

# TREASURY & RISK MANAGEMENT SYSTEMS

ANALYST REPORT SERIES



**CRAIG JEFFERY**

Founder & Managing Partner  
Strategic Treasurer



## WHAT.

Analysis, discussion and takeaways from the 2021 Treasury Technology Analyst Report.



## WHEN.

Tuesday, December 14, 2021  
2:00 – 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.

# ABOUT THE SPEAKER

GET TO KNOW TODAY'S SUBJECT MATTER EXPERT



## CRAIG JEFFERY

Craig Jeffery has 30+ years of financial and treasury experience as a practitioner and as a consultant. This has uniquely qualified him to found and lead Strategic Treasurer, a research-based consultancy serving the treasury industry by assisting clients and informing the industry.

As Managing Partner, Craig oversees Strategic Treasurer's operations in both arenas: advising and assisting clients on major projects and through outsourced services, and informing the industry through educational webinars, informational publications and survey data.



### *ADVISE*

- Global & Domestic Treasury
- Connectivity & Onboarding
- Working Capital Optimization



### *RESEARCH*

- Industry Surveys
- Benchmarking
- Data Subscription



### *ASSIST*

- Treasury & Risk Technology
- Bank Fee Management
- Temporary Treasury Staffing



### *INFORM*

- Webinars
- Podcasts
- Analyst Reports, eBooks & Executive Summaries

# TOPICS OF DISCUSSION

KEY AREAS OF FOCUS &  
ANALYSIS



## TECH LANDSCAPE

GREATER POWER, AVAILABILITY  
AND VALUE



## THE FUTURE

OF TREASURY TECH



## TMS/TRMS

OVERVIEW



## ISSUES & SOLUTIONS

STAFFING, DATA, CONNECTIVITY,  
FRAUD



## LEADING PRACTICES

SELECTION AND  
IMPLEMENTATION

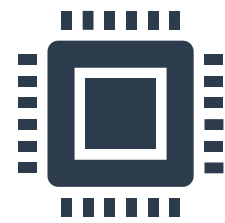


## NEXT STEPS

ADDITIONAL RESOURCES

# DEMOCRATIZATION OF TECH

FUNCTIONALITY FOR ALL



COMPUTING POWER



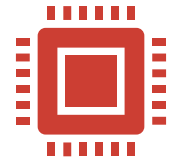
COST



SaaS USE



# THE FUTURE OF TREASURY TECH



## APPLICATION PROGRAMMING INTERFACE (API)

- Seamless connectivity
- Rapid access to current data



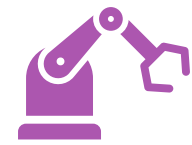
## BUSINESS INTELLIGENCE (BI)

- More comprehensive analytical capabilities



## ARTIFICIAL INTELLIGENCE (AI) & MACHINE LEARNING (ML)

- Forecasting
- Flagging potential errors
- Anomaly detection



## ROBOTIC PROCESS AUTOMATION (RPA)

- Bots perform actions normally done by humans
- Accomplishes connectivity, straight-through processing (STP), and automation



