





## If you get it right, the rewards can be significant and extend beyond complete transparency around all of the financial flows in your organisation

towards some answers and approaches being more effective than others.

When the FSN Modern Finance Forum for CFOs recently surveyed 760 members, it found that they, like many treasurers in the ACT survey, were struggling to find an equilibrium between their traditional role and the new demands of business partnering and strategic adviser – with lack of time the main barrier. The research also delved into experiences of possible solutions and the relative significance and merits of automation, process standardisation and integration.

### The power of process standardisation

“When we analysed their impact on corporate performance, we found that standardising your processes is most important, because doing this acts as a springboard to do other things,” says Gary Simon, leader of the Modern Finance Forum. As well as confirming the value of standardisation, the research highlighted that it is the automation that follows this standardisation and the associated integration that enables you to make faster and smarter decisions.

At Schüco International, a global supplier of window, door and façade systems, the road to standardised and optimised treasury processes has been paved with increased automation and system connectivity. “We have been able to implement an integration solution that provides efficient and professional support for Schüco’s treasury processes and conserves the limited resources of a medium-sized firm,” says Thomas Schlesing, Schüco group treasury manager.

Previously, its 40 subsidiaries used numerous e-banking solutions, including manual working procedures.

Now, an automated integration solution from Deutsche Bank helps Schüco to harmonise its cash management processes; it automatically exchanges information with one central TMS from Bellin; this receives data from Schüco subsidiaries and exchanges (XML and MT940 format messages) with Schüco’s enterprise resource planning (ERP) system.

### Other approaches are also available

The Modern Finance Forum survey identified cloud as an enabler of standardisation, which is reflected in experiences at eBay. Standardising treasury processes at its many global entities might have been impossible without the intrinsic uniformity of a single cloud-based solution. “We couldn’t have actually created the reports we needed that many times across the world,” says Debdatta Banerjee, senior treasury manager, eBay.

Fashion brand Chanel is also benefiting from the combination of standardisation and automation that can be delivered by an integrated cloud-based treasury solution. “We had been using different systems depending on the process area,” recalls Kimberly Karg, assistant treasurer. France was the only country with a system for cash management with various systems in use for cash-flow planning, FX, intercompany loan management and netting.

An integrated system from Reval has improved decision-making and data quality by eliminating the need to move data between systems. “For the first time ever, we now have a single view of all our cash worldwide, in the bank and in country,” says Karg.

The uniformity of the cloud system has other benefits, too. “It helps, having a single platform for all our users worldwide, as we continue to look to have standardisation in terms of processes and controls,” she adds.

### Make the best of IT

Most treasury functions have no option but to make the most of what they have. This may mean rationalising existing systems, whether they include spreadsheets, some manual processes or multiple systems for ERP and/or treasury and risk management. As *The Treasurer* previously outlined (see [www.treasurers.org/ACTmedia/Feb16TTfutureperfect48-49.pdf](http://www.treasurers.org/ACTmedia/Feb16TTfutureperfect48-49.pdf)), just getting all parts of an organisation onto a single instance can do wonders for process standardisation.

However, the scale of such standardisation and rationalisation efforts can vary significantly. For the independent oil and gas producer Santos, rationalising systems for cash and liquidity management, risk management plus hedge accounting and reporting was a hop, skip and a jump away from the data duplication and relatively high cost of their predecessors. “We had a mix of multiple systems and spreadsheets,” says Simon Hillier, senior treasury analyst at Santos.

Things are less simple for fellow oil and gas producer Shell. Its journey towards process standardisation,

simplification, automation and operational efficiency (with straight-through processing through better systems integration) spans every element in its finance organisation – and many years. Shell treasury operations has been rolling out its ‘standard model’ since 2001, to thousands of users in dozens of countries using no fewer than 40 ERP systems.

### The scale of the challenge

The larger and more complex the organisation, the more difficult and time-consuming it can be to standardise treasury processes, automate treasury processes or integrate the associated data, ERP and TMS, and the wider IT landscape, and so much more. But if you get it right, the rewards can be significant and extend beyond complete transparency around all of the financial flows in your organisation and the capacity to make faster and smarter decisions.

You may find you have the time (and other resources) to provide all business units with excellent services and professional assistance, manage all of your company’s financial risks, take on a more strategic role today and be prepared to meet future treasury challenges. Just don’t expect all of this to happen any time soon. After all, nothing is perfect. There is always room for improvement. All treasury functions and teams are a work in progress – in one way or another. ♥



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