

REDUCING THE COMPLEXITY OF THE PAYMENTS LANDSCAPE



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WHAT.

Ways in which a secure payment solution reduces the complexity of the payment landscape.



WHEN.

Wednesday, June 9, 2021
2:00 - 3:00 PM EDT



WHERE.

Live Online Presentation
Replays at StrategicTreasurer.com



This presentation is provided by Strategic Treasurer & TIS

ABOUT THE SPEAKERS

GET TO KNOW TODAY'S SUBJECT MATTER EXPERTS



CRAIG JEFFERY

Craig Jeffery formed Strategic Treasurer LLC in 2004 to provide corporate, educational, and government entities direct access to comprehensive and current assistance with their treasury and financial process needs.

His 30+ years of financial and treasury experience as a practitioner and as a consultant have uniquely qualified him to help organizations craft realistic goals and achieve significant benefits quickly.



JONATHAN PAQUETTE

Jon Paquette is Head of Consumer Success, U.S. with TIS. In his role, he assists clients and prospective clients in finding the best use of the technology that TIS offers to solve their organizational challenges. Prior to joining TIS, Jon held various Finance and Treasury positions in U.S. based organizations. Most recently, Jon held the role of Senior Director, Treasury for a large health care organization. Jon holds a BA in Economics from Merrimack College and an MBA from the Carroll School of Management at Boston College.

