



# Treasury Technology

Quarterly Update

April 2017

Presented By:



**STRATEGIC  
TREASURER**

*Consultants in Treasury*

# Resources

## Surveys

## Webinars

## Newsletters

## Analyst Reports

### Learn more from the referenced reports below:

- [2016 Treasury Fraud & Controls Survey Results](#)
- [2017 Treasury Fraud & Controls Survey Results](#)  
[Coming Soon!]
- [2016 Global Payments Survey Results](#)
- [2016 Treasury + Risk Management Analyst Report](#)
- [2016 Treasury Technology Rapid Research Survey Results](#)
- [2016 Cash Forecasting & Visibility Survey Results](#)
- [2016 FBAR and BAM Compliance Survey Results](#)

# About the Presenters



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Strategic Treasurer



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Strategic Treasurer

**Strategic Treasurer** is a consulting firm advising on treasury, financial risk and risk technology issues. Their seasoned treasury consultants efficiently work alongside financial executives in treasury, finance, and other related areas within corporate, government, education, and not-for-profit entities.

### Advise

- Treasury Technology
- Working Capital Optimization
- Treasury Security
- Financial Risk Management
- Compliance
- Bank Connectivity & Onboarding
- Bank Fee Management

### Inform

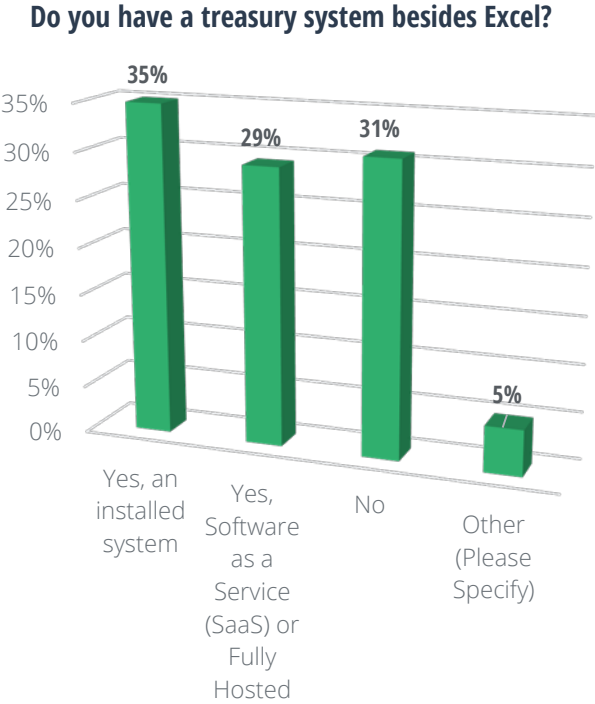
- Industry Surveys
- Analyst Reports
- Benchmarking
- Whitepapers
- Webinars
- E-Books
- Videos

# Topics of Discussion

-  **State of the Treasury Technology Industry**
-  **Current Trends in Treasury**
-  **Recent Developments in Treasury Technology**
-  **Market Spend Plans**
-  **Treasury Technology Landscape**
-  **Final Thoughts**



# State of the Treasury Technology Industry



Nearly **2/3rds** of firms have a treasury system beyond Excel.

While more firms currently have an installed treasury system, **SaaS solutions are on the rise** and are dominating new sales.

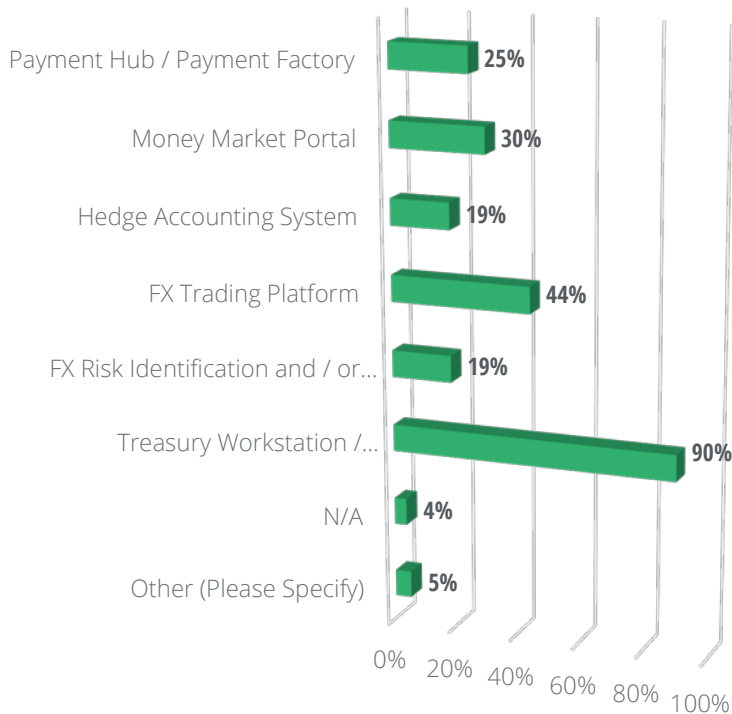
Strategic Treasurer's 2016 Rapid Research Technology Use Survey