## BLOCKCHAIN & DISTRIBUTED LEDGER TECHNOLOGY (DLT)

- Distribution of records
- Records linked together in chronological chain



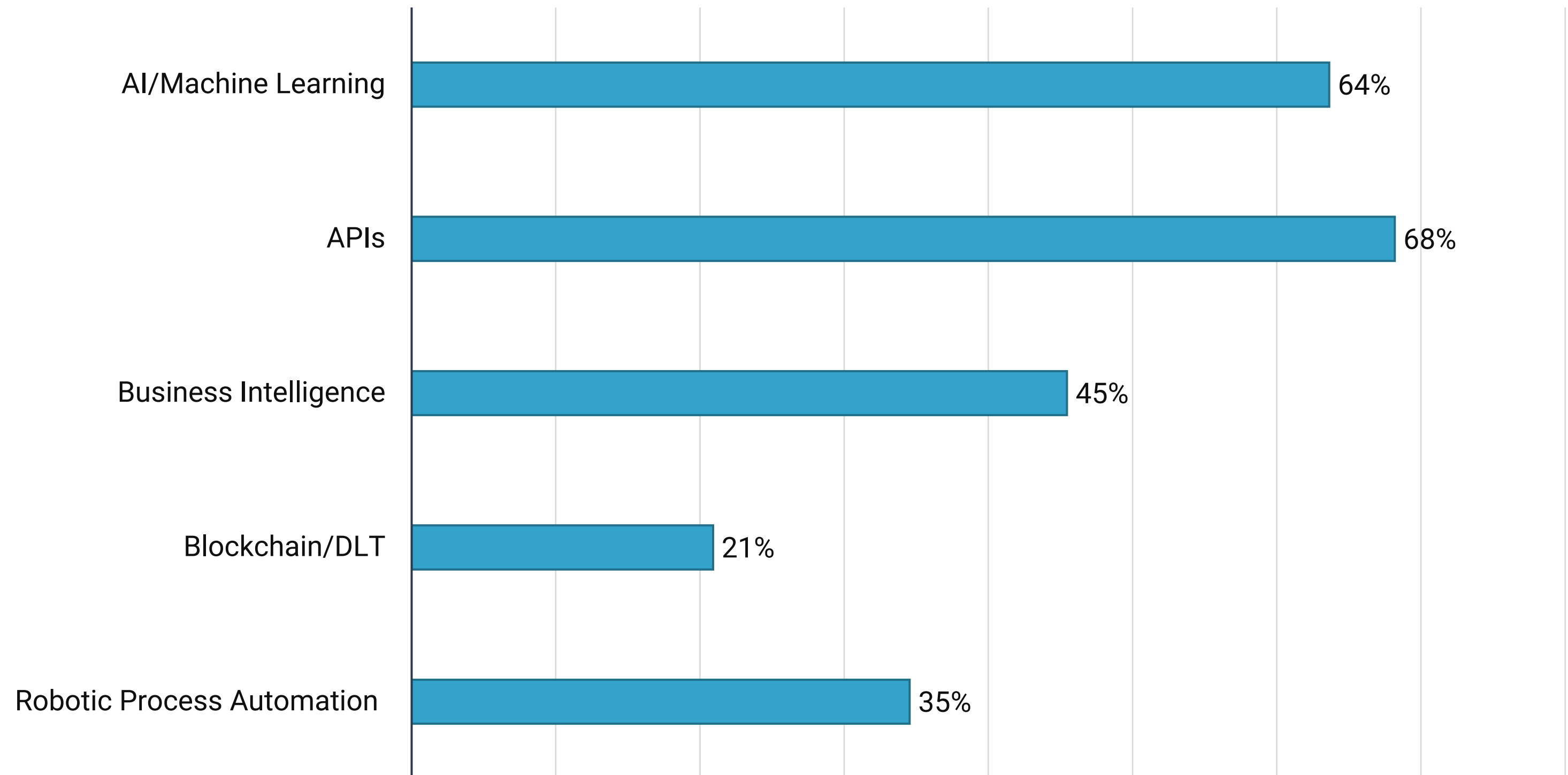
## REAL-TIME TREASURY

- Emerging mindset
- Immediate visibility

# POLL QUESTION

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**Which technologies do you think are highly promising for treasury and finance now or within the next two years?**



# TMS CORE FUNCTIONALITY



**Payment Management**



**Risk Analysis**



**Cash Forecasting**



**FX Management and Rates**



**Cash Visibility & Positioning**



**Bank Account Management**

# HOSTING MODELS

TYPES OF TMS AND CHANGES OVER TIME



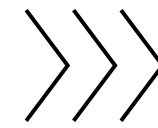
## INSTALLED

The hardware and software are managed internally. This includes the application of upgrades and management of test, development and production instances.



## ASP/HOSTED

The hardware is managed externally by a third party on a single instance for the company. The software program can be supported internally or by the third party.