TOPICS OF DISCUSSION

KEY AREAS OF FOCUS &
ANALYSIS



**PAYMENT
COMPLEXITY**



PANDEMIC IMPACT



PAYMENT RISKS



**OPTIMIZING
PAYMENTS**



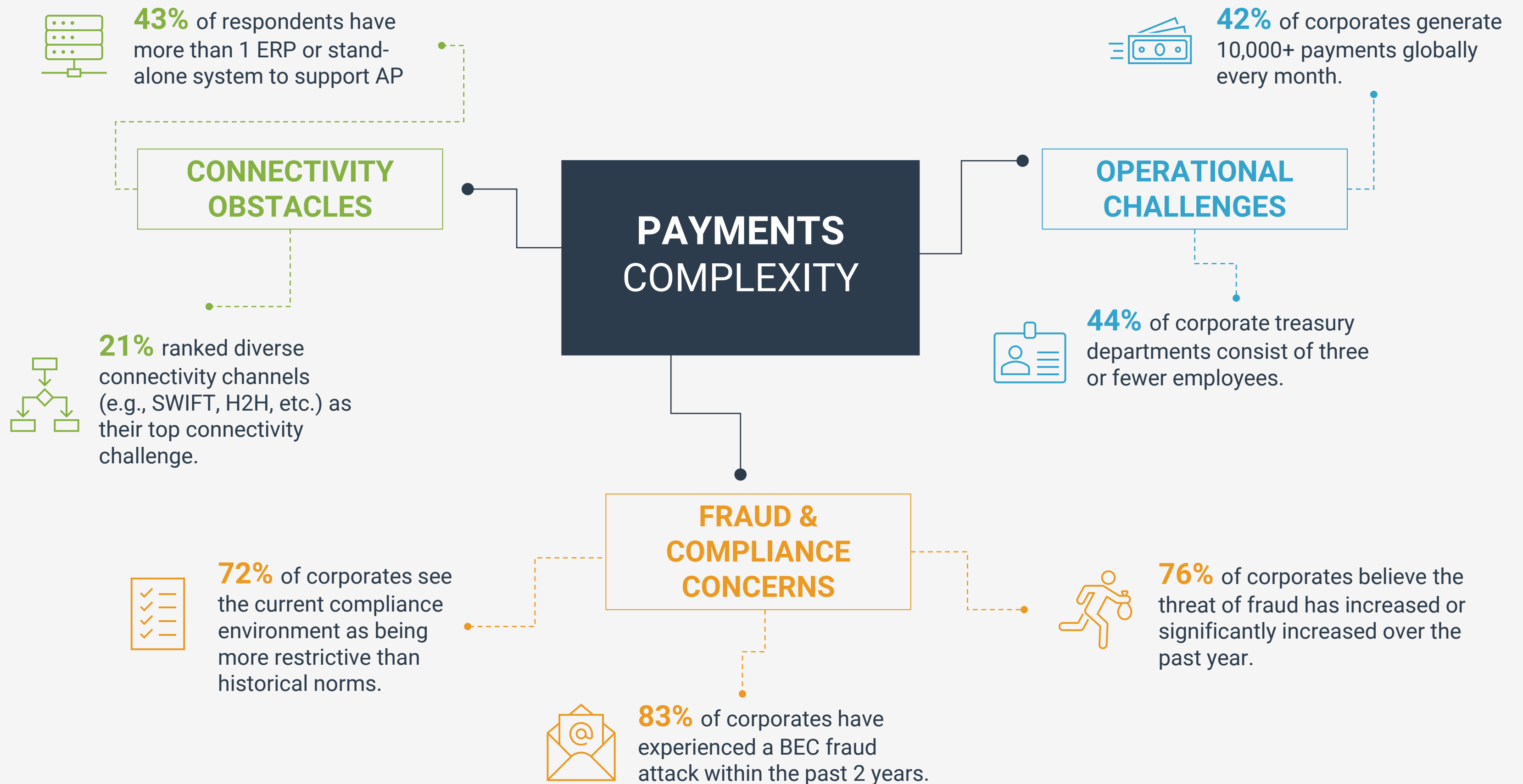
**CENTRALIZED
PAYMENTS**



KEY TAKEAWAYS

PAYMENT COMPLEXITY

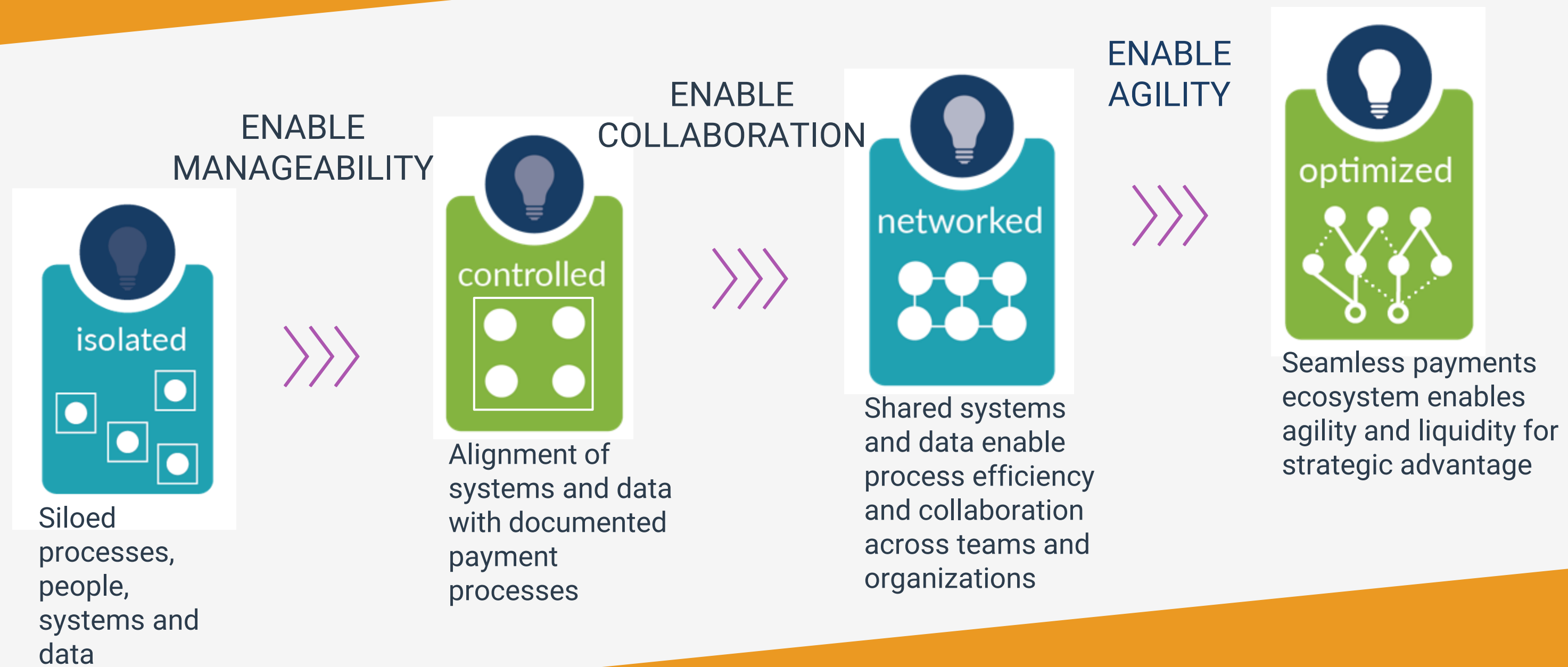
THE CHALLENGES



ENTERPRISE PAYMENT OPTIMIZATION