# State of the Treasury Technology Industry

## What treasury systems do you currently use?



Strategic Treasurer's 2016 Rapid Research Technology Use Survey

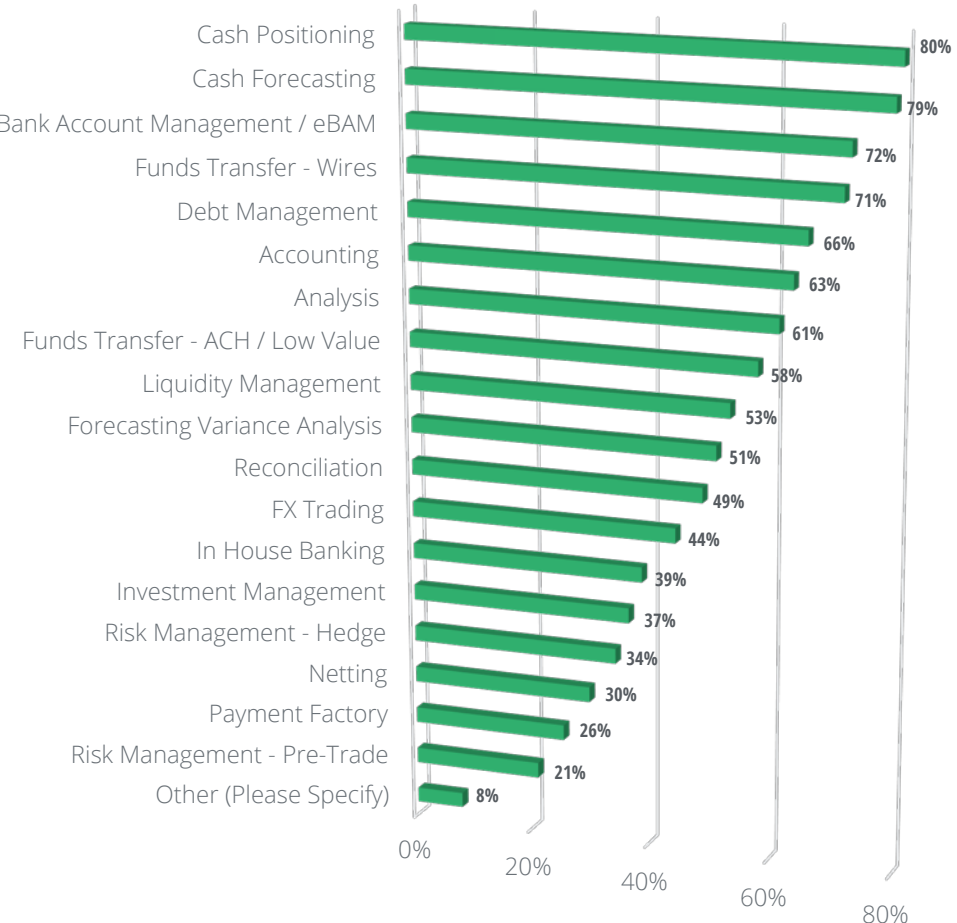
**TMSs dominate** the treasury system landscape.

Many firms elect to **use their TMS in conjunction with other treasury systems/platforms** (usually integrated through their TMS).



# State of the Treasury Technology Industry

## What functions do you use or need in Treasury?



**Cash Positioning & Forecasting** are the top two most used functions for treasury.

**Bank Account Management & Funds Transfer** round out the top 4.

Strategic Treasurer's 2016 Rapid Research Technology Use Survey





# Current Trends in Treasury

## Emphasis on Fraud Prevention



**53%** of firms experienced **Cyber Fraud attempts** in 2016.



**56%** of firms experienced **Payment Fraud attempts** in 2016, and this number has increased (reflected in 2017 results).



