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# TREASURY & RECEIVABLES: VALUE OF A COMPREHENSIVE VIEW



## WHAT

Discussing the power of an end-to-end view that considers not only internal parties, but also external partners.



## RICK SCHOLZ

Managing Director, Payment Advisory  
Services, Deluxe

## CRAIG JEFFERY

Founder & Managing Partner  
Strategic Treasurer



This presentation is provided by Strategic Treasurer and Deluxe.

# ABOUT THE SPEAKERS

## GET TO KNOW TODAY'S SUBJECT MATTER EXPERTS



### RICK SCHOLZ

Rick Scholz is a payments and treasury management expert with extensive experience helping companies optimize their payment processing systems by identifying activities that create delays and increase manual efforts. Rick's ability to work on strategic and tactical levels allows him to generate solutions that meet objectives and requirements on all fronts — business, operations, technical and human.

With a career that spans financial services and consulting spaces, Rick is comfortable developing and executing transformational shifts that drive successful change management.



### CRAIG JEFFERY

Craig Jeffery formed Strategic Treasurer in 2004 to provide corporate, educational and government entities direct access to comprehensive and current assistance with their treasury and financial process needs.

His 30+ years of financial and treasury experience as a practitioner and as a consultant have uniquely qualified him to help organizations craft realistic goals and achieve significant benefits quickly.

# TOPICS OF DISCUSSION

KEY AREAS OF FOCUS & ANALYSIS



## CASH CONVERSION CYCLE

DEPARTMENTS' DIFFERING  
DRIVERS



## THE FULL END-TO- END VIEW

HOW MANY HAVE IT?



## PAYMENT PROCESS

CHALLENGES AND  
SOLUTIONS



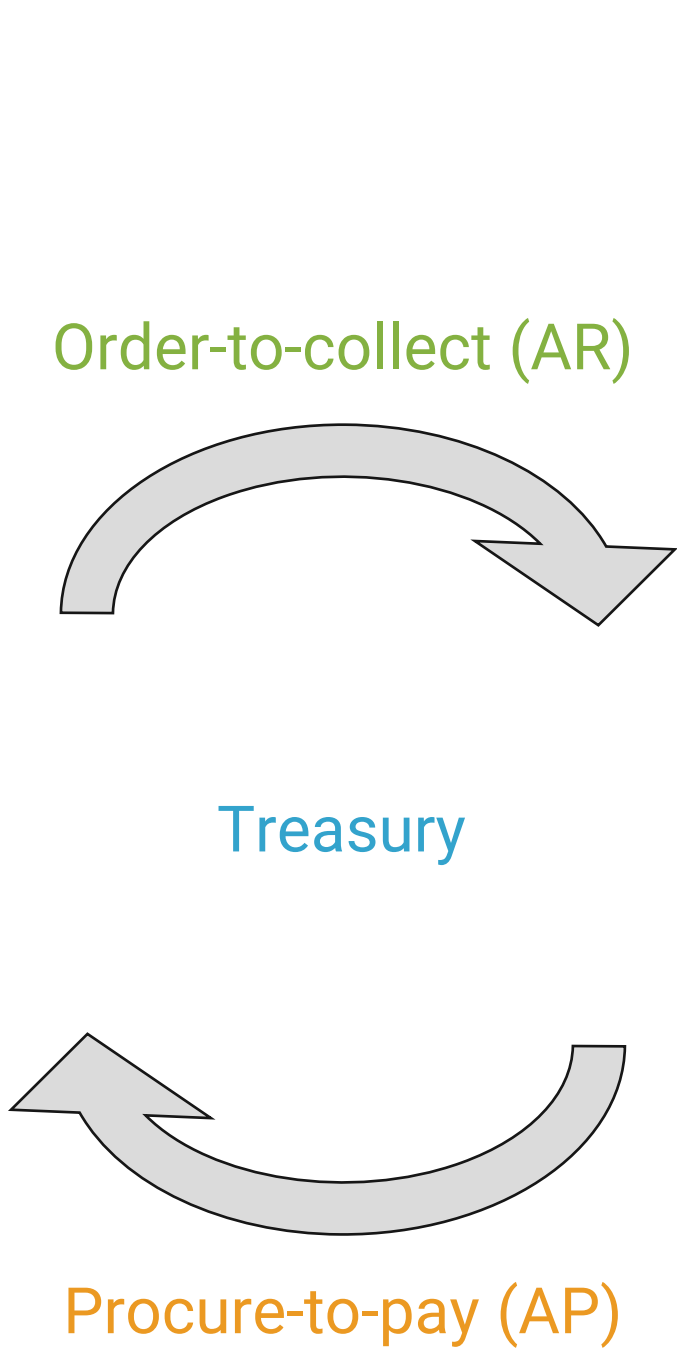
## KEY TAKEAWAYS

AND FINAL THOUGHTS

# CASH CONVERSION CYCLES

WHAT'S IMPORTANT TO THE AREAS INVOLVED?

