



MIDDLE EAST

Leading Through Uncertainty:

The CFO Playbook

CFOs are the center of their organisation's response to the current crisis in the Middle East. In a challenging market, CEOs, board members, and shareholders are all asking the following questions:

- What is the impact on our organisation?
- Do we, and will we have enough cash to meet our obligations?
- What steps should we be taking to protect our business?
- What cash do we have available to take advantage of opportunities that arise from the aftermath of the conflict?

To navigate the current challenging times, a CFO is being asked to anticipate the future, ensure obligations can be met, preserve cash, and seize opportunities.

In this environment, cash becomes critical, not as one of many metrics, but as a key driver of short term resilience and long-term success. Cash shapes how organisations absorb pressure, manage commitments, and retain flexibility.

For CFOs, this marks a clear shift from monitoring performance to actively focusing on cash outcomes. This changes the decision criteria. However, those who act early to strengthen their short-term cash position and build long-term cash balances, retain the flexibility to take advantage of emerging opportunities.

A person in a dark suit and tie is shown from the chest down, holding a glowing digital interface. The interface features a bar chart with several bars of varying heights, several upward-pointing arrows, and two warning icons (triangles with exclamation marks). The background is dark with a blue glow emanating from the interface.

A Changing Operating Environment

Prior to the current regional conflict, market conditions across the GCC were already becoming structurally more complex. Businesses face demand volatility, elevated input costs, supply chain disruption, and tighter access to funding. At the same time, extended payment cycles are increasing working capital intensity and delaying cash realisation.

These pressures are compressing both margins and liquidity simultaneously. Stakeholder expectations are also evolving. Investors, lenders, and boards are placing greater emphasis on liquidity visibility, cash generation, and downside resilience. Financial performance alone is no longer sufficient.

Regardless of regional volatility, resilience is increasingly defined for investors as how effectively organisations generate and preserve cash. And ultimately, this mandate rests with the CFO.

Why Cash Focus Matters: Positioning Through Uncertainty

The difference between resilience, taking full advantage of the market opportunity and distress is defined by cash. CFOs that reposition their organisations toward cash early, build greater stability and flexibility.

CFOs are better positioned to manage obligations, absorb disruption, and maintain execution momentum.

This CFO cash positioning provides organisational benefits of:

Greater resilience

Ability to withstand delays, cost pressures, and volatility without immediate reliance on external funding.

Operational flexibility

Capacity to prioritise spend, adjust execution, and respond dynamically to changing conditions.

Strategic optionality

Ability to continue investing selectively, maintain market presence, position for recovery and take advantage of the recovery.



In contrast, CFOs that delay action face tightening constraints. Decision-making narrows, dependencies increase, and strategic options diminish.

In this environment, cash focus underpins both short-term stability and long-term positioning.



Where CFOs Fall Short

Liquidity pressure rarely arrives suddenly; it builds gradually, often unnoticed until options become constrained. In most cases, the issue is not access to capital, but the failure to actively manage cash already within the business.

This typically manifests as:

- Delayed collections and ageing receivables
- Spending decisions made without clear cash impact
- Limited forward visibility on liquidity
- Fragmented ownership across functions
- Slow response to emerging pressures

Over time, cash becomes trapped across receivables, payables, and inventory, reducing available liquidity and increasing operational strain. Based on our experience in Alvarez & Marsal, 5–15% of revenue is typically tied up in recoverable working capital inefficiencies, representing a significant and often overlooked source of liquidity.



Rebuilding Focus on Cash:

Four Practical Priorities

CFOs that successfully navigate uncertainty embed cash into daily operations through four disciplined and interconnected priorities:

1 Cash Culture: Making cash the primary operating metric

Embedding a cash-first mindset across the organisation, with visible leadership, clear ownership, and aligned incentives. Without a cultural shift, cash initiatives remain short-term and unsustainable. Leading organisations treat cash as a daily operational priority, not a finance exercise.

Key actions:

- Lead from the top with visible C-suite ownership and role modelling
- Cascade accountability through aligned KPIs and incentives
- Make cash a standing agenda item in all key meetings
- Reinforce behaviours through structured communication and training
- Establish regular cash governance (e.g. cash committees and weekly reviews)

2 Cash Discipline: Imposing control and enforcing accountability

CFOs establish clear governance, decision frameworks, and controls to eliminate leakage and prioritise liquidity. Cash leakage is typically driven by weak controls, fragmented decision-making, and lack of ownership. Strong discipline, led by the CFO, preserves liquidity and delivers immediate impact.

Key actions:

- Establish a Cash Office with clear ownership and escalation protocols
- Centralise approval of payments, capex, and discretionary spend
- Link all spending decisions to clear cash impact and ROI criteria
- Strengthen procure-to-pay and operational processes to eliminate inefficiencies
- Implement a rolling 13-week cash flow forecast with weekly variance tracking

3 Quick Wins: Unlocking immediate liquidity

Delivering rapid, tangible improvements to stabilise liquidity and build momentum. Quick wins are typically the largest and fastest source of cash, creating immediate headroom and reinforcing stakeholder confidence.