## SaaS/CLOUD

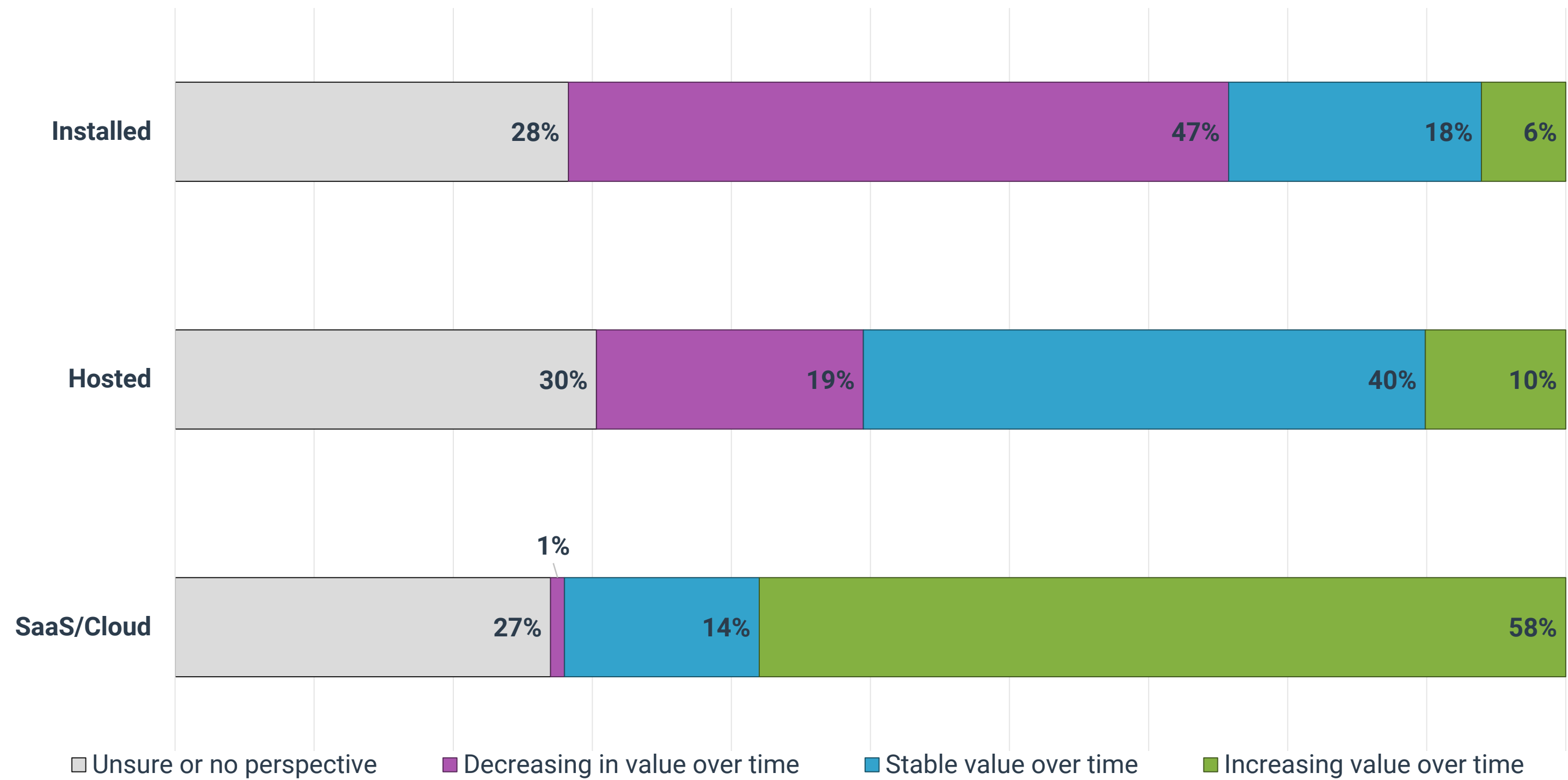
The hardware and software are managed externally by the third party in a multi-tenanted manner. Cloud-native solutions have been built specifically for the cloud.



# PERCEIVED VALUE OF PLATFORM

PROJECTED OVER TIME

For a TMS / TRMS by type of platform, how do you view the projected value proposition?



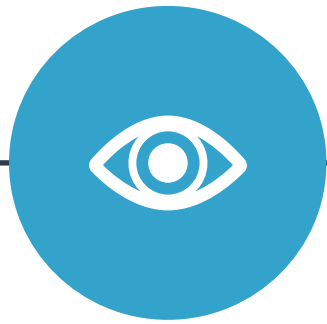
# WHO NEEDS A TMS?

## A NON-EXHAUSTIVE CHECKLIST



### **GROWTH**

Your company is seeing rapid growth, and spreadsheets are beginning to hold you back.



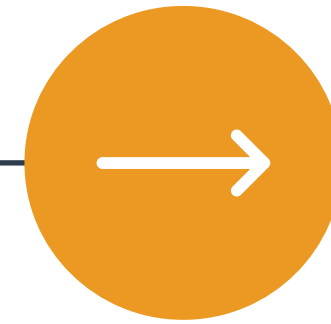
### **VISIBILITY**

Your company is struggling to achieve complete visibility within the timeframes you need.



### **SECURITY**

Inadequate visibility to all accounts or manual, confused, complicated or scattered processes are opening you up to threats.



### **EFFICIENCY**

A certain area of intensity or a particular bottleneck cannot be overcome manually and/or by simply adding staff.

# TMS MODULES

BANK ACCOUNT  
MGMT.

CASH  
FORECASTING

FUNDS  
TRANSFER

DEBT MGMT.

INVESTMENT  
MGMT.

RECONCILIATION

NETTING

CASH/LIQUIDITY  
MGMT.

FX TRADING

RISK MGMT.