## Cash conversion cycle



## Drivers

### AR

- DSO
- Efficiency
- Customer service/support
- Scalability

### Treasury

- Working capital/liquidity
- Forecasting accuracy
- Scalability
- Controls
- Relationships (banks, vendors)

### AP

- Efficiency
- Security
- DPO
- Scalability

Today's  
focus

# DIFFERENT POINTS OF FOCUS

## WHY TIMING MATTERS FOR CASH FLOW



Treasury



AR

**Cash** Liquidity/availability

- Need availability of funds, as we can't spend float

Keeping DSO down

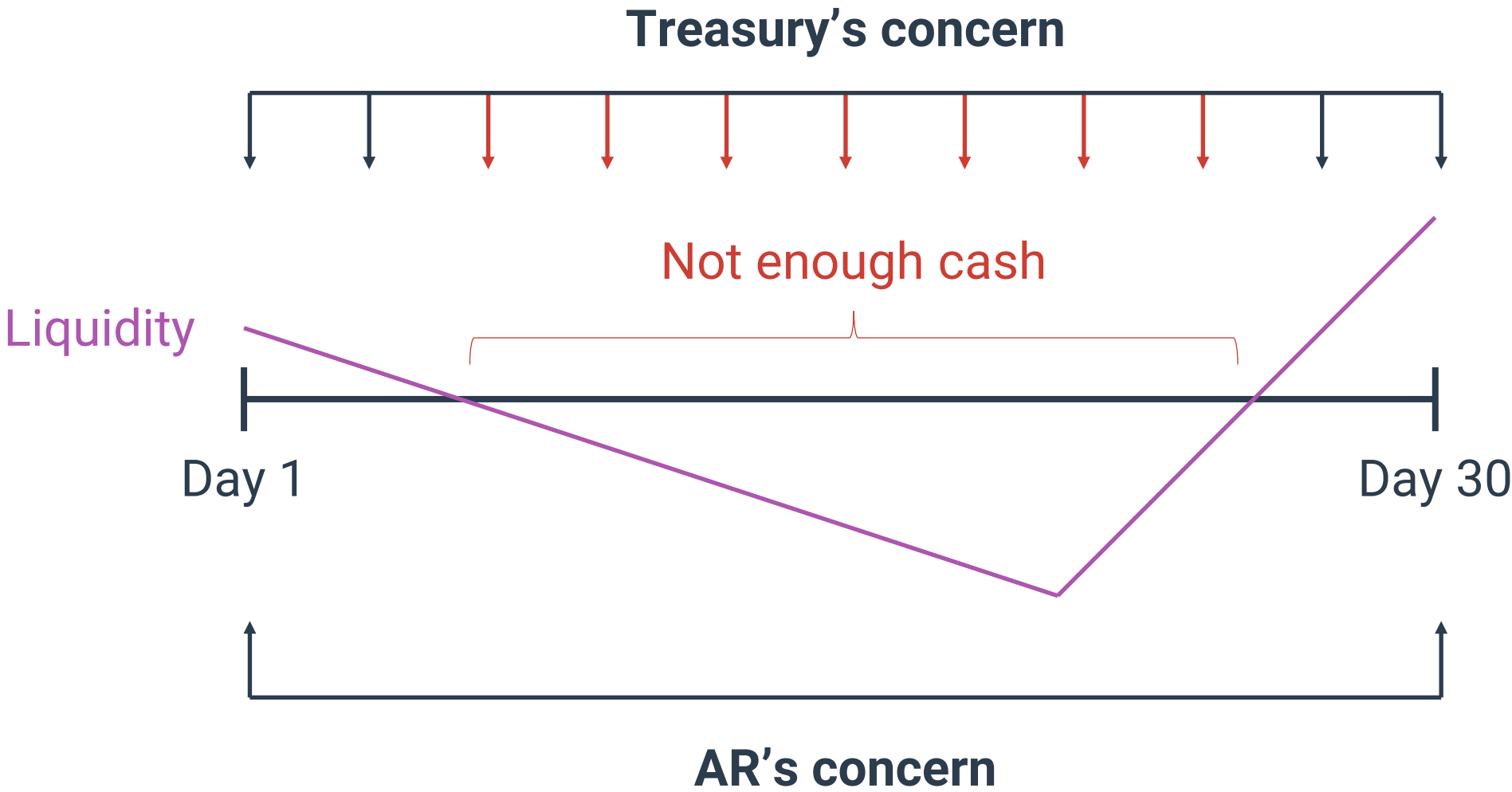
- Posting as soon as we can to relieve receivables