**Fraud Protection & Management** was the **#1 Payments Driver** for Corporates in 2016



**62%** of Banks labeled **Fraud** as a **Top Concern** regarding payments in 2016.

*Data pulled from the 2016 and 2017 Treasury Fraud & Controls Survey Underwritten by Bottomline Technologies and the 2016 Global Payments Survey Underwritten by Fides Treasury Services*



# Current Trends in Treasury



## Ongoing Payment Complexity



50% of firms are generating **more than 10,000 payments globally** every month.



23% of firms are experiencing **problems making payments** in certain countries



51% of firms regularly **make payments in six or more currencies**



46% of firms **originate payments with more than six banks.**

*Data pulled from the 2016 Global Payments Survey Underwritten by Fides Treasury Services*

# Current Trends in Treasury



## Need for Bank Account Management (eBAM) Functionality



**58%** of firms **manage 100+ bank accounts**



**53%** of Firms have **16+** U.S. citizens as **signers over foreign bank accounts**



**44%** of firms' information reporting processes are **ENTIRELY manual**






**40%** of firms hold treasury responsible for reporting **FBAR information to employees**

*Data pulled from the 2016 FBAR & BAM Compliance Survey*

# Recent Developments in Treasury Technology



## Strategic & Product Developments

-  **TreasuryXpress: Free Trial**
-  **Fides Rebranding**
-  **Kyriba: Additional Risk Management**
-  **SWIFT Global Payments Initiative and Security Standards**



## Large Acquisitions & Additional Investment

**Reval**, a large provider of TMS systems, set to be acquired by ION Investment Group.

- Reval CEO Jiro Okochi will continue to oversee Reval products.
- Reval will also oversee Ion products Citi Financials, IT2, and Treasura
- Wall Street Systems, another product suite, will be a separate vertical

**D+H**, a global payments and technology provider, set to be acquired by Misys & Vista.

- Deal valued at \$3.6 billion
- Misys continues its strategy of acquiring other fintech firms.
- Deal highlights continued interest for large firms in the financial technology sector.

**TreasuryXpress**, capital raise.

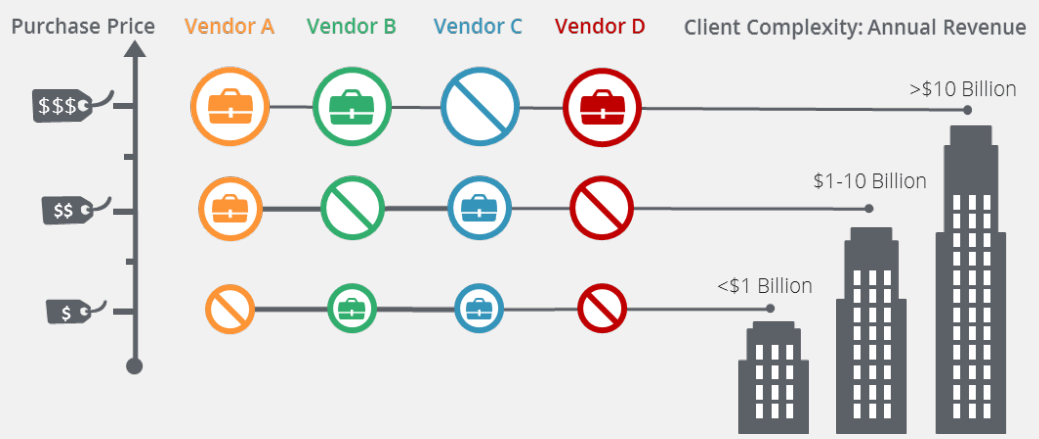
**BELLIN**, capital raise (incoming investor)



# Recent Developments in Treasury Technology

## Democratization of Technology

- TMS solutions today cover the full scope of treasury activity.
- Solutions can be configured to match client needs across numerous metrics.
- Price points have fallen drastically over time.
- Price reductions driven largely by SaaS technology, increased competition.
- Firms increasingly targeting mid-market firms versus solely Fortune 500 companies.



