

Treasury Management 101: Crafting An Agile Strategy In 6 Weeks

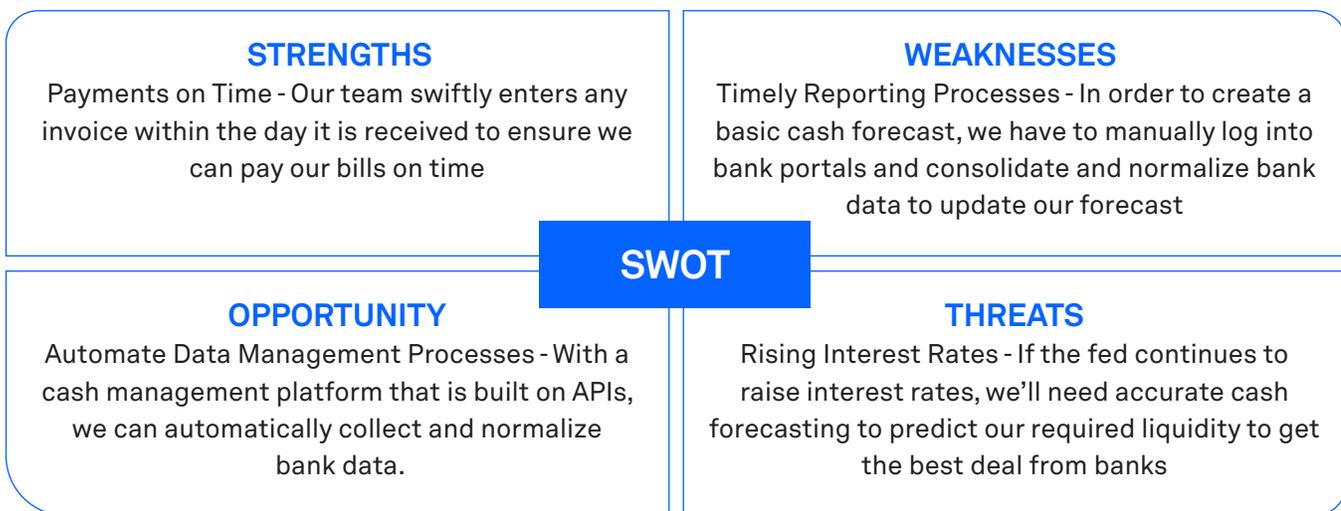
STEP 1

Identify Your Cash Management Strengths and Weaknesses

Analyzing what processes are currently working and what could be improved is a critical first step to increasing agility. Perform a SWOT analysis to identify your processes' strengths, weaknesses, opportunities, and threats.



For example, this is what the SWOT analysis could look like for a treasury at a mid-market company:



STEP 2

Establish Strategic Priorities That Address Your Organization's Needs

Your strategic priorities should focus on eliminating reporting and forecasting roadblocks. These priorities act as your Northern Star; they will guide your team as you build a proactive treasury management strategy.



An example of a strategic priority could be establishing and maintaining a forecast baseline. This baseline will assist you in performing variance analysis and increasing forecasting accuracy, ensuring you are prepared for economic uncertainty.

STEP 3

Determine the Resources and Technologies Required to Execute Your Team's Vision

Automate bank data aggregation with cash management platforms built upon APIs to start. The quicker you can access your data, the sooner you can gain rich insights into cash flow.



Technology is just one factor, as budget often becomes a sticking point. List who the decision makers are, and devise a plan to convince them that the increase in budget is worth it. For example, if you are trying to persuade your CFO, time savings metrics would be beneficial to have on hand. In fact, many of our own clients save up to 40+ hours a month by automating their manual treasury operations.

STEP 4

Build a High-Level Roadmap with Specific, Achievable Goals

Your high-level roadmap determines the scope, deliveries, schedules, milestones, and risks of implementing a new treasury management strategy. Involve your entire team in mapping out departmental goals to ensure everyone is working towards the same results. Consider utilizing project planning tools to track and measure your team's progress.



Goal examples:

Implement an API-first cash management tool in 6 weeks by working closely with your tech provider and bank partners

Decrease the percentage of payments containing errors by 5% through establishing payment workflows within your cash management platform's payments app

Increase cash forecasting accuracy by 10% the next two consecutive quarters by performing monthly variance analysis

STEP 5

Involve Others Throughout Your Organization

Treasury management isn't a one-person sport; it takes an entire team. For your treasury management strategy to successfully weather uncertain conditions, you must integrate all financial systems, such as an ERP.



After establishing an initial baseline of automation, work hand-in-hand with your IT team to create harmony across your financial tech stack and make the most out of your transaction data lake.

Redefine How Cash Is Managed

You don't have to build an agile treasury management strategy on your own; Trovata works alongside your team to automate cash reporting, forecasting, and analysis. Speak to a cash management expert today!

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