**View** All month

- Cash needs are all month, not just month end

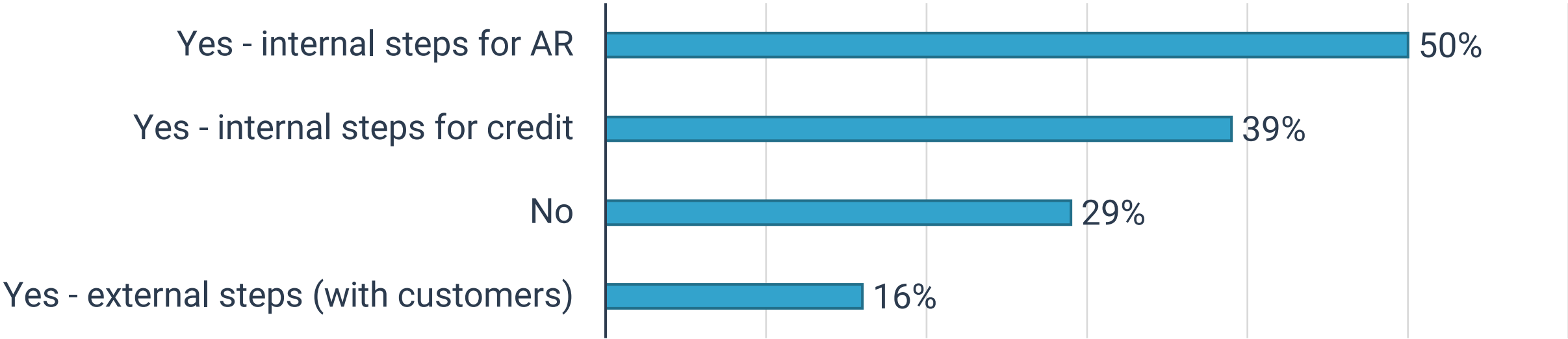
Snapshot at month end

- Month-end view matters the most

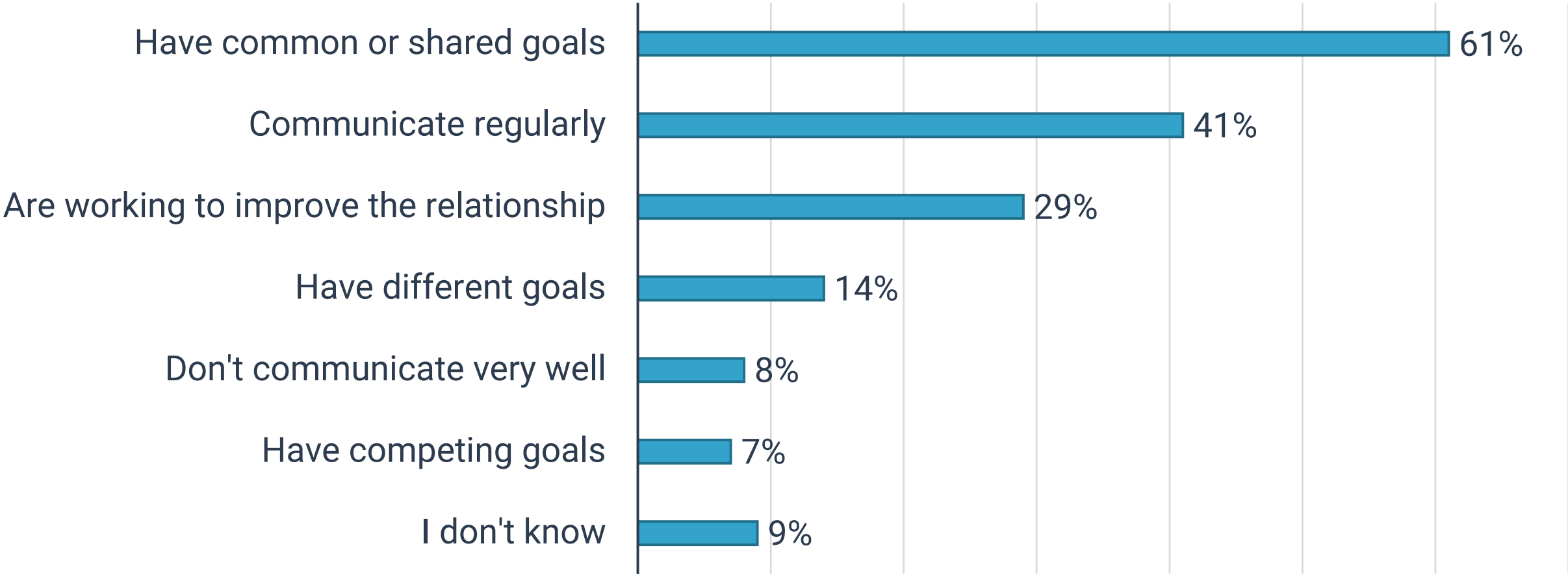


# POLL QUESTION

## Poll 1 - Do you have an end-to-end view of your credit and accounts receivable processes? (all that apply)



## Poll 2 - In our organization, treasury and AR? (all that apply)

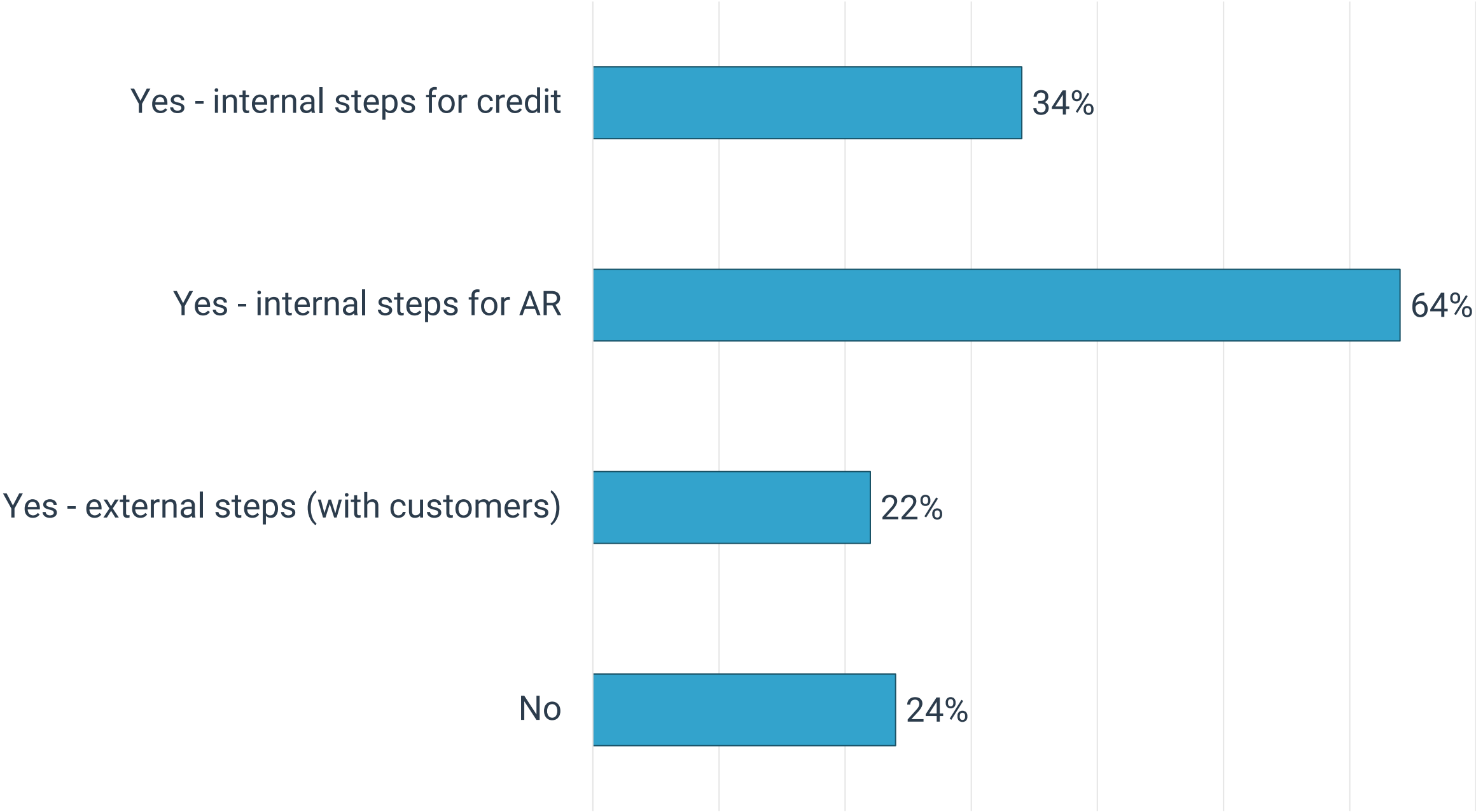




# END-TO-END VIEW

## FEW HAVE A FULL VIEW

» Do you have an end-to-end view of your credit and accounts receivable processes? (Select all that apply)





# SOLVING FOR CONCERNS

## MOVING TOWARD A COMPREHENSIVE PROCESS VIEW



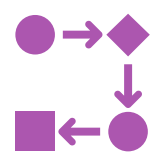
### Treasury

- Electronic methods
- End-to-end data
  - Posting
  - Forecasting
- Services with banks and vendors



### AR

- Automation
- Outsourcing
- Electronic methods
- Defect reduction
  - Accuracy of billing
  - Information and value together
- Better data for reporting and analytics