HEDGE  
ACCOUNTING

COMPLIANCE

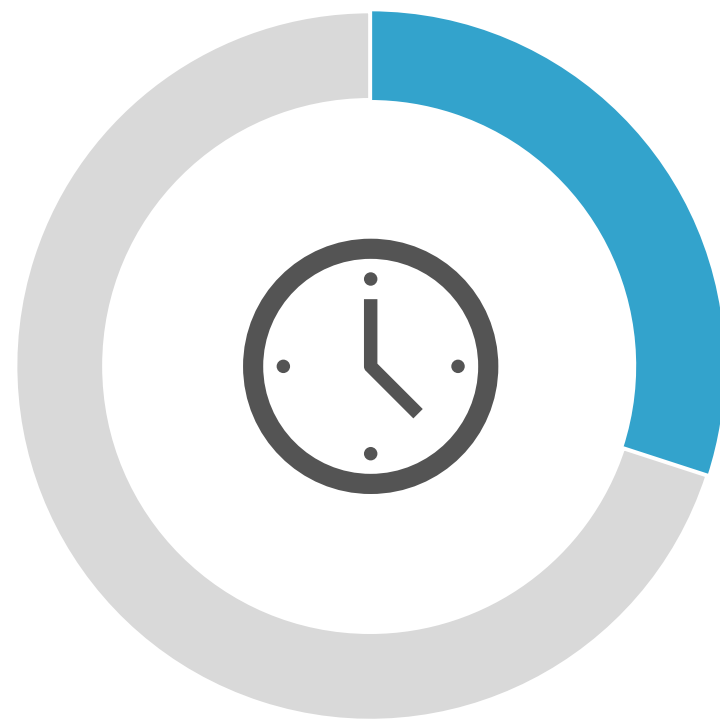
IN-HOUSE  
BANKING

ACCOUNTING

# TREASURY'S DILEMMA

OPERATING WITH LIMITED RESOURCES

33%



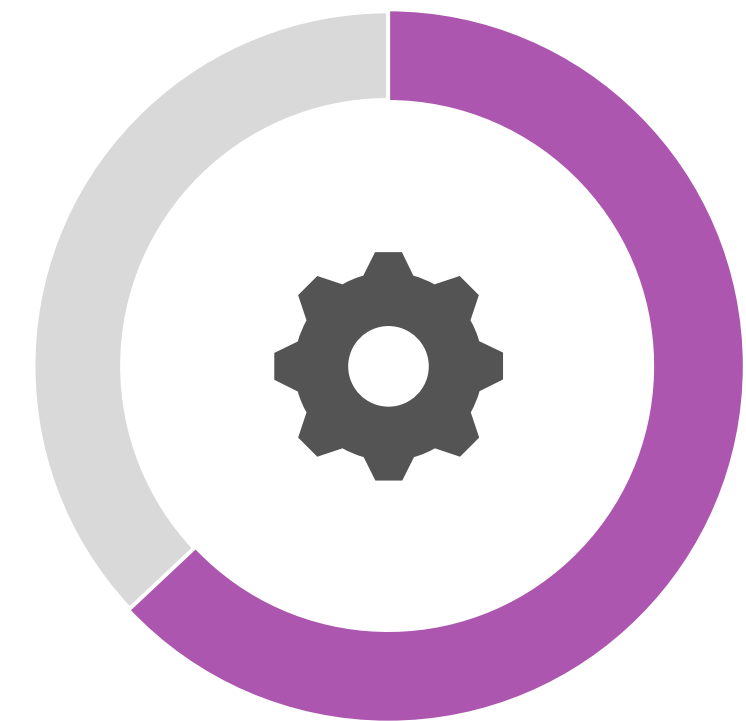
**Lack of Time.** 1 out of 3 have responsibilities that they don't have time to perform.

35%



**Lack of Staff.** Treasury department is not appropriately staffed.

63%



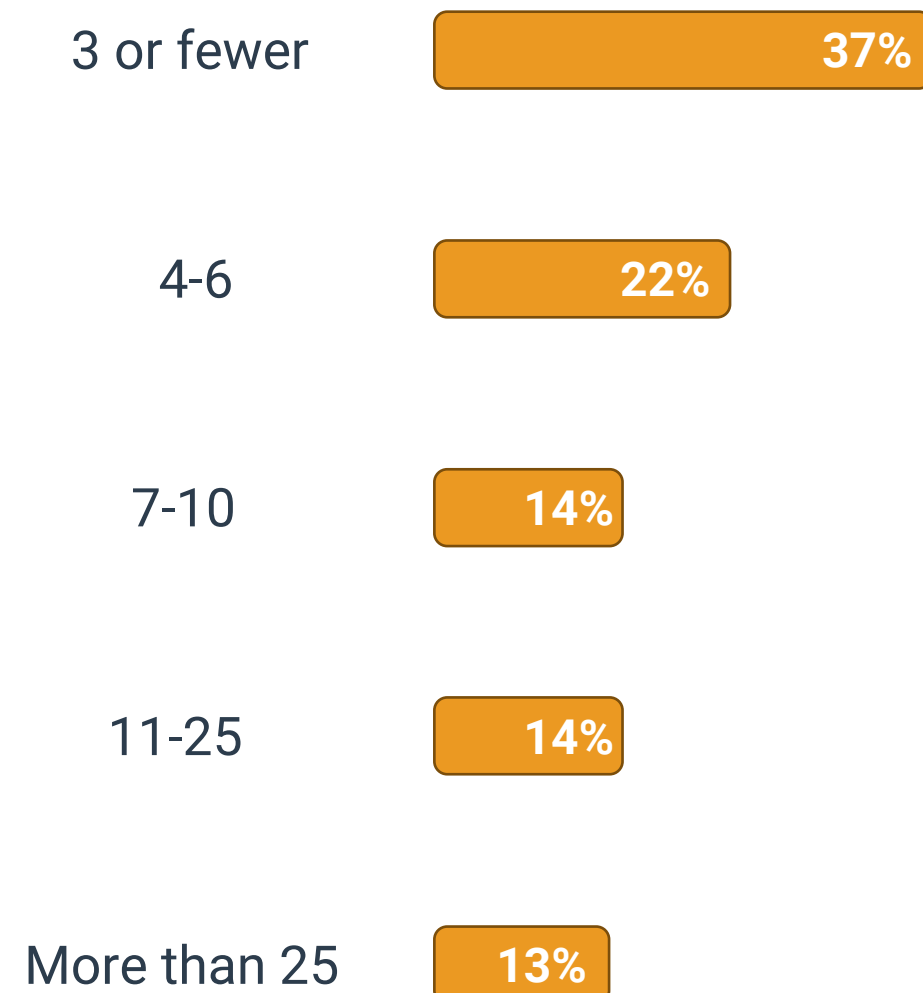
**Operational Challenges.** Top challenge is manual processes.

