

A PRACTICAL LOOK AT DIGITAL TRANSFORMATION: HOW ASGC RE-ENGINEERED ITS GLOBAL TREASURY OPERATIONS

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ABOUT



WE LOOK FORWARD TO ENTERING THE NEXT PHASE OF OUR GROWTH BY DRIVING EFFICIENCY THROUGH DIGITALLY-INTEGRATED PROCESSES. THERE IS SIGNIFICANT DEVELOPMENT IN THE TECHNOLOGY SECTOR THAT CAN HELP ASGC TO BECOME MORE STREAMLINED AND EFFICIENT.



- ASGC is a vertically integrated construction group that is best known for delivering turnkey special projects in the UAE. The company owns the majority of its supply chain and utilizes mostly in-house resources, giving it a high degree of control over project quality and timely delivery.
- Founded in 1989, ASGC has grown to become a key player in the UAE's construction industry through a commitment to reliability, in-house capabilities and customer dedication. ASGC has delivered numerous projects with exemplary safety records, adhering to strict global health and safety regulations. ASGC employs more than 17,000 construction specialists and workers in the UAE and boasts a rounded vertical integration of its supply chain through its subsidiaries.

TOPICS OF CONVERSATION

- What does digital transformation mean for treasury teams?
- Case Study: Reengineering treasury operations at ASCG
 - Digital strategy objectives
 - Treasury challenges
 - Implementing a solution
 - Key achievements and benefits
- Practical advice for other treasury teams

REENGINEERING TREASURY OPERATIONS AT ASCG

Strategic Objective: To deliver on aggressive global expansion plans, ASGC Treasury wanted to get ahead of the growing pains around bank account management and increased transactions



Vision

- Digitize payment processing and transaction management through a single control point
- Centralize visibility of cash position and transactions
- Achieve “paperless” payments by moving to from paper checks to electronic payments.

Challenges

- Multiple bank portal management created inefficiencies
- High transaction volumes of ~300,000 transactions in 8 different currencies per year across 15 different banking portals
- Concern of potential/unrealized security risks

DIGITAL TMS SOLUTION AND BENEFITS

Solution:

Digital, on-demand TMS (TreasuryXpress)

- Digitally powered, on-demand TMS model allowed for quicker time-to-go live; thereby minimizing bandwidth drain and resource consumption typically associated with legacy Cloud or On-Premise TMS'
- Ability to scale functionality as they grow without having to incur exorbitant costs for future add-on module implementations
- Automated the bank connectivity process; thereby reducing time and effort spent on these tasks during traditional projects.

Benefits

- The fully digital treasury solution was live and fully integrated with its banks and ERP solution within one month.
- As a result, that it has already experienced “millions of dollars in cost-savings” by reducing manual effort from 2 – 3 days of payment processing to 2 hours.
- Eliminating printed checks and supporting documentation has reduced the significant expenses of paper. The team estimates that they will save approximate 13,000,000 pieces of paper annually – a cost saving of ~\$2M annually.
- By incorporating social consciousness into the business' financial operations, treasury has positively contributed to the brand's reputation

PRACTICAL ADVICE FOR TREASURY TEAMS

- Set clear objectives and pre-define the desired results
- Consider key success factors in selecting the right partner
 - Security
 - Speed of implementation
 - Level of expertise and functional efficiency
- Align internal teams and subsidiaries to accept the incumbent changes
- Continuously look for best practices in Treasury operations to remain ahead of the curve