

# HARNESSING THE POWER OF TREASURY DATA



## CRAIG JEFFERY

Managing Partner, Strategic Treasurer

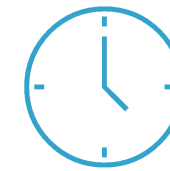
## JUAN SAUDINO

VP of Consulting, HighRadius



### WHAT.

Leveraging data to gain insights, efficiency, accuracy and allow for faster decision-making.



### WHEN.

Tuesday, November 2, 2021  
2:00 PM – 3:00 PM EST



### WHERE.

Live online presentation  
Replays at [StrategicTreasurer.com](https://StrategicTreasurer.com)



FP&A®

Certified Corporate  
Financial Planning &  
Analysis Professional



This presentation is provided by Strategic Treasurer and HighRadius

# SPEAKERS

GET TO KNOW TODAY'S SUBJECT MATTER EXPERTS



## JUAN SAUDINO

Juan is currently VP of Consulting for Treasury. With over 20 years of Treasury experience, he has helped hundreds of companies implement Treasury and Risk Management Systems in multiple regions and for companies of all sizes ranging from Global 100 to small and medium-sized companies.

He has a BS in Economics from the University of Buenos Aires, Argentina and he is also a Financial Risk Manager (FRM) certified by the Global Association of Risk Professionals.



## CRAIG JEFFERY, CCM, FLMI

Craig Jeffery formed Strategic Treasurer LLC 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

## TODAY'S KEY AREAS OF FOCUS

By leveraging data fully, organizations can look forward to treasury operations becoming key targets for adding value through enabling more efficient day-to-day cash management, mid-term cash and liquidity planning, and more effective risk management in areas such as FX and rates.



**TECH  
TRANSFORMATION**  
IMPLICATIONS FOR TREASURY



**OPPORTUNITIES**  
UTILIZING BIG DATA



**CHALLENGES**  
BECOMING DATA-DRIVEN



**SOLUTIONS**  
WHAT IS RIGHT FOR YOUR  
ORGANIZATION



**BENEFITS**  
EMBRACING NEW TECH



**KEY TAKEAWAYS**  
AND FINAL THOUGHTS

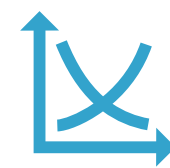
# TREASURY TECH TRANSFORMATION

THE NEW LANDSCAPE CHANGES THE TREASURER'S ROLE



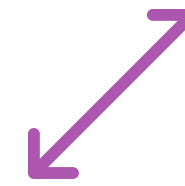
## DATA EXPLOSION

- Data is growing at 40-60% per year
- 80% will be unstructured by 2025
- Gigabyte, Terabyte, Petabyte, Exabyte, Zettabytes, Yottabytes



## PROCESSING SPEED/COST

- Doubling every 18-24 months
- Cost of computers is halved
- Exponential growth



## SCALABILITY

- Systems that serve a long-term view
- Grow with or into, not out of



## REAL-TIME

- From lag data to real-time data
- Having an end-to-end view or single source of data
- Consider the value of speed

# KEY QUESTIONS

## FOR TREASURY GROUPS



How do we "optimally" run the business?



How do we "effectively" grow the business?



How do we "realistically" protect the business?