# SOLUTIONS A TMS OFFERS: PART I

OVERWHELMED TREASURY DEPARTMENTS NEED EFFICIENCY

TREASURY DEPARTMENTS ARE GROWING, BUT THEY USUALLY GROW MUCH MORE SLOWLY THAN THEIR ORGANIZATIONS DO.

How large is your global treasury organization staff, including analysts?



WITH A TMS, A SMALL STAFF CAN SUPPORT A COMPLEX ORGANIZATION WITH STRATEGIC LIQUIDITY MANAGEMENT.



TMS supports the human element, rather than replacing it



Staff learns new skills (such as managing the tech instead of performing manual tasks)

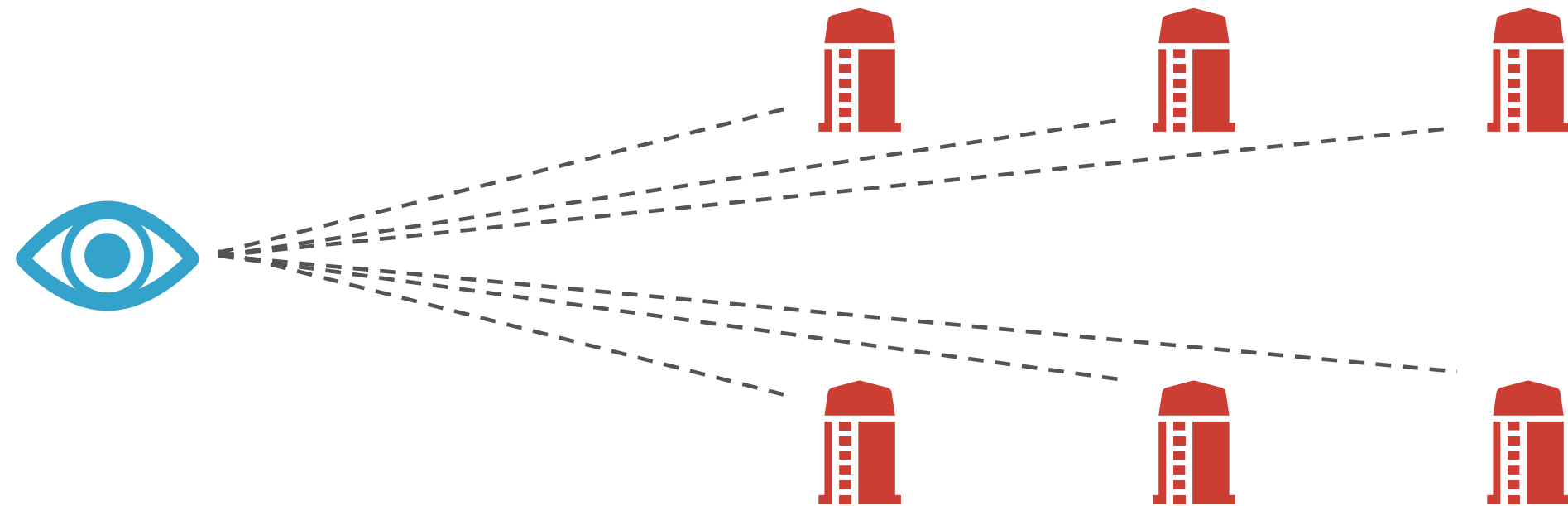