INCREASES VISIBILITY, EFFICIENCY & INNOVATION

Decreasing uncertainty, inefficiency and reactivity



Increasing visibility, efficiency and innovation

GLOBAL ENTERPRISES STRUGGLE

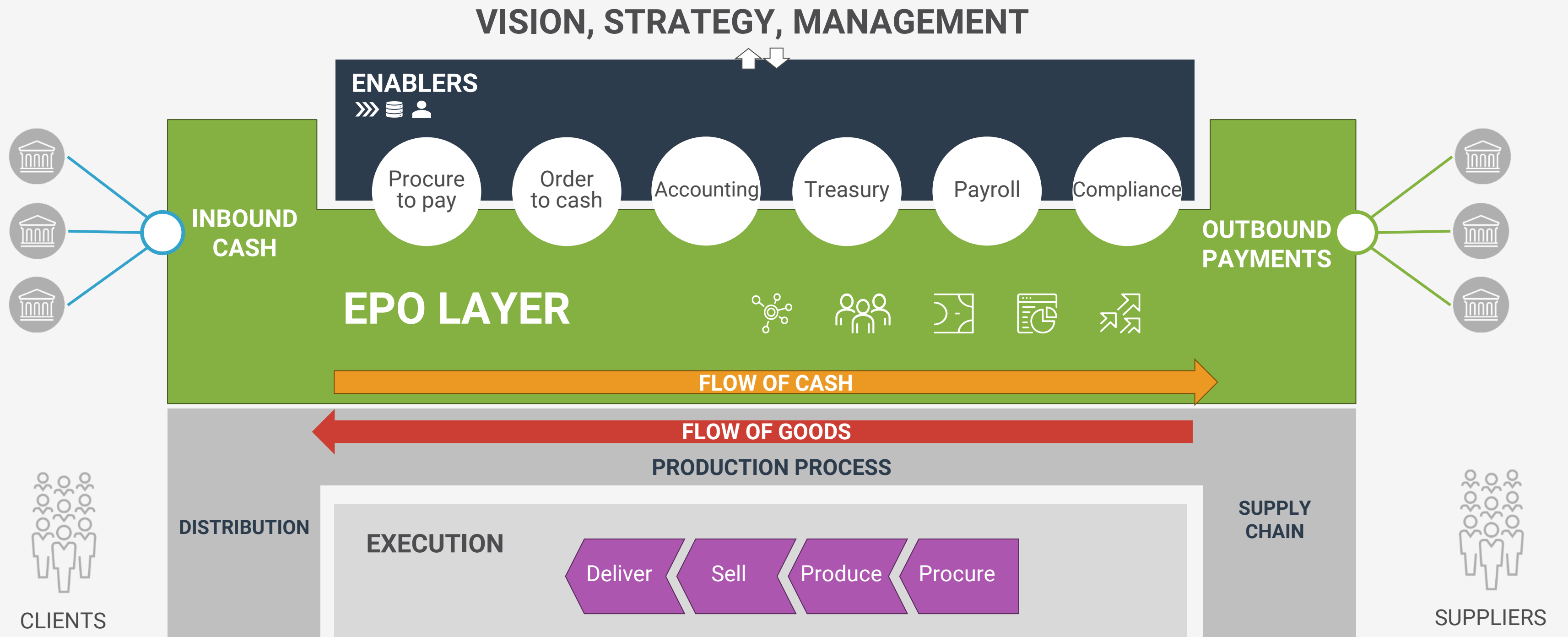
WITH PAYMENTS COMPLEXITY

Enterprises are **constantly evolving**, driven by business opportunities, regional requirements and technology