**Each of these require accurate data/information around payment statuses and cash positions.**

# EMERGING TECHNOLOGIES

TO UTILIZE THE POWER OF DATA



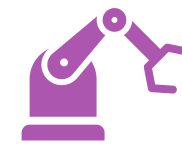
AI - ML



API



BUSINESS INTELLIGENCE



ROBOTIC PROCESS AUTOMATION



BIG DATA



BLOB / DATA LAKE



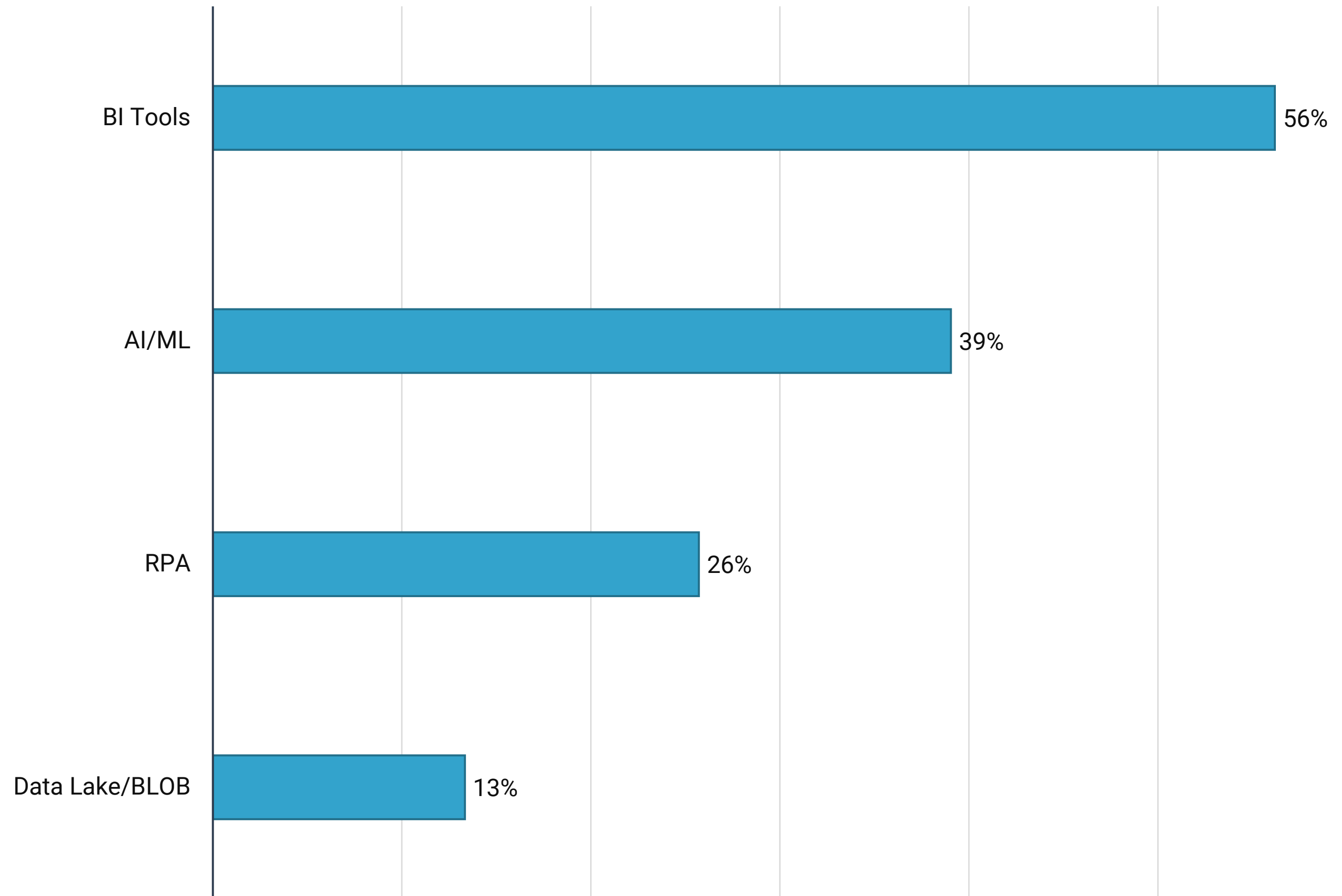
XML



NATURAL LANGUAGE SEARCH

# POLL QUESTION

**We are focused on using the following within 12 months:**

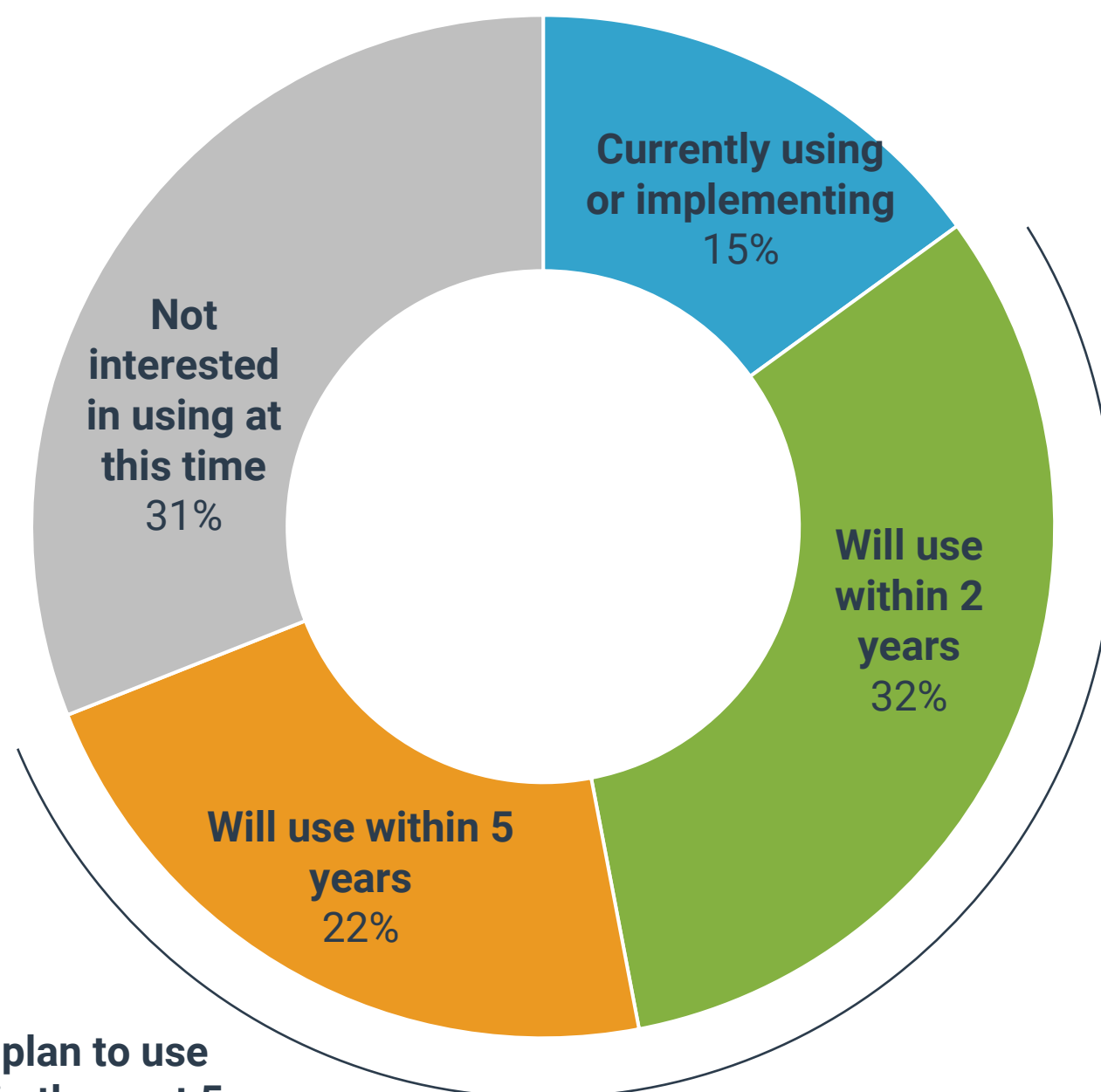


