

# I Treasury

Third Party Receivables [Web Based Treasury Software](#) Key Treasury Liquidity Planning Treasury Trader Intercompany invoice reconciliation Third Party Receivables [White Paper](#) Your Key to Treasury Cash Flow Liquidity tm5 Intercompany invoice Reconciliation Third Party Receivables Third Party Receivables Key Treasury Liquidity Planning Treasury Liquidity Management Treasury Trader Third Party Receivables Netting and Reconciliation Trader Intercompany invoice reconciliation [www.bellintreasury.com](http://www.bellintreasury.com) Third Party Receivables Your Key to Treasury Cash Flow Liquidity tm5 Intercompany invoice Reconciliation Third Party Receivables Third Party Receivables Key Treasury Liquidity Planning Treasury Trader Intercompany invoice reconciliation Third Party Receivables Your Key to Treasury Cash Flow Liquidity tm5 Intercompany invoice Reconciliation Third Party Receivables invoice reconciliation Third Party Receivables Your Cash Flow Trader Intercompany invoice reconciliation Third Party Receivables Your Key to Treasury Cash Flow Liquidity tm5 Intercompany invoice Reconciliation Third Party Receivables Your Key To Treasury Third Party Receivables Key Treasury Liquidity Planning Treasury Trader Intercompany invoice Trader Intercompany invoice reconciliation Third Party Receivables Your Key to Treasury Cash Flow Liquidity tm5 Intercompany invoice Reconciliation Third Party Receivables Treasury Cash Flow Liquidity tm5 Intercompany invoice Third Party Receivables Your Key to Treasury Cash Flow Trader Intercompany invoices Receivables invoice reconciliation Third Party Receivables Your Cash Flow Trader Intercompany invoice reconciliation Third Party Receivables Your Key to Treasury Cash Flow Liquidity tm5 Intercompany invoice Reconciliation Third Party Receivables Your Key To Treasury Third Party Receivables Key Treasury Liquidity Planning Treasury Trader Intercompany invoice Trader Intercompany invoice reconciliation Third Party Receivables Your Key to Treasury Cash Flow Liquidity tm5 Intercompany invoice Reconciliation Third Party Receivables Treasury Cash Flow Liquidity tm5 Intercompany invoice Third Party Receivables Your Key to Treasury Cash Flow Trader Intercompany invoice Receivables invoice reconciliation Third Party Receivables Your Cash Flow Trader Intercompany invoice reconciliation Third Party

### The need for web based treasury software

Nowadays, treasury departments of multinational corporations waste a lot of time collecting data from subsidiaries located in different corners of the world. Due to the language, currency and time zone differences, consolidating financial data quickly and efficiently has become a roadblock to streamlining treasury operations. The reaction to this obstacle has been to install “workstations” in key locations which required subsidiaries to “check in” and regularly submit their financial numbers. However, this failed in part due to the fragmentation between the head office and subsidiaries. A better response has been the introduction of Treasury Management Systems, which refers to the software that has aided treasurers in the fight to stop playing catch-up trying to piece together data through paper intensive spreadsheets. Through TMS, treasuries can manage cash flow, engage in liquidity planning and conduct transactions through banks which is a necessity in today’s recovering economy.

In particular, EuroFinance has acknowledged the need to replace isolated, and remote treasuries with more visible, user friendly software that enables companies to maintain transparency over their financial status. As a result of globalization, cash is continuously traversing borders and the only way to monitor it and manage financial risk is by increasing visibility and implementing a treasury system that is accessible within the company (treasuryperspectives.com). Cloud treasury is affecting companies of all sizes, and technological improvements have propelled advancements in how treasuries are managed. Particularly, with options such as cloud hosting, which is being offered by software treasury providers such as BELLIN, companies do not have to pay or maintain costly hardware to receive integrated financial data instantly (See: <http://www.qlikpower.com/blog/bid/57476/Spreadsheets-can-be-costly-for-company-treasurers>).