BRIDGE THE GAPS

WITH AN ENTERPRISE PAYMENT OPTIMIZATION (EPO) LAYER



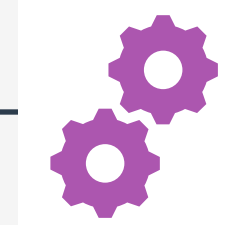
INEFFICIENCY

CAUSING PROBLEMS IN PAYMENTS



MANUAL

- Time-consuming for stretched treasury staffing
- Potential for errors and need to rework
- Limited functionality, controls and visibility
- Hard to scale or be flexible when changes are needed



DIGITAL

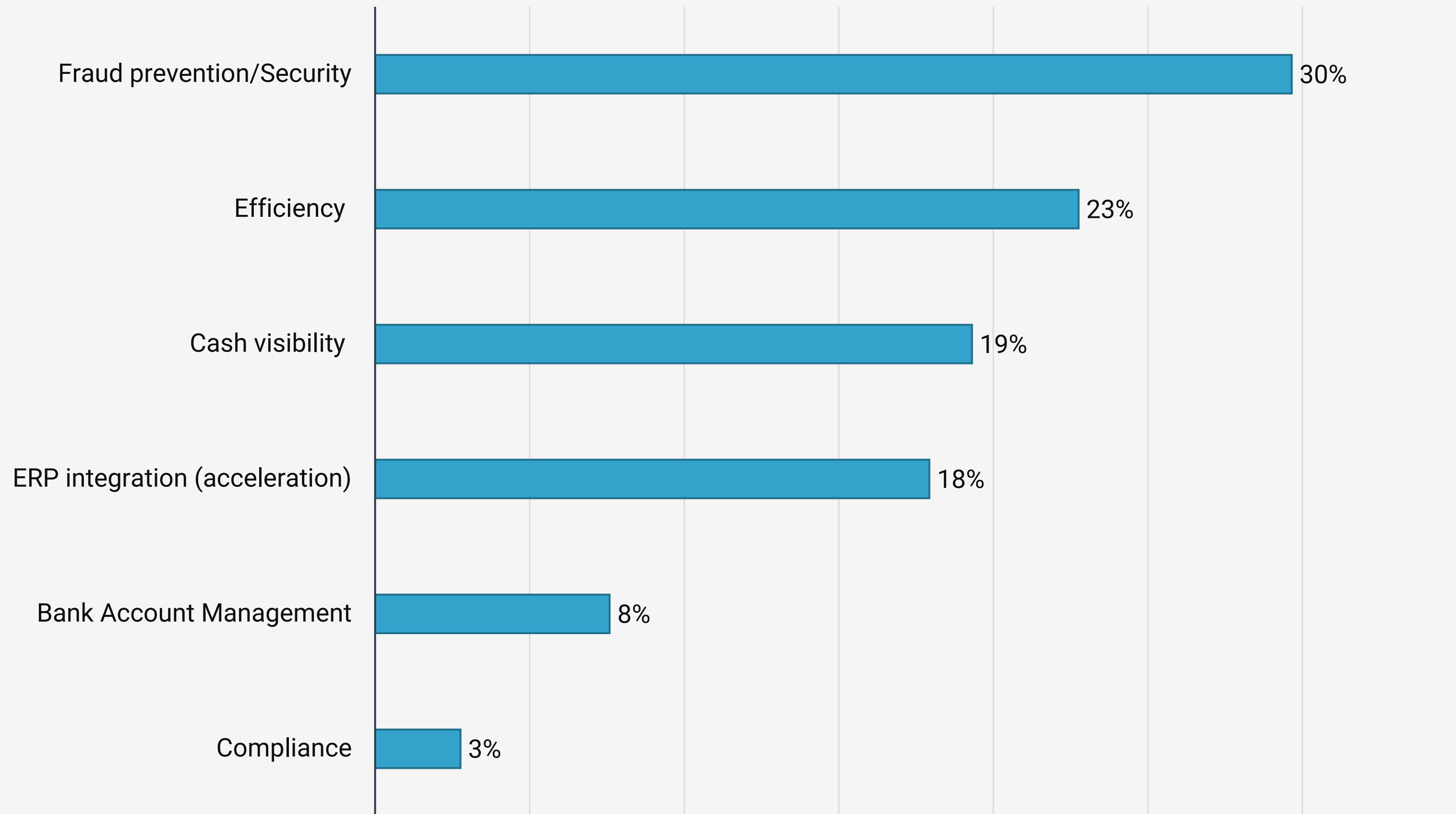
- Staff can focus on strategic initiatives or high-value tasks
- Errors prevented, verified and quickly resolved if needed
- Consistent process with the systematic controls to protect the organization
- Integrates with other systems



Inefficient, manual processes were never ideal. During COVID-19 and the work-from-home environment, however, they became untenable for many organizations.