# ON THE HORIZON

SIGNIFICANT INCREASES OVER THE NEXT 5 YEARS

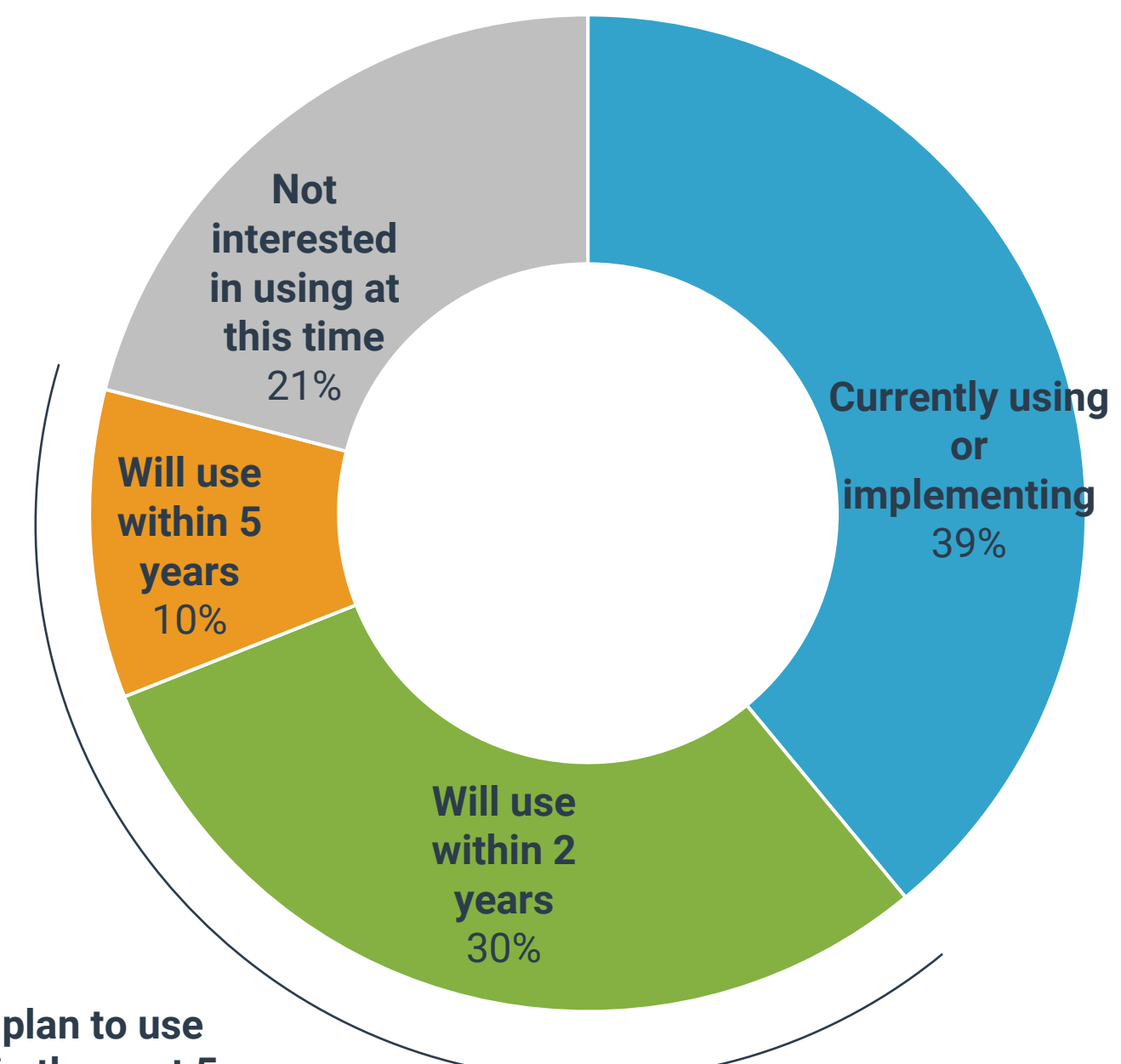
» Which of the following technologies are you using / interested in using in treasury?

Artificial Intelligence (AI) or predictive analytics



**54% plan to use within the next 5 years**

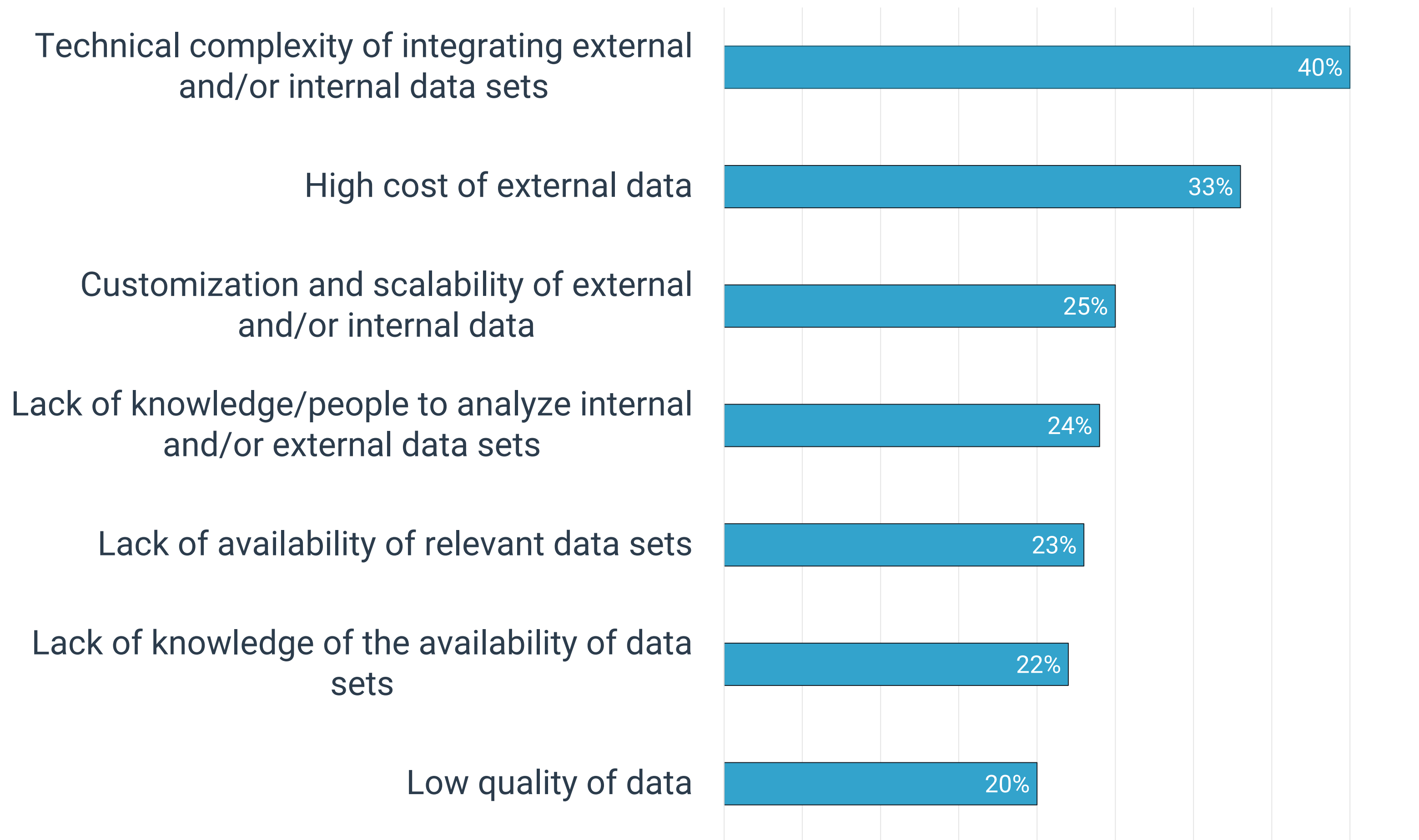
Application Program Interface (APIs)