Allows for time to be spent on other treasury functions

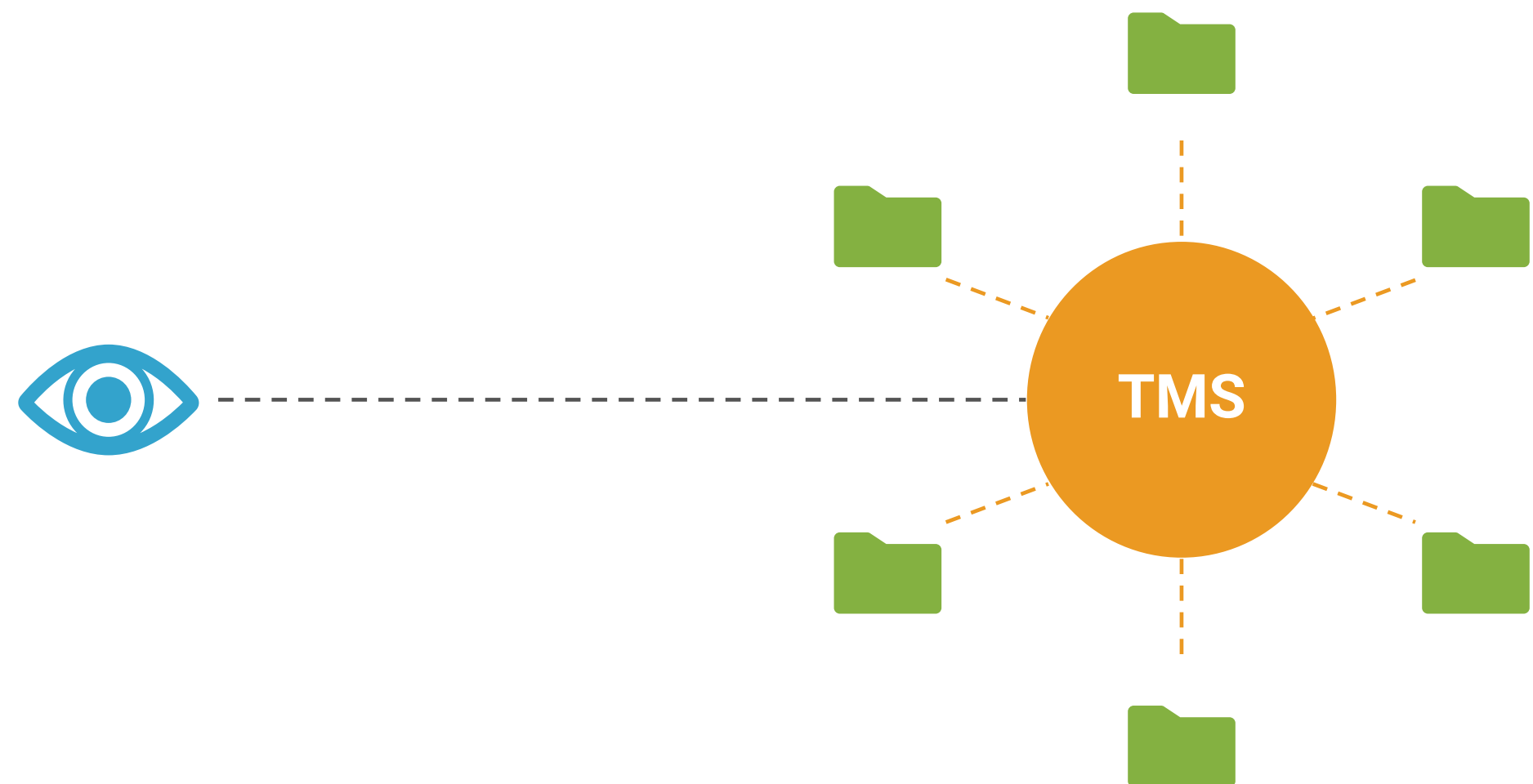
# SOLUTIONS A TMS OFFERS: PART II

SILOED AND DISPARATE DATA SOLVED BY A SINGLE SOURCE OF TRUTH

Inefficient with conflicting,  
inaccurate versions of data.



Single source of truth.



# SOLUTIONS A TMS OFFERS: PART III

## INTERNAL AND EXTERNAL CONNECTIVITY

A TMS can help facilitate open treasury, streamlining external connections and integrating with other internal systems to provide better access to data.