POLL QUESTIONS

Of the following, what is your highest priority over the next 12 months?



WFH CHANGED THINGS

THE PAYMENT PROCESSES HAD TO ADJUST QUICKLY

THE RAPID SHIFT TO REMOTE WORK EXPOSED VULNERABILITIES



Processing times



Uncertainty about urgency



Duplicate invoices



Legitimacy of invoices (internal and external fraud)



Audit and compliance issues (process to archive invoices, PO, contracts, etc.)



Cash conversion cycle changes

IN OFFICE



Wire Request



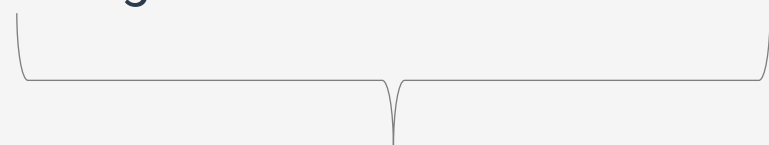
Physically Signed



Delivered



Processed



Some Exposure

WORKING FROM HOME



Wire Request



Emailed



Processed



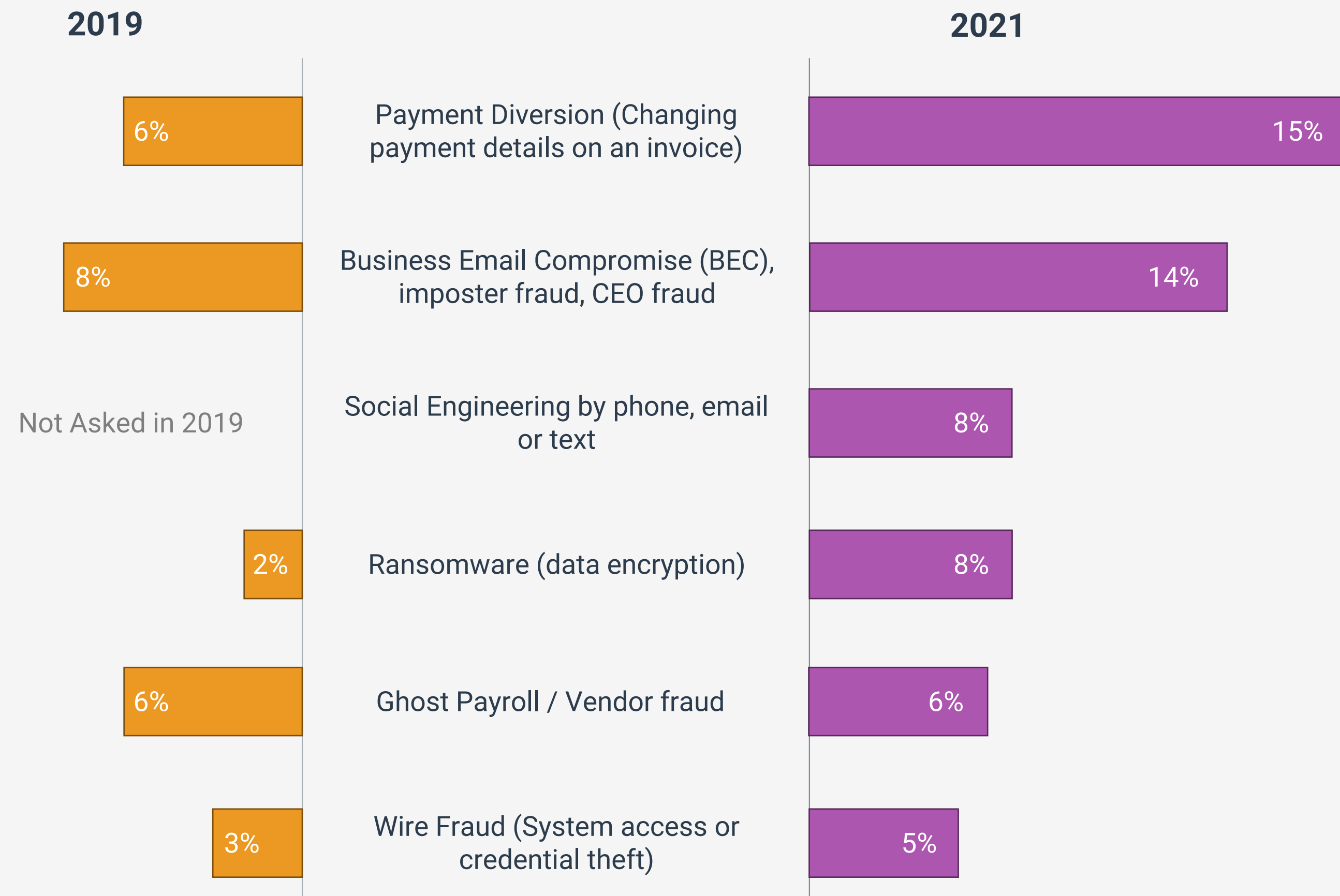
Additional Exposure

Email Becomes Compromised = Payment Process Is Compromised

FRAUD – CAN'T BE IGNORED

MORE CONCERNING THAN EVER

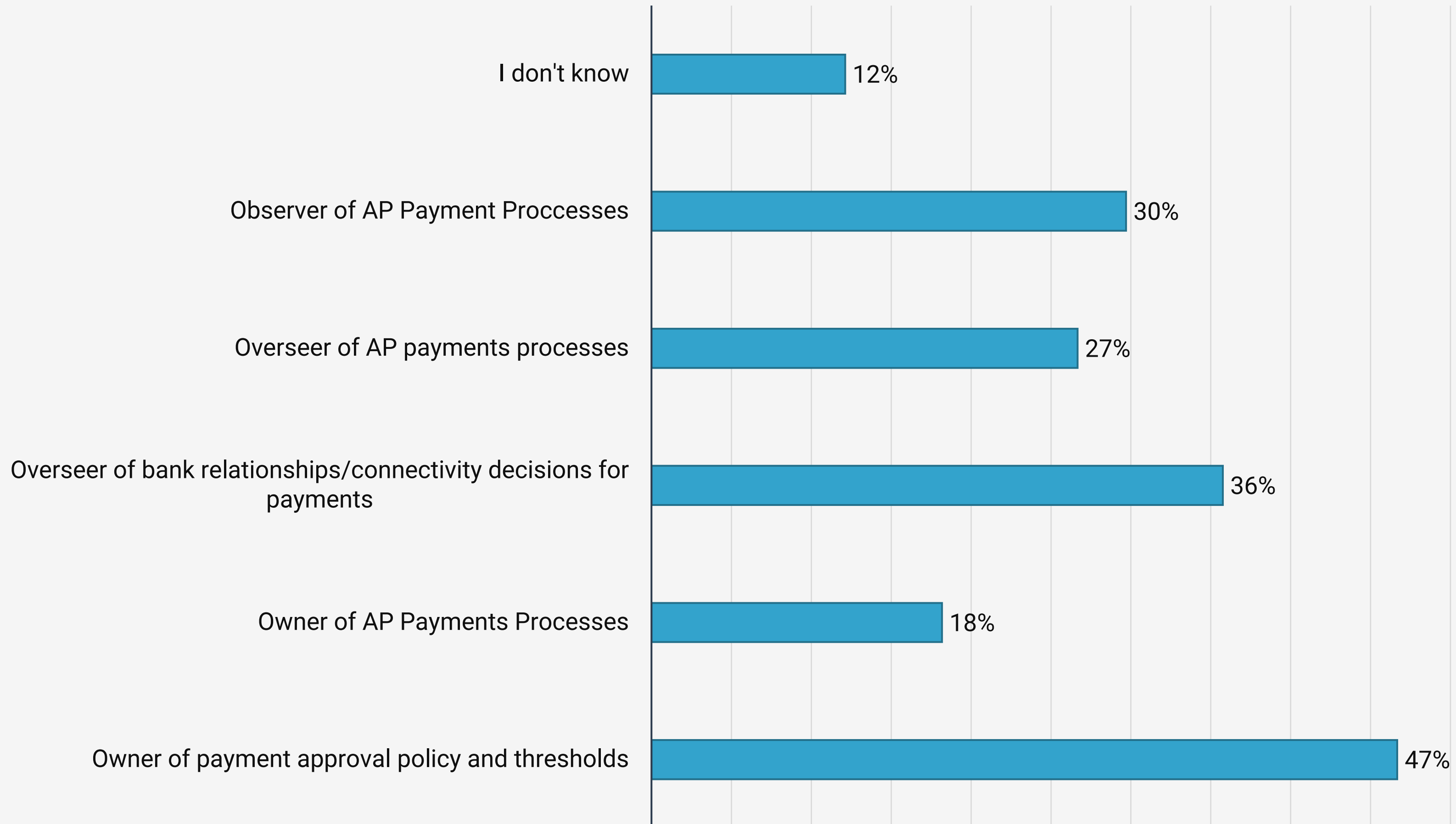
Corporates report that the threat level of fraud is at an all-time high, and losses are increasing. Those that report suffering a loss in the last 12 months have significantly increased over a two-year period.