**40% plan to use within the next 5 years**



# CHALLENGES TO BECOME DATA-DRIVEN



# AUTONOMOUS SOFTWARE

## Experience



Enterprise  
Web UI



Mobile  
UI



Digital  
Assistant

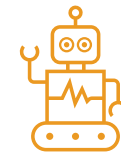


Connected  
Workspaces

## Automation & Intelligence



Heuristics &  
Analytics



Robotic Process  
Automation



Artificial  
Intelligence



Natural Language  
Processing

## Domain Big Data

# Millions

of finance transaction data

## Platform



APIs



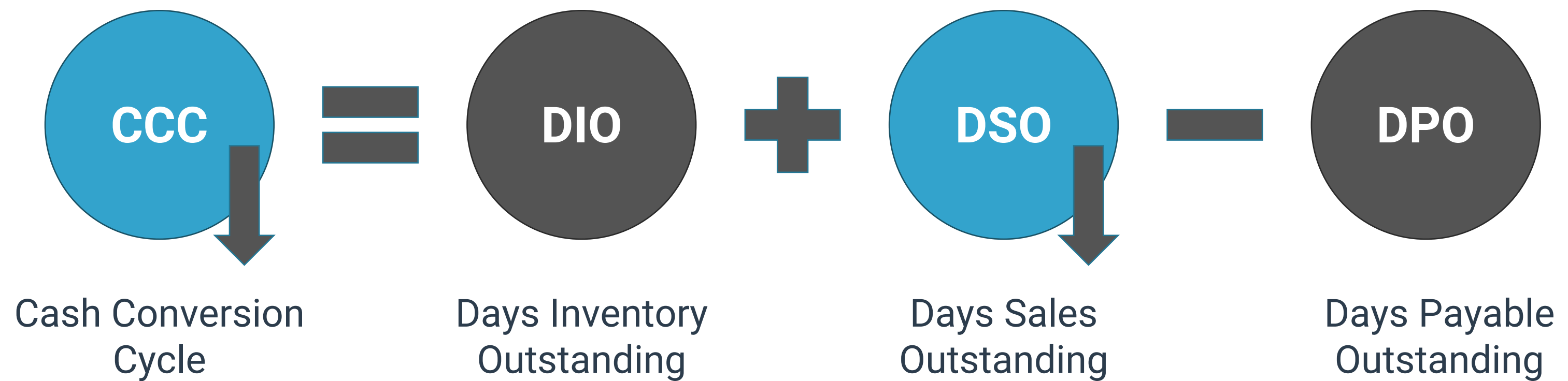
Application  
Platform



Connected  
Workspaces

# HOW TO OPTIMIZE WORKING CAPITAL

Working Capital Involves Many Moving Parts



The main focus is on reducing days sales outstanding (DSO) and increasing days payable outstanding (DPO) in order to improve the cash conversion cycle without impacting sales growth or disrupting the supply chain

# DATA INSIGHTS FROM RECEIVABLES PORTFOLIO

## Early indicators of cash crunch

- DSO lengthening
- Drop in customer credit score
- Payment terms pushback
- Receiving partial payments

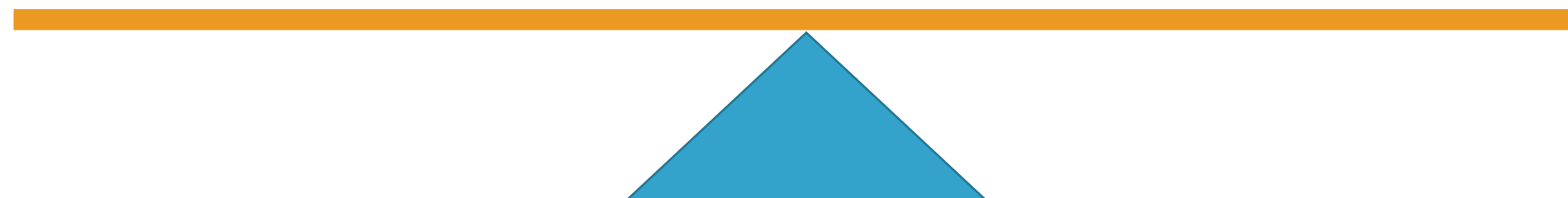
## How to tackle them

- Aggressive collections
- Leverage supply chain finance
- Getting creative with payment terms
- Providing incentives