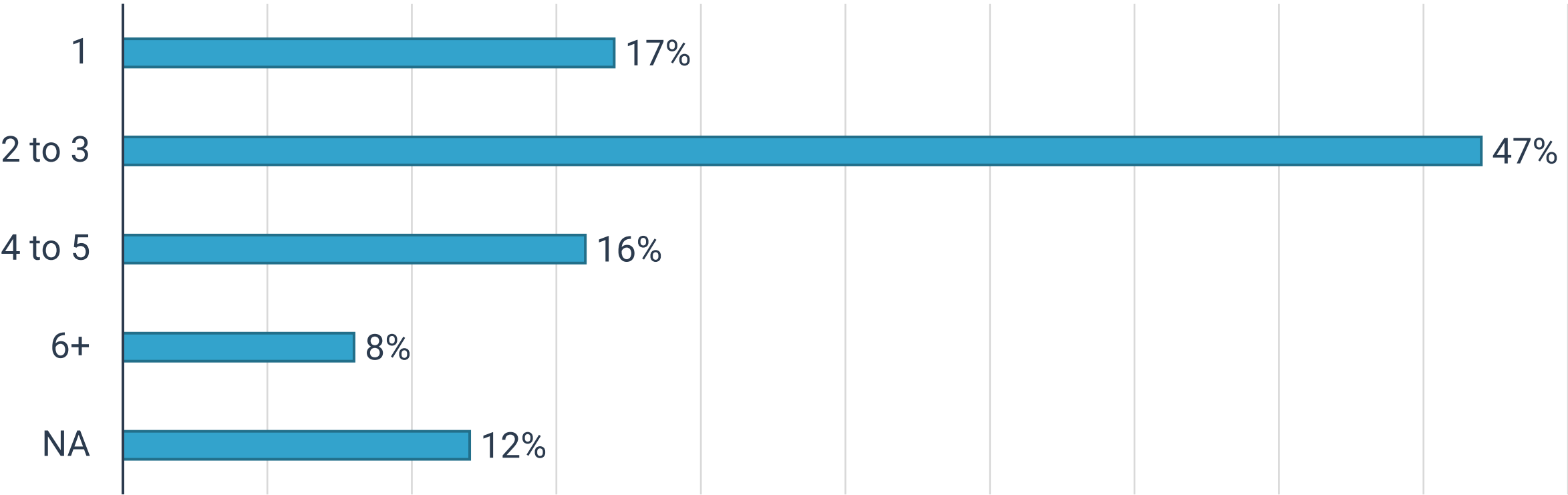


### Our organization needs a process that:

- Recognizes complexities
- Supports multimodal methods of sharing information and value
- Provides visibility to reduce defects (fewer calls) and improve forecasting

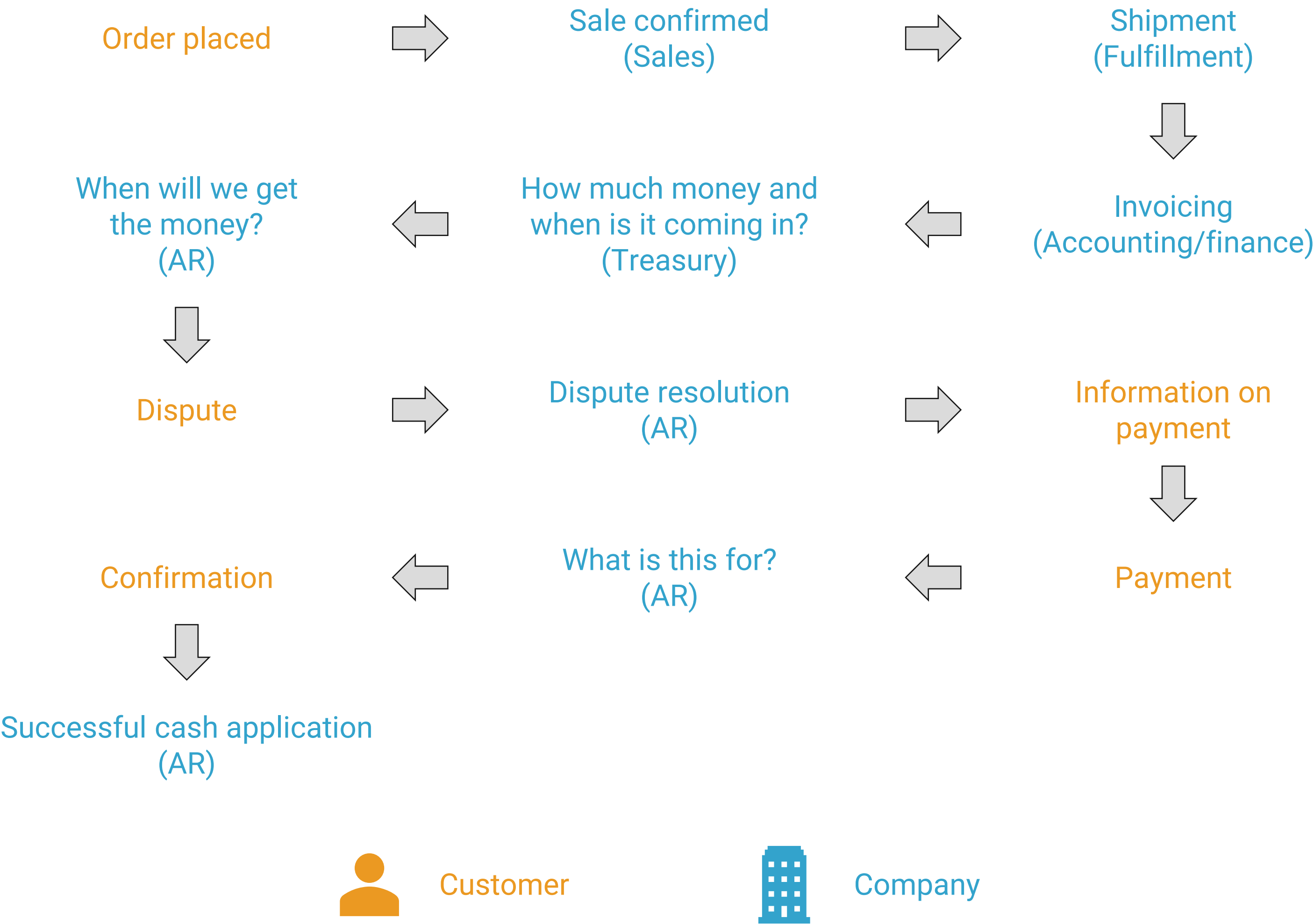
# POLL QUESTION

Poll 3 - How many systems do you use for AR (e. g. billing, cash application, ERP)?