**OPEN TREASURY  
& STP**



**CLOUD-NATIVE  
AND  
MICROSERVICES**



**DATA &  
ANALYTICS**

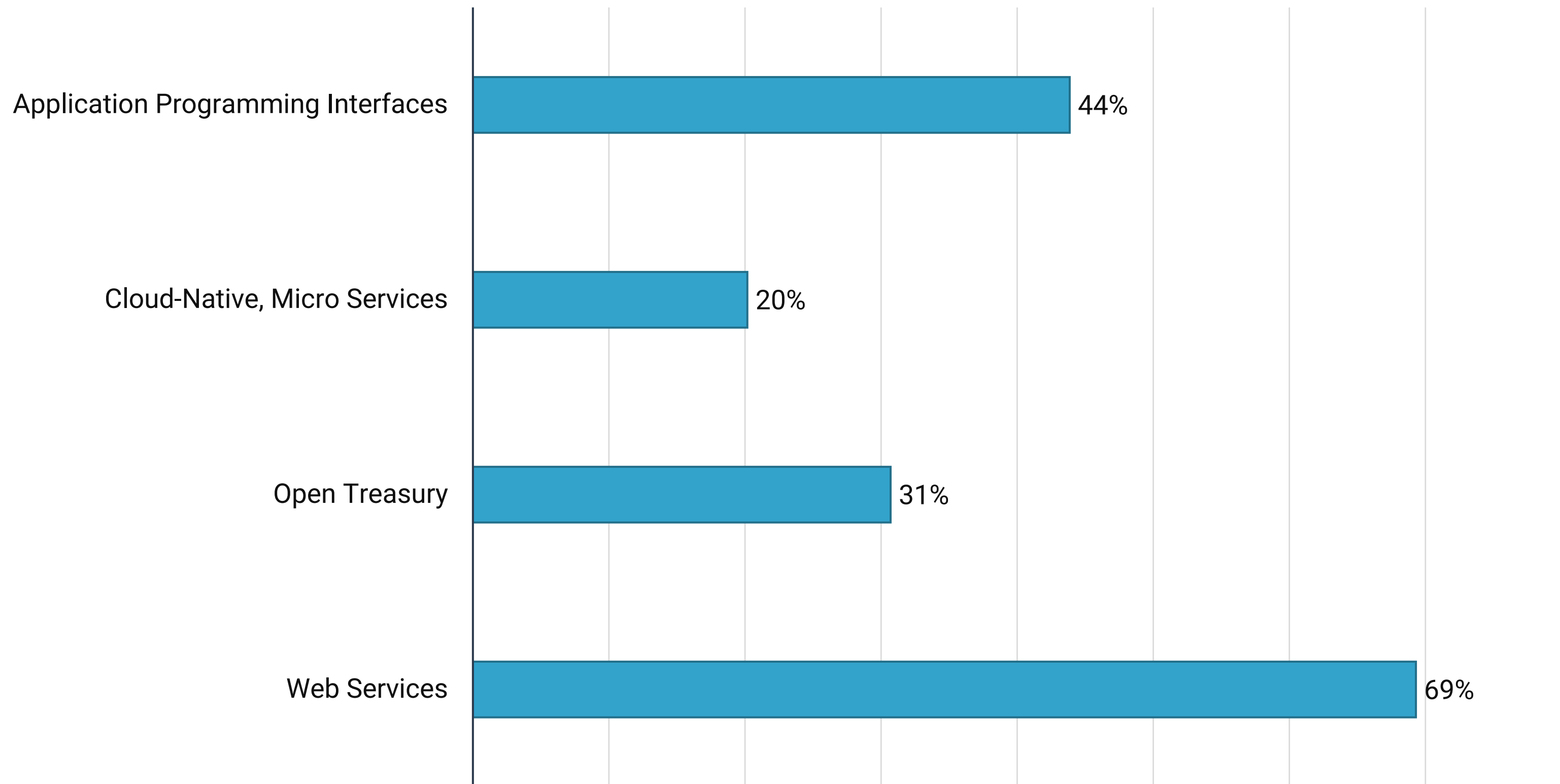


**NETWORKS &  
APIs**

# POLL QUESTION

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**I am very familiar with these concepts:**





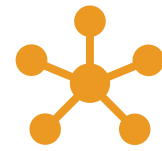
# SOLUTIONS A TMS OFFERS: PART IV

## SECURITY AGAINST FRAUD

Today's criminals operate efficiently. A TMS reduces the complexity and creates a secure environment so the organization can safely grow without putting their money and data at additional risk.