Maintain A/R A/P balancing act by prioritizing customers based on relationships

A/R

A/P



# GATHER DATA FROM MULTIPLE SOURCES

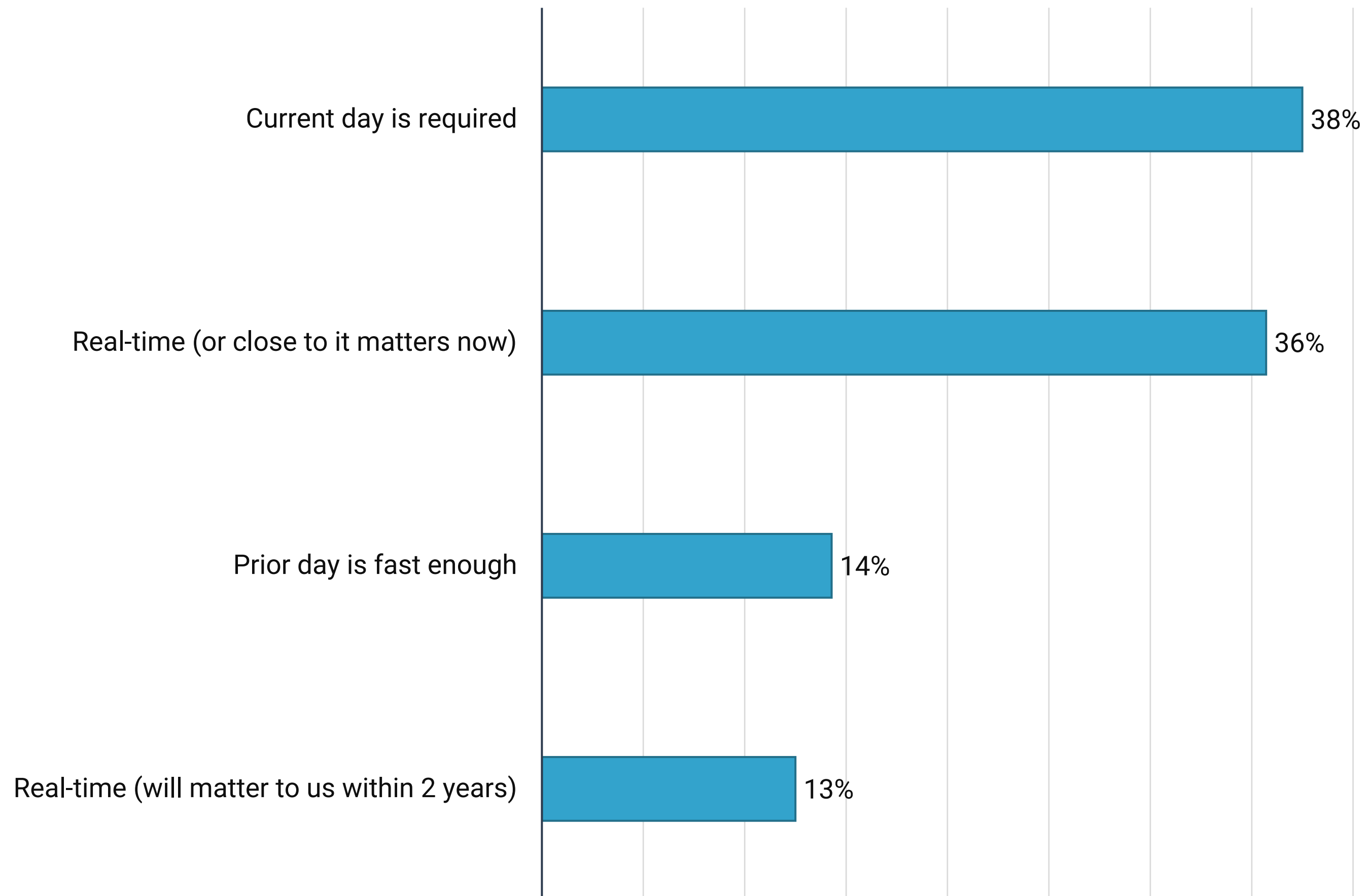


- Challenges**
- Unpredictable A/R
- Variable A/P
- Non-standard processes
- Currency fluctuations