Centralization is a counter reaction to regionalization, in which subsidiaries were left to their own devices when submitting data, and while a more centralized treasury is more efficient at gathering data, it is not ideal. The evolution and transformation of treasury has cumulated in a globally centralized treasury that balances local subsidiary knowledge of various economic realities with central control over cash flow. The access to real time data has been a motivating factor in applying web based treasury software systems like BELLIN’s tm5, which enable users from all corners of the world to input data, while enabling the central treasury to have access to all the data. Rather than being hardware dependent and not SOX compliant, web based treasury frees up the flow of information within companies and between banks around the world.

This paper seeks to:

1. Outline current treasury needs of companies
2. Identify the factors a company needs to consider before choosing the vendor for the TMS
3. List the benefits and costs of an efficient treasury software system

### **What are some typical treasury problems faced by companies these days?**

Treasurers often lack the time to concentrate on long term investments and liquidity planning, which web based software treasury seeks to resolve. Typically, subsidiaries conducted their own financial management through spread sheets which then had to be consolidated, and as a result of that, an unnecessary amount of work was created for the treasury and there was a lack of real time data. This prevented treasuries from having access to financial data when they needed it, at the click of a mouse. Rather than simply consolidating worksheets from different time zones, web based treasury software creates visibility for the information that is entered regardless of the time or place. BELLIN's treasury software tm5 is unique in that it provides the subs a professional tool which they use, free of charge, for their own purposes and the information gathered in their actions "bubbles up" to the central treasury.

Another challenge faced by multinational companies is their distributed payments infrastructure. Different banking relationships are clearly a necessity of operating in the three main regions, Asia, Europe and America, but this does not mean that the treasury should not be in control of the process. By introducing an integrated payment factory making use of multiple host-to-host banking connections, or SWIFT, the central treasury can have as much, or as little control over the payments process throughout the group. Even if the treasury decides to give up 100% of the control of the payments in a certain region, by moving the payments infrastructure to a payment factory, the treasury always maintains visibility.

### **What should treasury management vendors offer you?**

After identifying your company's need for a centralized web based treasury software, it is important to choose a vendor that has experts with treasury experience who can provide training and guidance every step of the way. If your company has many subsidiaries, it is worthwhile to invest in a treasury software that does not charge based on a user fee, but rather charges the company a single fee upon and places no limit to the amount of users that can access the program. Renting or purchasing a license is another feature that some Treasury software providers like BELLIN Treasury Services Ltd. offers to clients. Your vendor should not be a technology company selling treasury software. They should be a treasury company, using technology to solve your business problems.

**What are the benefits of an online treasury system software?**

The benefits of an integrated, company-wide web based treasury software far surpass the time and money that needs to be invested by companies that choose to embrace the new face of treasury. Software should allow the actual work of gathering data to be done wherever it makes the most sense. BELLIN refers to this concept as “Load Balanced Treasury”. Although the move to a centralized treasury is a relatively new one which sprung up after 2006 (Treasury Strategies), there are costs to convincing subsidiary companies to cut back on their relationships with local banks and place their trust in a centralized, and more accurate web based methodology. Instead of beating the “centralize your treasury” drum your software should allow your company to shift work around throughout your organization as required.

Further Readings

Treasury Perspectives 2010-2011. “Staying in the Spotlight.” [www.treasuryperspectives.com](http://www.treasuryperspectives.com)

BELLIN Case Study June 2010, “Virgin Atlantic Airways: A Case Study.” [www.bellintreasury.com](http://www.bellintreasury.com)

Treasury Strategies April 2004. “Global Centralization vs. Regionalization: What’s the Right Answer for Your Treasury.” <http://www.gtnews.com/article/5427.cfm#request.location#>

About BELLIN Treasury Services Ltd.

BELLIN is a global leader in providing web-based treasury software and services to multinational corporations. It was built by a treasurer who was frustrated with the lack of modern treasury tools. Our user friendly product tm5 is guaranteed to amaze you with selectable modules that are customized to suit your company's needs. **Tm5** is already used by 6000 companies in 120 countries, so this is an indication that companies are interested in improving their financial treasury operations. Join us and our hundreds of clients such as Flextronics and Red Bull who all say, "We love treasury!"

If you would like an introductory information package, please give us a call at 604-677-2593, or send us an e-mail with the subject line "information package" at [ayla@bellintreasury.com](mailto:ayla@bellintreasury.com). We are also available on the web via <http://www.bellin.com>