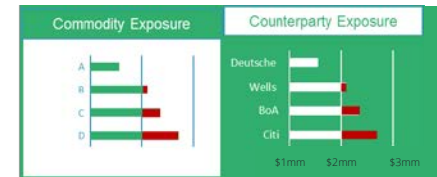
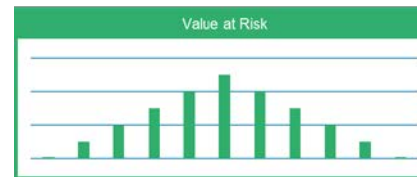


# Recent Developments in Treasury Technology



## Risk Visualization Tools

- Technology vendors increasingly building out “visual risk” solutions.
- Organizational risk can be viewed & managed through a single interface or set of interfaces
- Data can be stratified by region, currency, bank, etc. to offer “self-discovery” analysis
- Graphical data displays allow key decision makers to more easily visualize/understand risk.

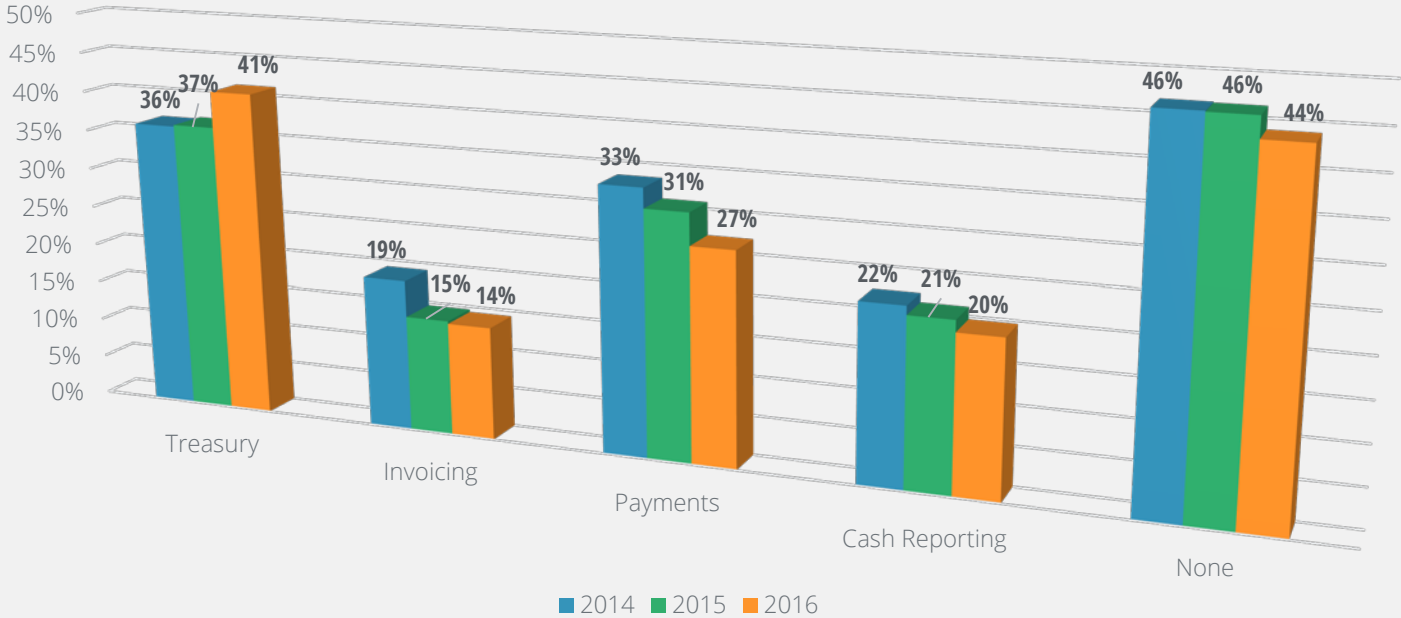


# Market Spend Plans



## Spend plans in Treasury & Payments remain highly elevated.

We intend to make significant information technology investments in the **next year** in the following areas: 2014-2016