# ORDER-TO-COLLECT

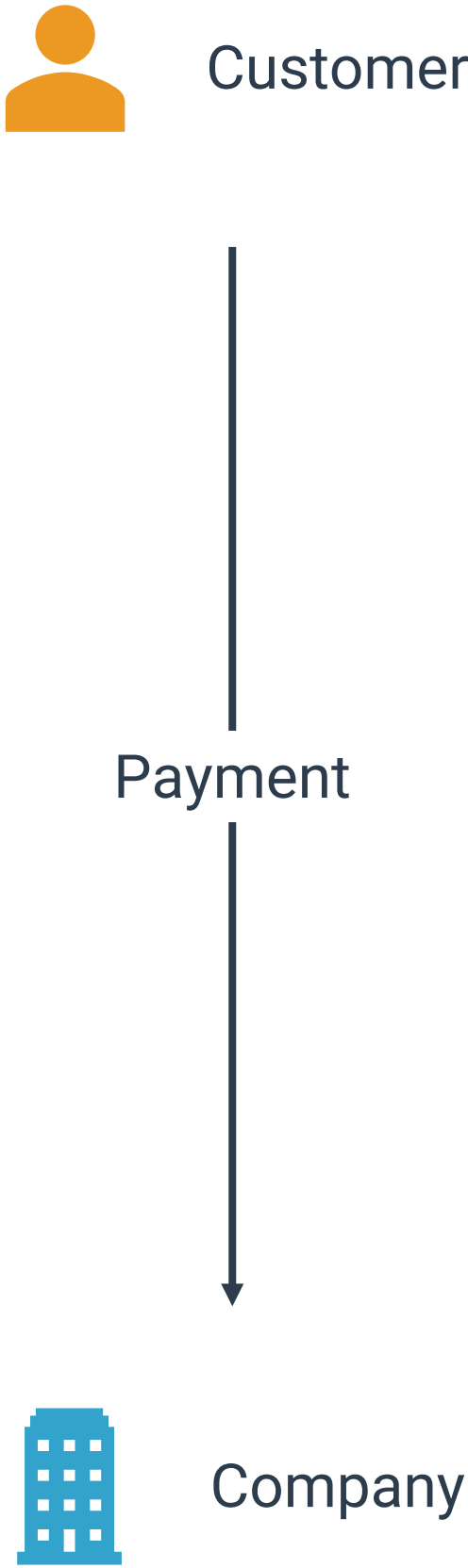
WIDE IMPLICATIONS ACROSS MANY DEPARTMENTS



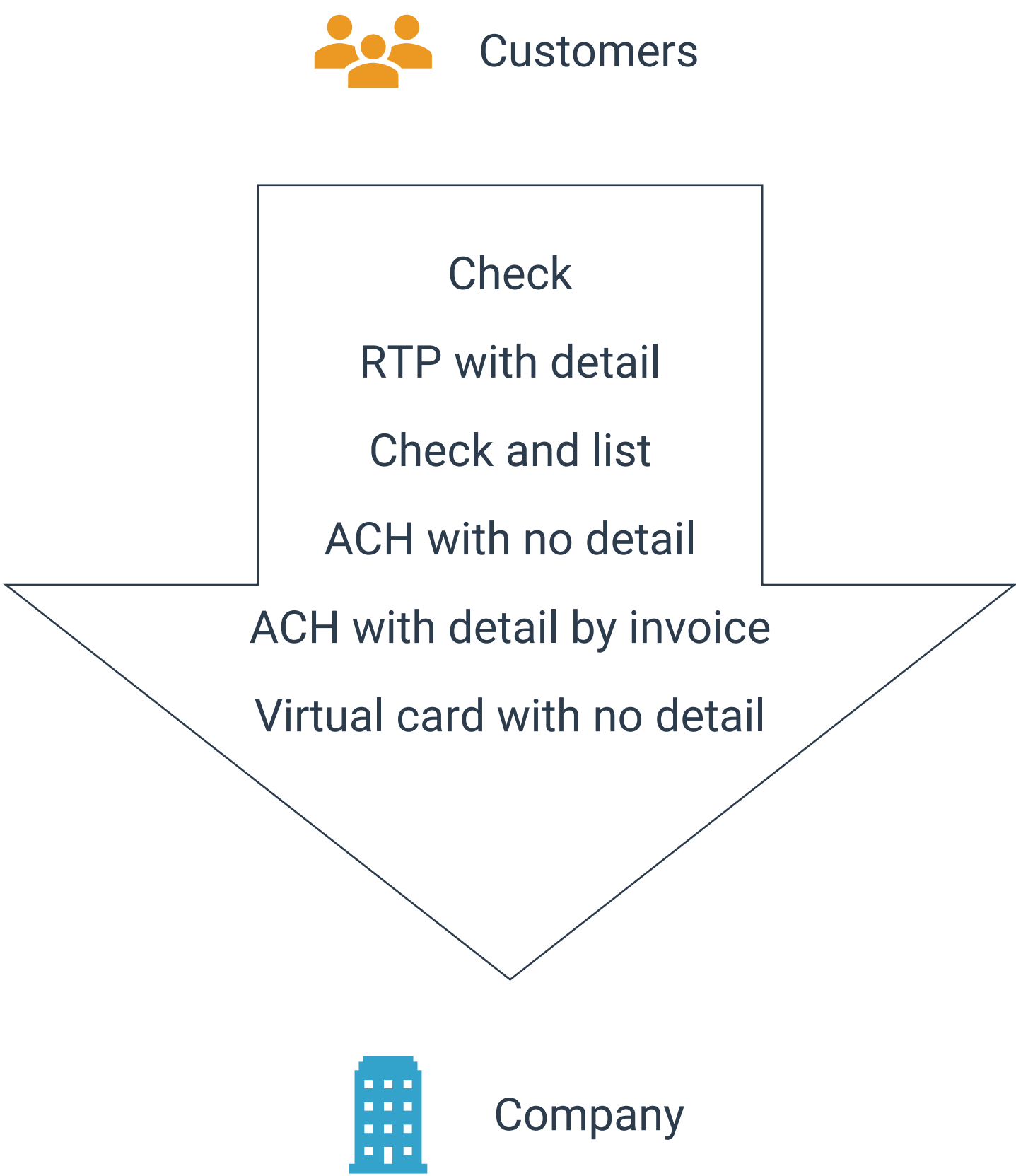
# RECEIVING PAYMENTS

ISSUES COMPOUND WITH MANY CUSTOMERS

Macro view

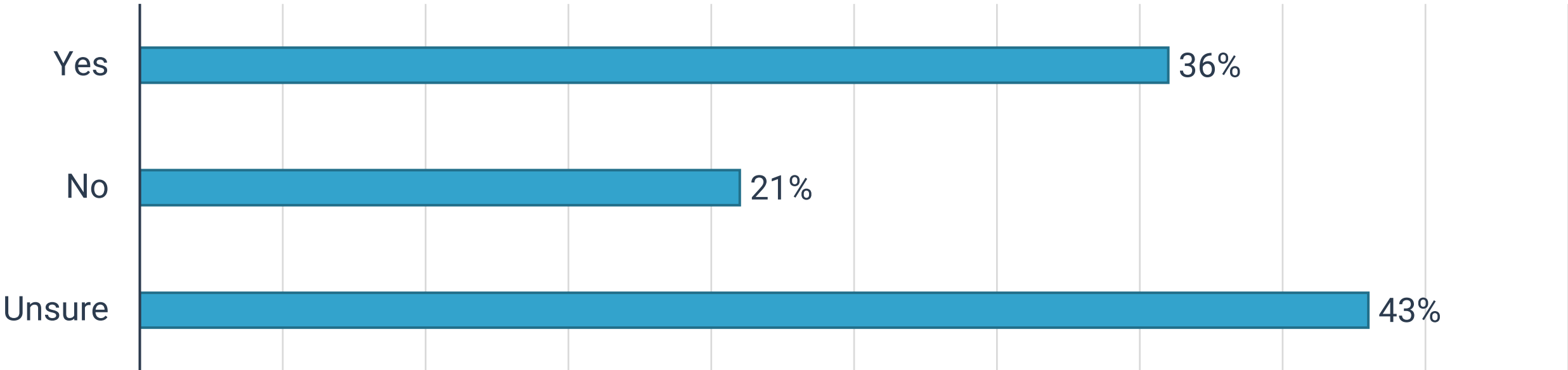


Detailed view

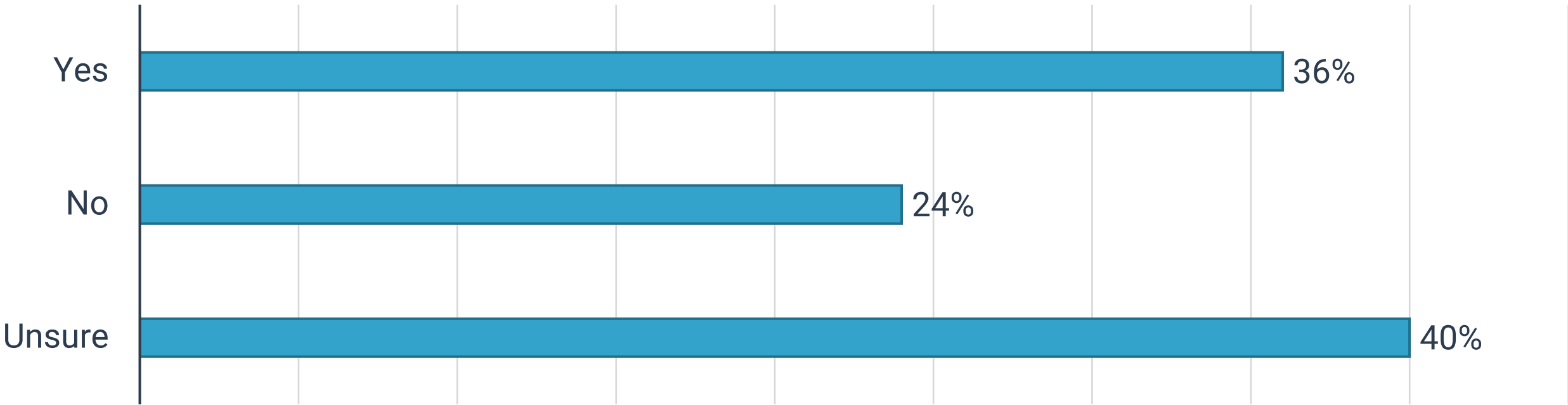


# POLL QUESTION

**Poll 4 - Do you measure your straight-through processing to auto-assign (cash assignment to an individual client record)?**



**Poll 5 - Do you measure your straight-through processing to auto-apply (cash application to an individual invoice)?**



# OPTIMIZING THE WHOLE

## PARTIES THAT CAN HELP



Providers



Treasury consultants



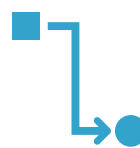
Connectivity consultants



Bankers



Working capital advisors



Process consultants



Fintech partners



Integration consultants



Payment experts

### Examples of getting help in pursuing leading practices



Provider

- Simplifying payment complexity
  - Multiple payments with and without detail
- Enhanced reporting and analytics
- Decreased defects
- Less manual
- Faster cash application



Connectivity consultant

- Integrate receivables process
- Speed up conversion from paper to electronic and from older electronic to newer