Key actions:

- Receivables: accelerate collections, resolve disputes, incentivise early payment
- Payables: optimise payment timing and renegotiate supplier terms
- Inventory: reduce excess and slow-moving stock, optimise safety levels
- Costs: halt non-essential spending, freeze hiring, reduce discretionary expenditure
- Assets: dispose of non-core assets to generate immediate cash

4 Long-Term Transformation: Embedding sustainable cash generation

Implementing structural changes to ensure cash performance is sustained beyond short-term interventions. Short-term actions alone are insufficient. Organisations must redesign processes and align teams to prevent recurring liquidity pressure.

Key actions:

- Align finance, operations, and commercial teams around cash performance
- Redesign end-to-end processes (P2P, O2C, inventory) to optimise cash conversion
- Digitise reporting and enable real-time cash visibility
- Renegotiate supplier and customer contracts to structurally improve working capital
- Embed cash KPIs into performance management and governance frameworks



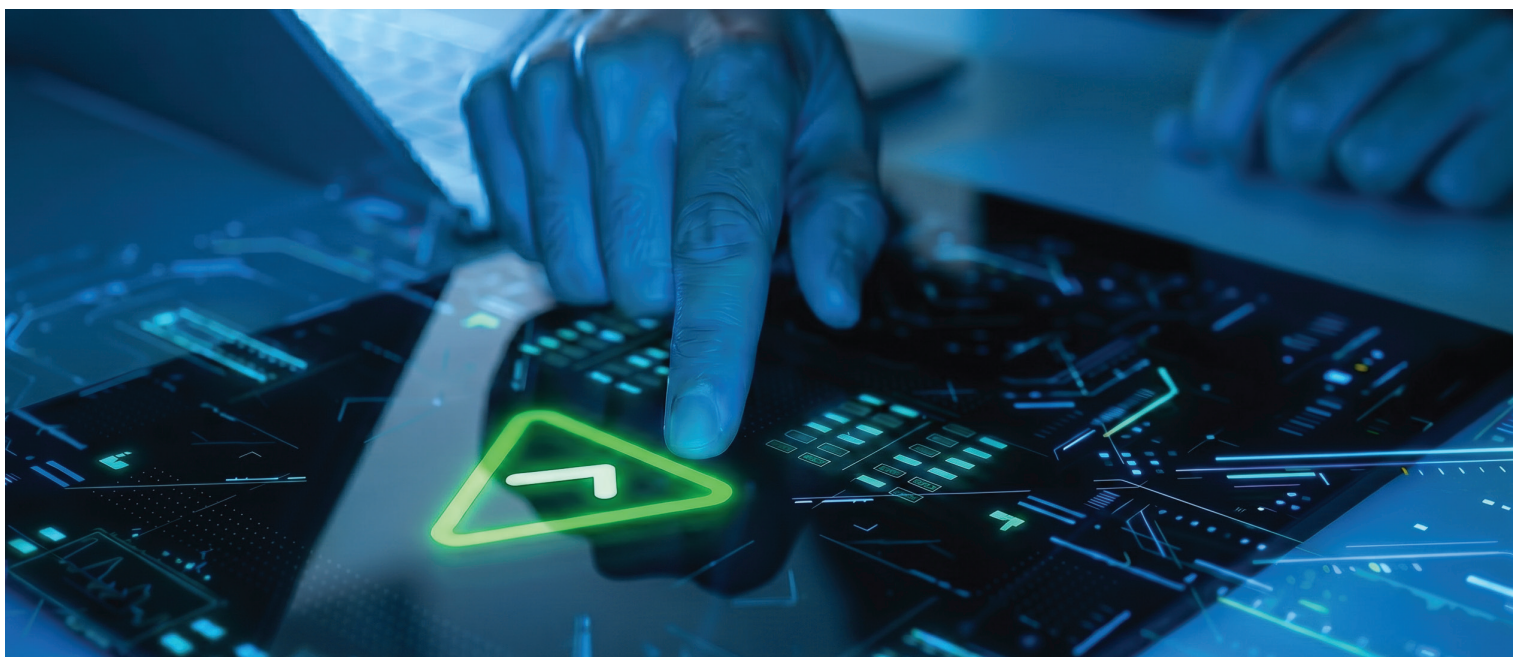
The Role of CFOs and Treasury Teams

The CFO's role has evolved from focusing on performance reporting to being the orchestrator of liquidity. CFOs and treasury teams play a central role in driving cash focus across the organisation providing visibility, enforcing discipline, and embedding cash considerations into decision-making.

This includes:

- Delivering forward-looking liquidity insight and scenario analysis
- Challenging and gatekeeping spending and investment decisions
- Enforcing cross-functional alignment on cash priorities
- Engaging proactively with lenders and stakeholders

The role is shifting from reporting outcomes to actively shaping them.



Closing the Gap Between Insight and Execution

Periods of uncertainty do not define outcomes, responses do.

Most CFOs recognise the importance of cash. Far fewer translate this into actions and sustained results. With the existing challenges of the normal business environment layered with the complexity and uncertainty of the regional conflict, the cash-focused CFO positions their organisation to both survive, but more importantly to thrive during and after the crisis has ended.

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