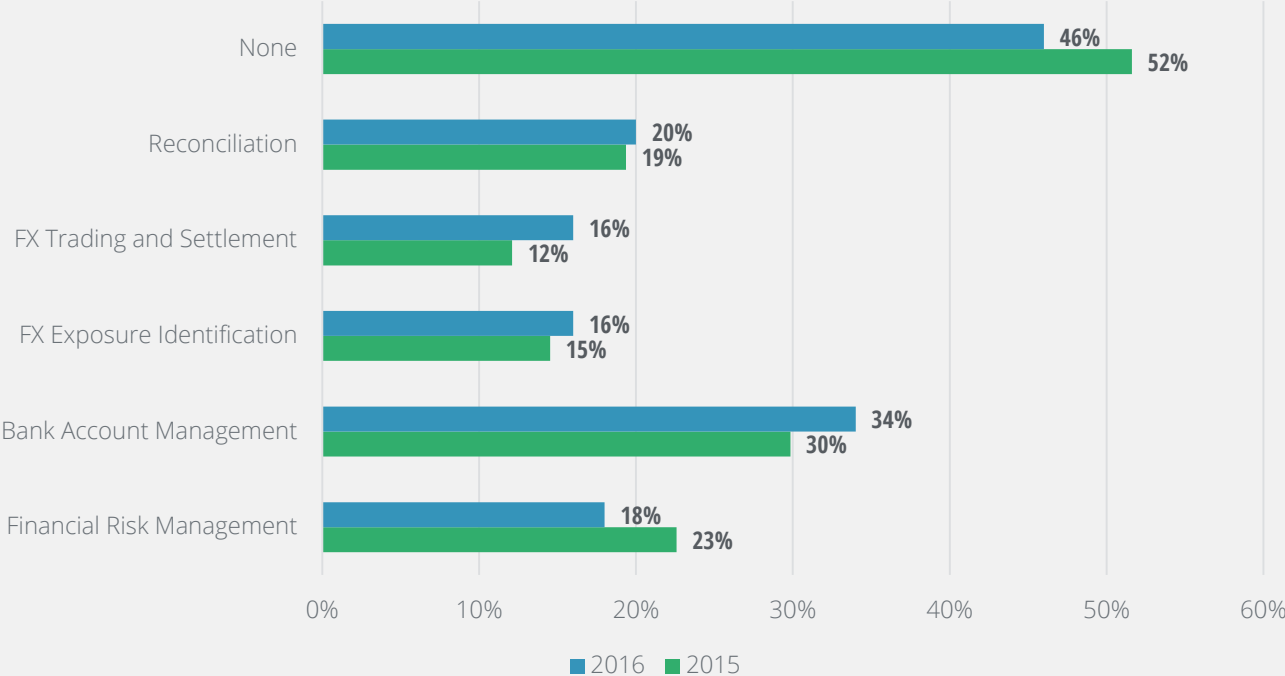
Strategic Treasurer's 2016 Cash Forecasting & Visibility Survey Underwritten by Bottomline Technologies.  
Data Reflects projected years 2015, 2016, 2017

# Market Spend Plans



## Spend in Bank Account Management is Highly Elevated

We intend to make significant information technology investments in the next year in the following areas: (check all that apply) 2015-2016



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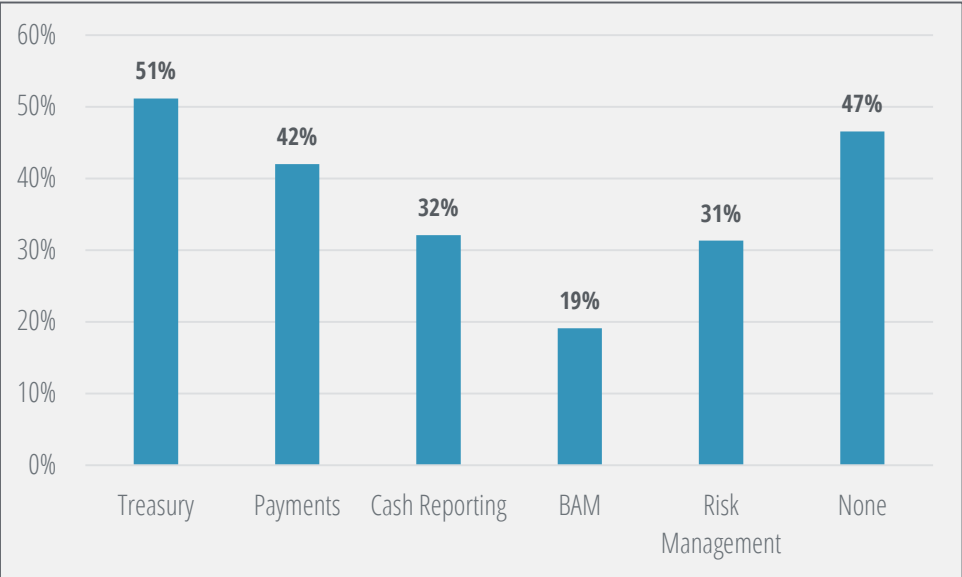


# Poll Question



**Are you looking to invest in any of these areas this year? (Select all that apply)**

- Treasury
- Payments
- Cash reporting
- BAM
- Risk Management
- None





# Treasury Technology Landscape

- Strategic Treasurer altered our TMS landscape chart in 2016
- New landscape more effectively illustrates varying solutions offered by TMS vendors
- New landscape separated into 5 categories
- Most solutions offer a degree of cash management functionality
  - This category acts as the core from which additional services extend.