**SINGLE SECURE ENVIRONMENT**



**CENTRALIZED ELEMENTS OF DATA  
MANAGEMENT AND PAYMENT PROCESSING**



**ADVANCED SECURITY AUTHENTICATION**



**INCREASED EFFICIENCY AND VISIBILITY**



**SAFE SCALING**

# SOLUTIONS A TMS OFFERS: PART V

BCP, WFH & ECONOMIC VOLATILITY



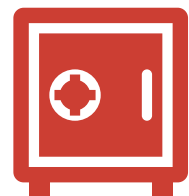
**BUSINESS CONTINUITY**



**REMOTE VIEW AND MANAGEMENT  
OF ALL CASH FROM SINGLE PORTAL**



**REDUCES COMPLICATIONS**



**INCREASES PAYMENT SECURITY**

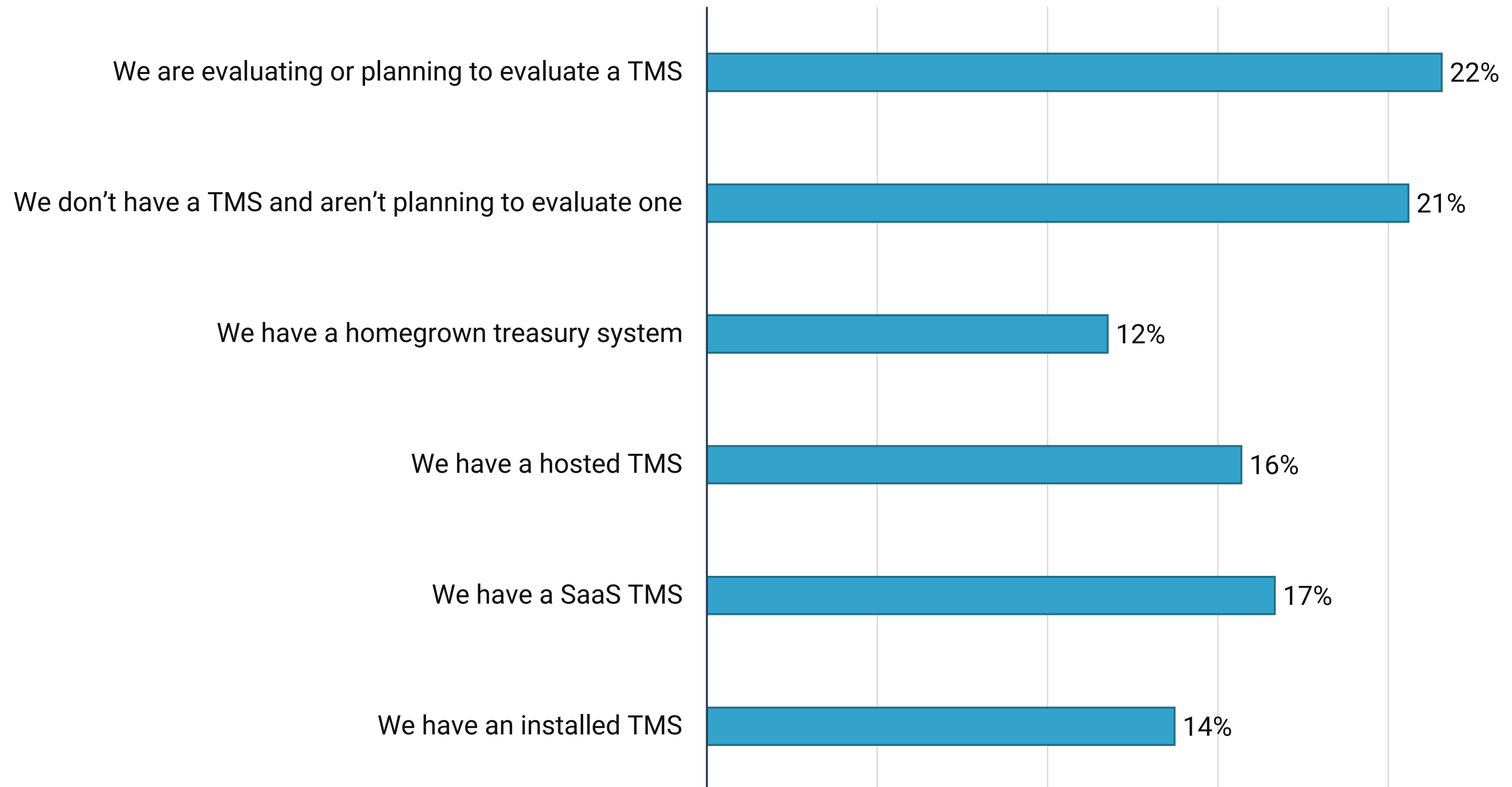


**INCREASES ACCURACY, SPEED AND  
EFFICIENCY OF CASH FORECASTING**

# POLL QUESTION

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## Our position with regard to treasury management systems



# LEADING PRACTICES: SELECTION

SEEK A SOLUTION THAT'S AN APPRECIATING ASSET FOR ALL INVOLVED



## **SELECT FOR THE LONG-TERM**

TMS IMPACTS NEARLY EVERY  
AREA OF DAILY OPERATIONS



## **UNDERSTAND NEEDS**

BOTH CURRENT AND PROJECTED



## **CONSIDER ALL OPTIONS**

THEN NARROW DOWN BASED  
ON REQUIREMENTS

# LEADING PRACTICES: IMPLEMENTATION

BE REALISTIC



## SCHEDULE MINDFULLY

Craft and follow a reasonable timeline. Set each phase in a logical order and include testing throughout to help ensure efficiency and effectiveness.



## CONSIDER RESOURCES

Be realistic about the resources needed and be willing to adjust pacing of the project to fit available resources. Consider using a third party to help, if needed.



## ADJUST PROCESSES

Adjust your processes to the system rather than trying to make the system fit your current processes. This will best utilize the system in the ways it was designed to work.

# ANALYST REPORT

TREASURY'S GO-TO SOURCE FOR DEVELOPMENTS, TRENDS & SOLUTIONS

## VENDOR ANALYSIS SECTION: TMS PROVIDERS



## VENDOR ANALYSIS SECTION: TREASURY ECOSYSTEM PROVIDERS



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