Note: Only top 6 responses from 2021 displayed

POLL QUESTION

What is treasury responsible for with your global payment processes?



PROTECTING ORGANIZATIONS

BY REDUCING COMPLEXITY



AWARENESS

Escalating Threats:

- Ransomware
- Man in the middle attacks
- Business email compromise



PREVENTION

Old and New Tools:

- Single sign-on (SSO) options
- Payment outlier detection
- Multi-factor authentication (MFA)
- Machine learning & artificial intelligence
- Segregation of duties
- Signature rights management



DETECTION

- Single solution technology that is standardized, centralized, automated and interoperable
- With real-time monitoring:
 - Accounts
 - Transactions
 - Statements
 - Cashflows
- Straight through processing

OPTIMIZING PAYMENT TRANSACTIONS

MORE TRANSPARENT, SIMPLER & MORE SECURE



GET AN OVERVIEW

- Current payment formats
- Complexity factors
- Bank communications and connections



SET GOALS

- Weaknesses to correct
- Improvements desired



PARTNER SEARCH – CORE BANK

- Request for proposal



DETERMINE MIDDLEWARE

- Offers greater degree of security
- Offers payment format options that match needs

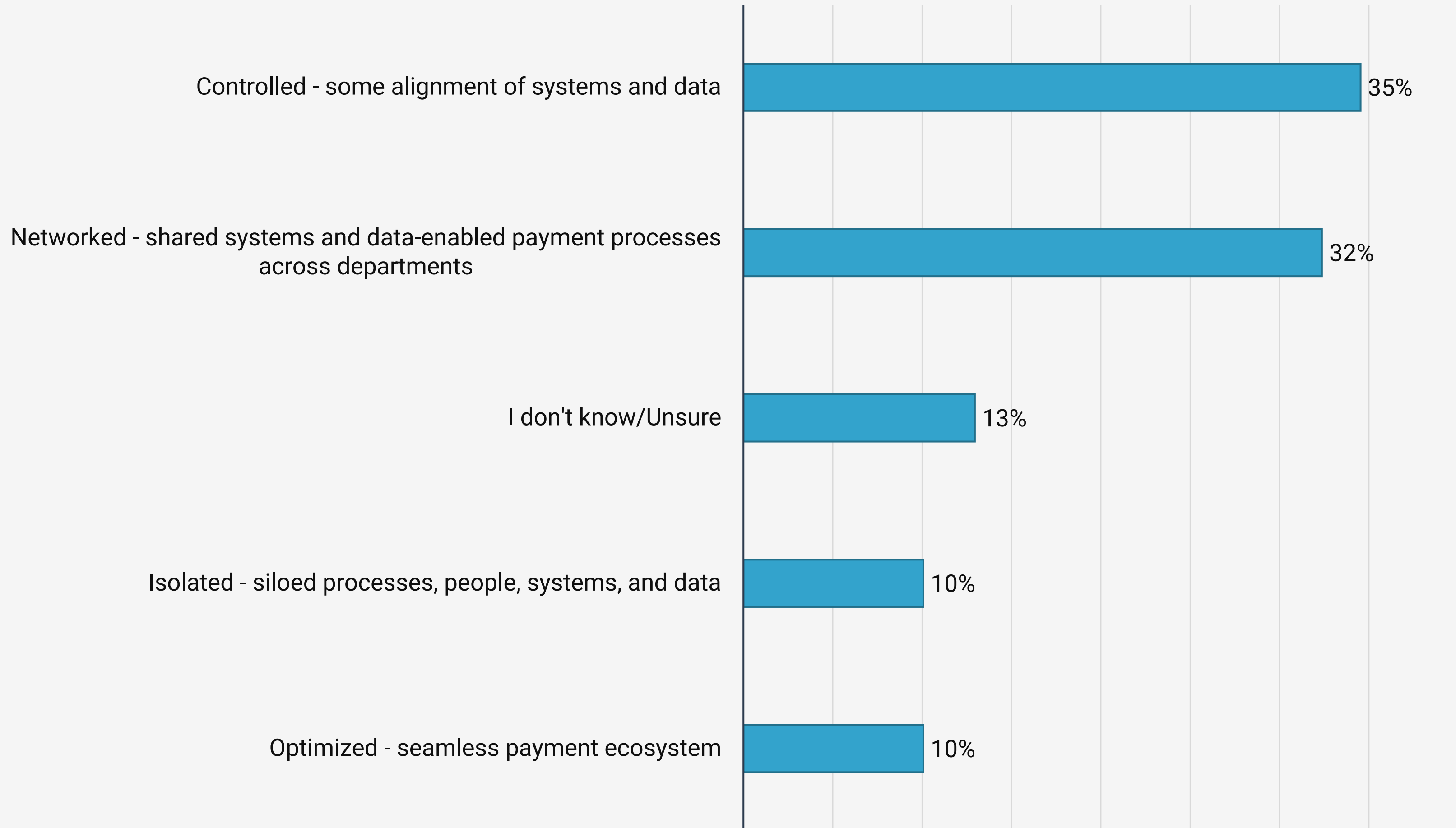


USE RESOURCES THE RIGHT WAY

- Plan with IT department for the time and effort required
- Consider outsourcing the entire bank communication infrastructure if resources are overwhelmed or tight

POLL QUESTION

Which classification best describes your outbound payments technology?

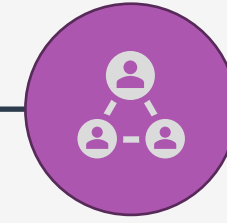


CENTRALIZING PAYMENT PROCESSES