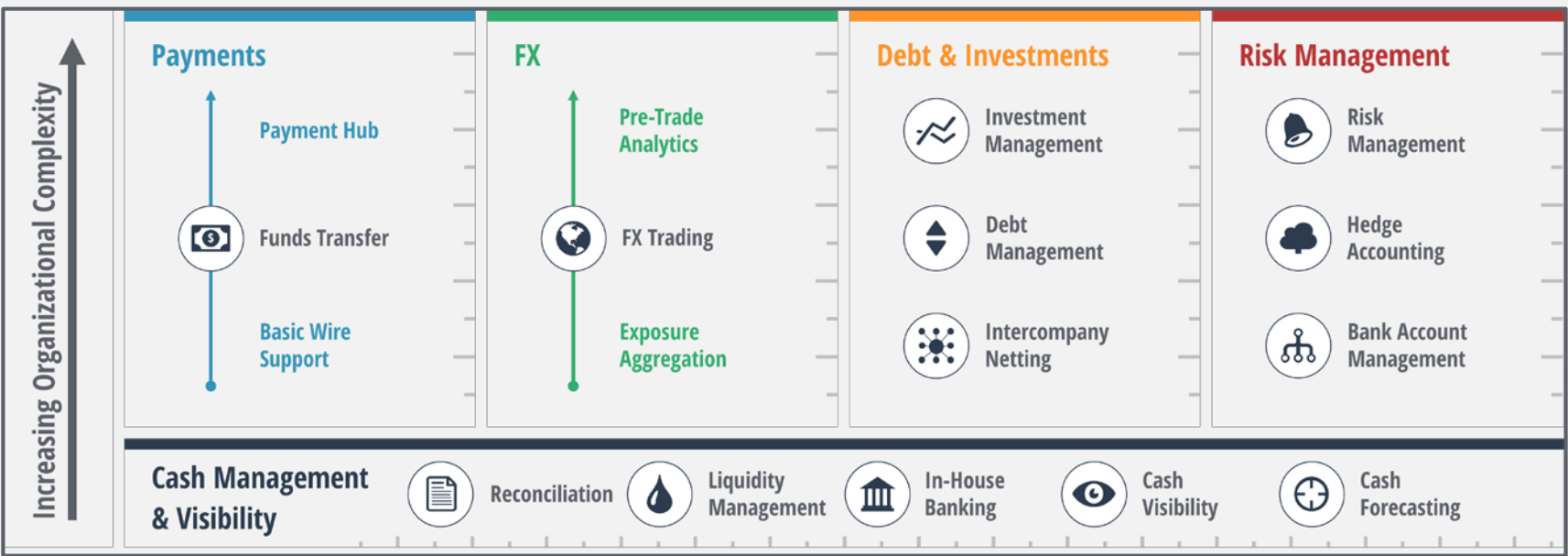


*From the 2016 Treasury + Risk Management Analyst Report*



# Treasury Technology Landscape

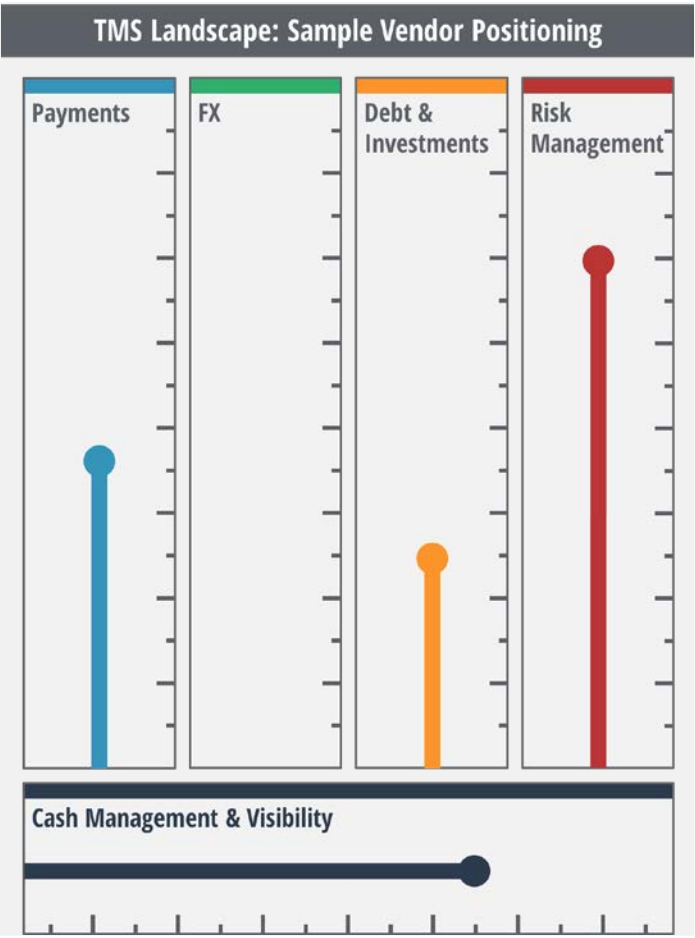
- A vendors' strength in a particular sector is indicated by a line extending upwards (or from left to right for cash management)
- Strength in each sector depends upon the functionalities offered and the usability of the system.



From the 2016 Treasury + Risk Management Analyst Report



# Treasury Technology Landscape



- A vendor with no functionality in a certain sector would not have a line segment displayed (i.e. FX)
- The stronger a vendor is in a particular section, the farther the line is extended (i.e. cash mgmt.)
- Vendors may cover all sectors of the landscape, or only 1-2.