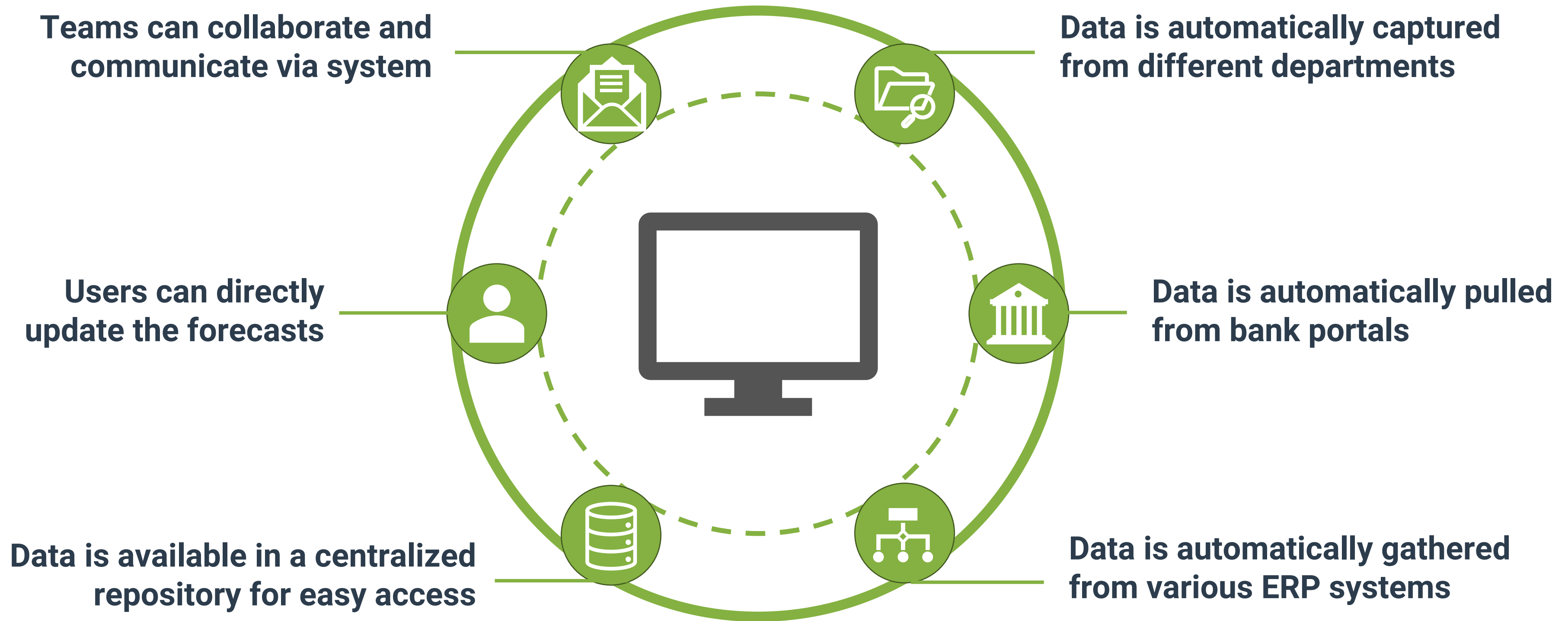
**Large business landscape leads to complex cash visibility**

# POLL QUESTION

**Regarding speed, I agree with the following:**



# GATHER REAL-TIME INSIGHTS



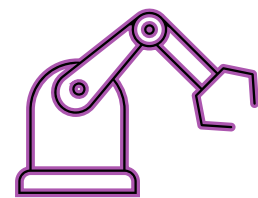
# IMPACT OF REAL-TIME INSIGHTS



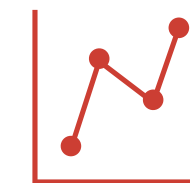
Eliminate duplicative data entry



Analyze available data and learn more about your business



Automate processes across platforms



Eliminate forecast inaccuracies caused due to “dead on arrival” reports



Calculate your cash position at any moment



# PROOF IS IN THE PUDDING

How \$37B leading IT distributor organization achieved up to 74% of forecast accuracy globally



Leading IT distributor and solution aggregator with operations across Americas, EMEA, and APAC



Global revenues exceeding \$37BN

# CHALLENGES WITH INTIAL PROCESS



**Each region had different ERPs & cash processes affecting forecasting and visibility at a global-level**



**Multiple legacy systems & lack of bank connectivity delayed forecasting**

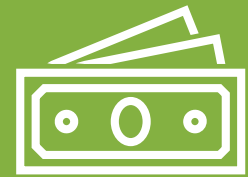


**Lack of visibility across thousands of transactions made it difficult to identify variances**



**Extended user base across geographies provided inadequate decision-maker visibility**

# BENEFITS & RESULTS



OPTIMIZE  
WORKING  
CAPITAL

**Accurate forecasts lead to confident borrowing and investment decisions thereby freeing up working capital**



GATHER REAL-  
TIME INSIGHTS

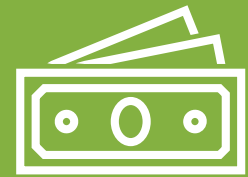
**Having consolidated cash forecasting provide real-time insights for better decision making**



VALIDATE  
BUSINESS  
MODELS AND  
VISION

**Variance analysis across horizons optimize forecast models**

# BENEFITS & RESULTS



**OPTIMIZE  
WORKING  
CAPITAL**

**Accurate forecasts lead to confident borrowing and investment decisions thereby freeing up working capital**



**Improvement in accuracy over previous process**



**GATHER REAL-TIME INSIGHTS**

**Having consolidated cash forecasting provide real-time insights for better decision making**



**For 28 regions with minimal manual effort**



**Provided insights into current & future cash positions**



**VALIDATE  
BUSINESS  
MODELS AND  
VISION**

**Variance analysis across horizons optimize forecast models**



**Highlighted variance at regional, account and transactional levels**

# FINAL THOUGHTS

## KEY TAKEAWAYS

- **Effective cash management**  
Better liquidity by fast-tracking cash conversion cycle
- **Reduced idle cash**  
For the CFO's office it translates to better capital allocation, risk management
- **Increased strategic investments**  
Make strategic decisions related to business expansions, M&A



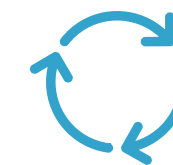
Define your data strategy – and ensure the quality of your data is high.



Educate yourself on the range of tools available in the market and their suitability for your needs.



