



Thinking in cashflows

BAS MEIJER EXPLAINS TO PETER WILLIAMS WHY THE CERT ICM HELPS YOU TO KNOW WHAT YOU ARE TALKING ABOUT.

Bas Meijer has plenty on his plate. The Dutchman is the Treasurer and Cash Manager for Connexion Holding NV. Connexion is a large transport company based in Holland operating a fleet of 2,500 buses and 3,000 taxis.

Along with one colleague, Meijer is responsible for the treasury and financing activities for the company. He executes the following roles: risk management (commodity risk, currency risk, interest rate risk and credit risk), bank relations and in-house bank activities.

Alongside the day job, Meijer has just completed the Cert ICM. The Association of Corporate Treasurers' Certificate in International Cash Management is the only qualification to focus exclusively on global cash management. His reason for taking the trouble to study for the Cert ICM was simple enough: "I wanted the best education there is in cash management and treasury." His latest success follows his qualification in Treasury Management from the Vrije Universiteit in Amsterdam.

Providing a detailed understanding of international cash management from both a banking and corporate perspective, the Cert ICM helps students to appreciate the important role successful cash management plays in the overall performance of a company. An intensive six-month distance learning qualification, it centres on creating an understanding of the wider context in which cash management fits into corporate treasury, international operations and the role of banks. Established in the UK in 1997, the Cert ICM is now examined twice a year in 40 countries worldwide, with the tuition school running in Australia, Belgium, Hong Kong, Scandinavia, Ireland, the UK and the US.

Meijer says he decided to pursue a career in cash management because of "the dynamic environment in which cash management operates. Every day is different

and you never know what will happen next in the world of finance."

In the time that Meijer has been working in the cash management environment he says he has already seen substantial change. "The developments in electronic banking applications and in IT have been enormous over the last decade. Derivatives pricing and the transparency in the money market has also improved."

As well as providing a qualification, the Cert ICM has given Meijer extra confidence when it comes to dealing with work situations. Asked about the impact the additional knowledge gained while taking the qualification has had on his job, Meijer says: "Cert ICM makes you feel more

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comfortable in discussions and negotiations internally and with your banks and other external parties. You know what you are talking about."

Connexion's commodity risk is hedged on the oil and diesel market, because the company is an end-user of large volumes of Ultra Low Sulphur Diesel (ULSD). These products are quoted in US dollars, and the company's base currency is the euro. Therefore, currency risk is created and has to be hedged. The company is highly capital-intensive. The interest exposure on



Bas Meijer Treasurer and Cash Manager for Connexion Holding NV

the capital used for buying vehicles is hedged. The vehicles have long dated economic life-cycles, and the supplier often guarantees residual value. The credit risk on suppliers is also watched.

All of Meijer's responsibilities underline the need for the Cert ICM. Cash managers have the ability to make a significant difference to the corporate balance sheet, therefore the individual needs to be able to appreciate a broader range of issues, and be comfortable with many different ideas. By combining both theoretical and practical skills, the Cert ICM has become a necessary qualification for anyone involved in cash management or the wider treasury role.

For anyone thinking of following a career in cash management, Meijer has some advice: "Make sure you like a dynamic environment and start thinking in cashflows instead of accounting flows. If you like this, start the Cert ICM programme. This gives a very good basic education in cash management."

Additional reporting by Louise Tatham. For more information on the ACT's Cert ICM programme see www.treasurers.org/certicm.