- Help understand what needs to be considered
  - Formats
  - Delivery methods
  - Communication for how to pay

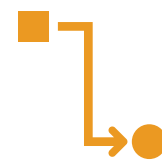
# FINAL THOUGHTS

## HOW TO PROCEED



### CONCERNS AND KPIS

- Be aware of different priorities and competing KPIs
- Work toward resolving these by considering the entire process



### END-TO-END TO END-TO-END

- Don't optimize part of the process
- Move toward optimizing the whole process via a comprehensive view to all involved parties



### YOU'RE NOT ALONE

- Seek expert help from those who can aid with certain items and areas
- Keep your partners involved in discussions that lead to decisions



# LET’S CONNECT

DON’T LET THE LEARNING END HERE...  
CONTACT US WITH ANY FUTURE QUESTIONS



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**STRATEGIC TREASURER**

Craig A. Jeffery,  
*Managing Partner*

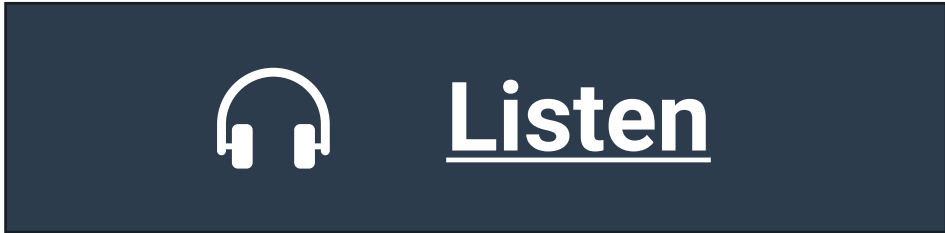
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**Episode 299**

Prioritizing Relationships over Transactions: The Importance of Payments in Customer Experience



# PRACTITIONERS

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### ADVISE Major Projects

- Treasury Structures
- Liquidity & Risk
- Banking Services
- Treasury Technology



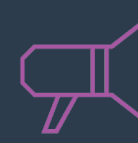
### ASSIST Outsourced Services

- Fee Management
- Employee Security Training
- Compliance Services
- Connectivity & Onboarding



### RESEARCH Market Data

- Survey Participation
- Research Report Access
- Industry & Peer Benchmarking
- Critical Treasury Assessment



### INFORM Industry Insights

- Technology Analyst Report
- Webinars (CE Credits)
- Podcasts & Videos
- eBooks & White Papers



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## BANKING, FINTECH AND INVESTMENT

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### ADVISE Major Projects

- Go-to-Market Advising
- Product Design & Roadmapping
- Messaging Optimization
- Investment Validation



### ASSIST Outsourced Services

- Sales Optimization & Training
- Marketing Team Support
- Content Amplification
- SME Speaker Bureau



### RESEARCH Market Data

- Treasury Insights (Data Services)
- Tailored Market Research
- Survey Program Sponsorship
- Client Benchmark Reporting



### INFORM Industry Insights

- Expert Content Creation
- Platform Access & Distribution
- Targeted Demand Generation
- Custom Campaign Programming



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