating their plans monthly and nearly a quarter (24.5%) are updating their plans on a weekly basis. Only 7.2% of respondents stated they were not making changes to their cash flow and liquidity management plans.

Jackson concluded, “Efforts in managing cash flow and liquidity have usually been reserved for companies in distress. However, with the pandemic and increased disruption, these efforts are now relevant for almost every organization. Executives

should recognize that now is the time to act by updating or creating better processes,

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