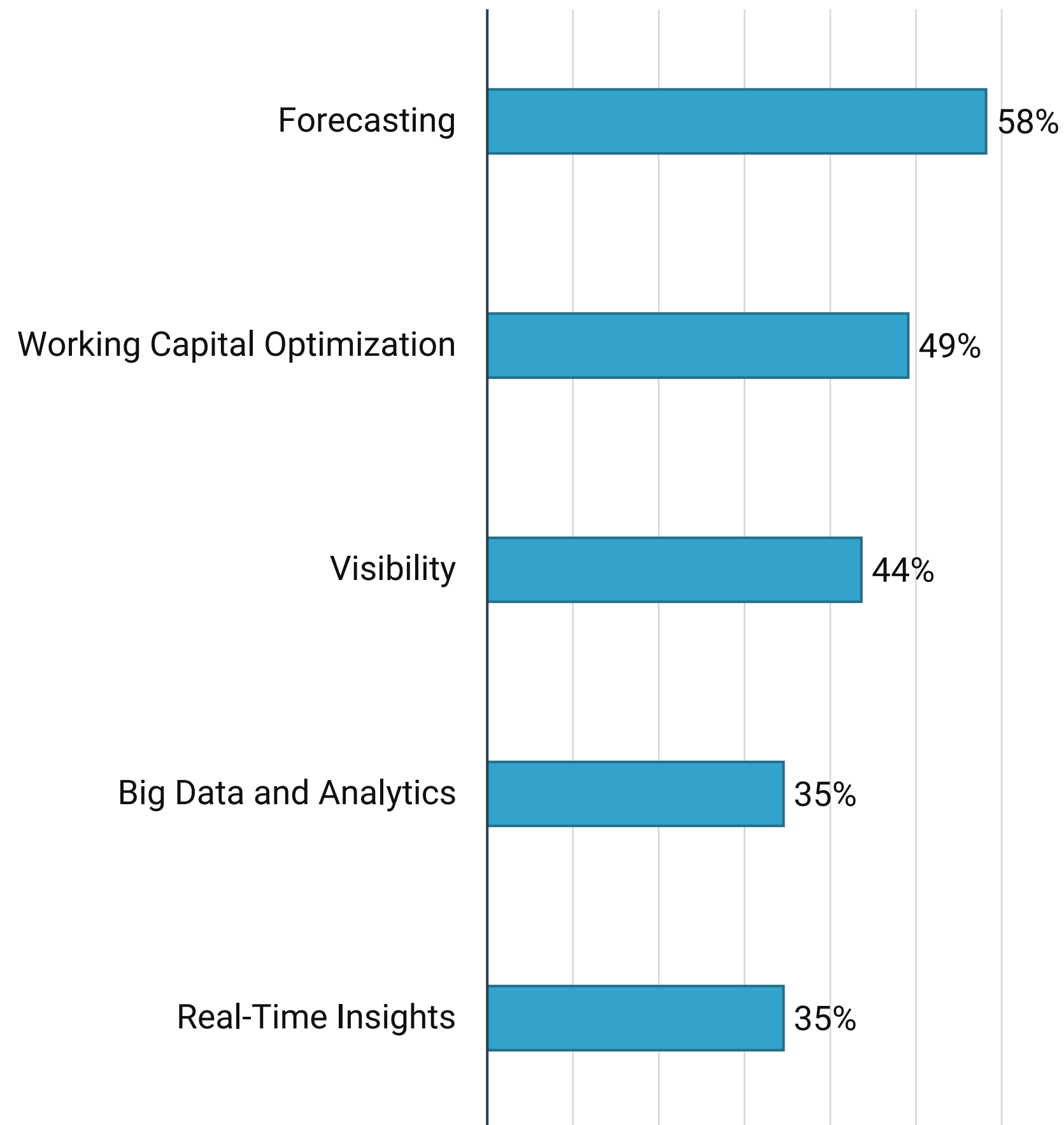
Speak to your banking partner to see which functionalities they can provide independently or in conjunction with a fintech.



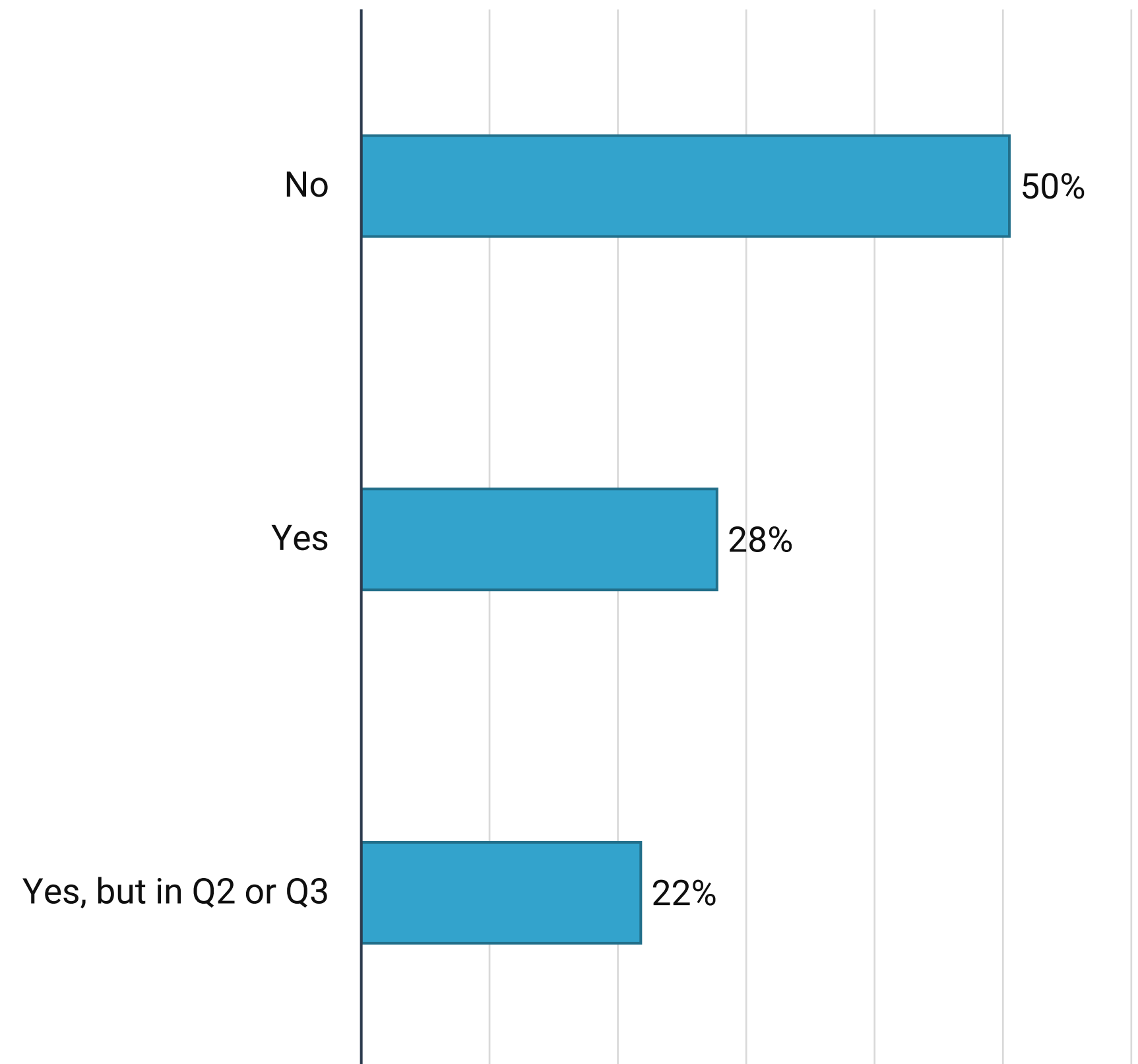
Look for synergies between your short- and long-term goals and those of other departments within the organization.