EFFICIENCY + SECURITY: SECURE,
SIMPLIFIED PAYMENTS
THROUGH A CENTRALIZED
PROCESS



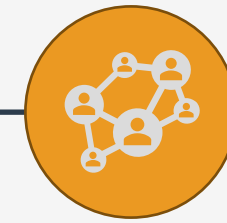
STRAIGHT-
THROUGH
PROCESSING (STP)



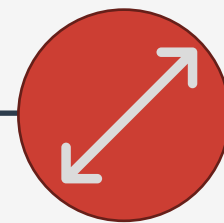
VALIDATION &
CONFIRMATIONS



SIMPLIFIED
DEFENSE
& ENFORCED
CONTROLS



CENTRALIZED
EXPERTISE



RATIONALIZATION
& SCALING



BANK
RELATIONSHIP
MANAGEMENT

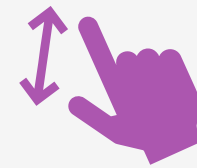
FINAL THOUGHTS

KEY TAKEAWAYS



FULL INVENTORY OF PAYMENT ACTIVITIES

- Source systems
- Banks
- Transport path



INEFFICIENCIES & FINDING A SOLUTION TO ASSIST

- Gaps or weaknesses
- Issues that must be solved multiple times
- Limits to scalability



COMPREHENSIVE VIEW OF PAYMENTS

- Optimizing the entire process
- End-to-end view (receivers of payments)



CONTINUOUS IMPROVEMENT

- Technology
- Processes
- Structure
- Security

LET'S CONNECT.

Thank you for your interest in this presentation and for allowing us to support you in your professional development. Strategic Treasurer and our partners believe in the value of continued education and are committed to providing quality resources that keep you well informed.



TIS

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LEADING FROM CRISIS TO RECOVERY EBOOK

Throughout the global pandemic of 2020 and the early stages of recovery, the Treasury Coalition surveyed treasury and finance practitioners on the impacts of COVID-19 on their businesses and their organizational responses. In this eBook, you will find survey findings and insights from Coalition members, including TIS.



DOWNLOAD EBOOK