- Most vendors have 1-2 sectors where their system excels.

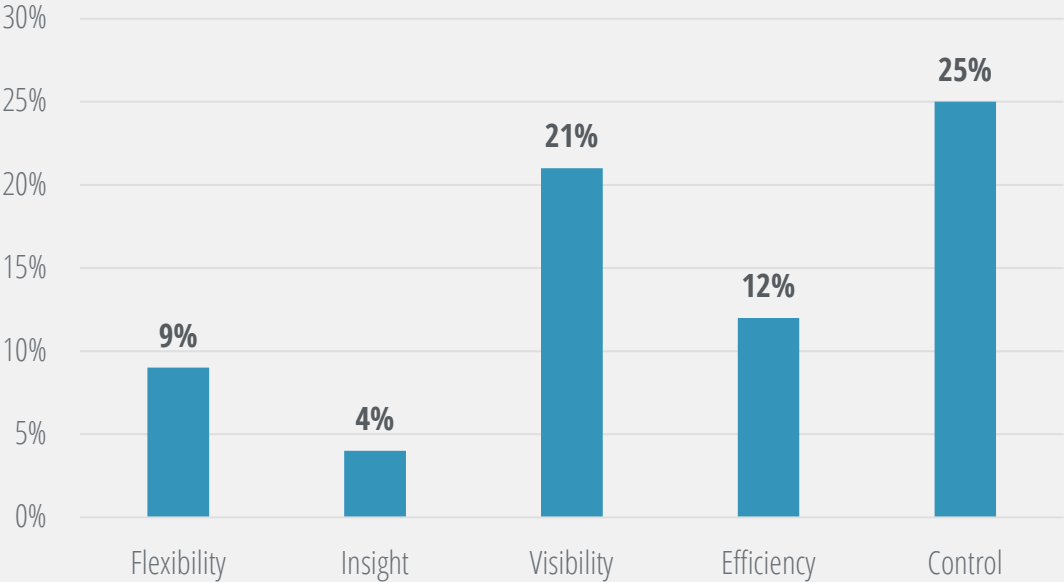


# Poll Question



**Which is most important for your organization over the next year?**

- Flexibility
- Insight
- Visibility
- Efficiency
- Control



# Final Thoughts

- **Fraud/Security & Payments Technology are key industry drivers**
- **Intent to spend remains elevated for Treasury, Payments, and BAM**
- **Treasury technology has been largely embraced by the market.**
- **With varied TMS price points, we see companies purchasing now**
- **Future innovation & development will depend upon the ability of the market to communicate their needs to TMS vendors.**



## Contact Information



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