# POLL QUESTION

**These are projects or initiatives for us in 2022:**



**Would you be interested in learning more about how artificial intelligence could improve your current treasury process?**



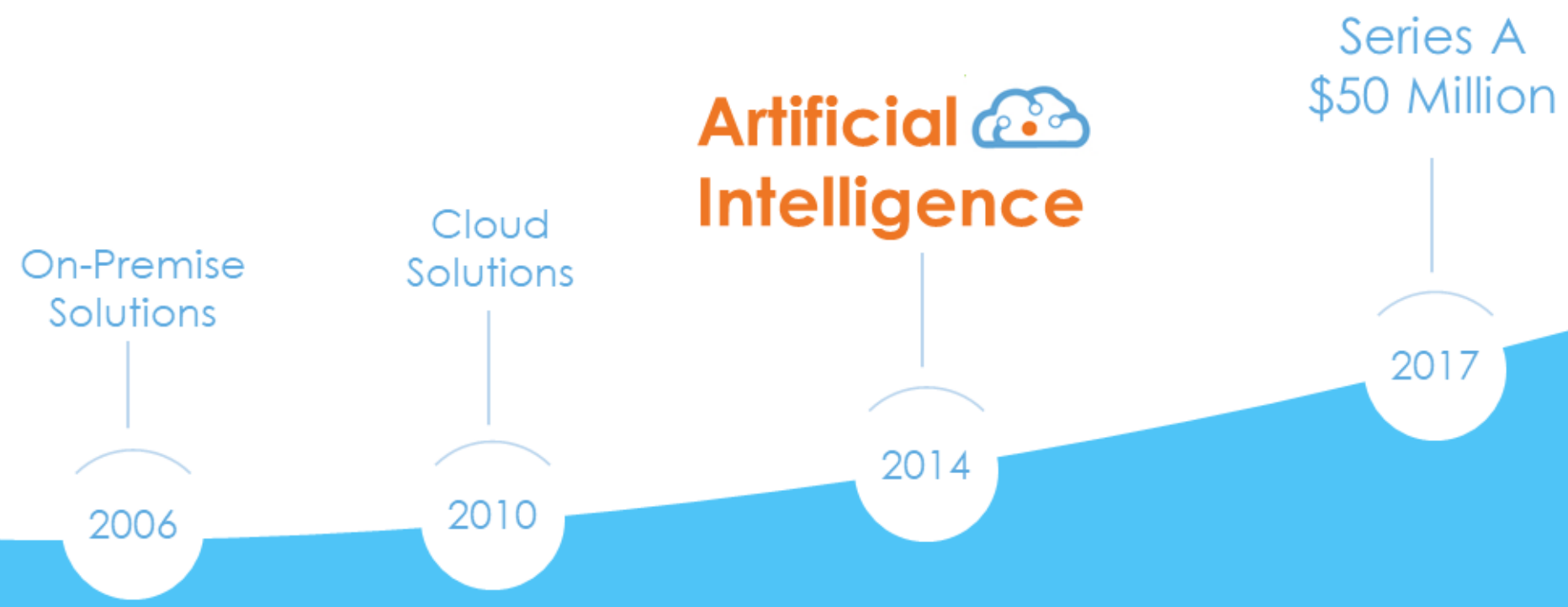


**Integrated Receivables**

- Credit**
- EIPP**
- Cash App**
- Deductions**
- Collections**

**Treasury Management**

- Cash Forecasting**
- Cash Management**



**Autonomous Systems**

Series B \$125 Million  
New Products & IP

Series C \$300 Million  
\$3.1 Billion Company

1 D1 CAPITAL PARTNERS

TIGERGLOBAL

ICONIQ

SGE  
SUSQUEHANNA GROWTH EQUITY, LLC

RadiusOne  
A/R Suite for Mid-Size Businesses

dotONE Performance

2020

2019

Trusted By  
**200+ Fortune 1000**  
Companies

**\$ 2.23 Trillion +**  
transactions processed annually



# LET'S CONNECT.

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

Thank you for your interest in this presentation and for allowing us to support you in your professional development. Strategic Treasurer and our partners believe in the value of continued education and are committed to providing quality resources that keep you well informed.



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### Roundtable: Harnessing the Power of Treasury Data – Thursday, December 2, 2021 @ 11:30am ET

Join us for a candid discussion with your peers as we discuss the true potential of data in Treasury. By harnessing the data fully, Treasury can deliver smarter insights and become strategic advisors to the CFO by enabling them to make faster and informed decisions, however, many organizations continue to rely on manual processes. So how exactly can Treasury use data to solve problems and put it to use?