



# Creating a Cash Culture – the secrets to success!

18<sup>th</sup> November 2020

Dispute Management: Critical in Building and Driving a Cash Culture



# Introducing today's speakers



## **David Turner, CMO, Sidetrade**

David is Chief Marketing Officer for Sidetrade, the international Order-to-Cash technology leaders. Sidetrade's Order-to-Cash platform uses AI-powered automation to grow and secure orders from customers; accelerate cash through smarter collection; support quicker dispute resolution; and deliver greater control and visibility of the O2C process.

David has lead marketing for major business software companies including NetSuite and Unit4.



## **Paolo Synesiou, Associate Director, Advisory, KPMG**

Paolo is Associate Director in KPMG's Special Situations Group with a focus on cash flow forecasting, working capital optimisation, turnaround and transformation. Paolo has been the engagement manager on large global working capital reviews in the industrials, TMT, and consumer sectors.

KPMG has built the largest global team of cash specialists, delivering over £15bn benefits for our clients over the last 10 years. We are financial working capital specialists with deep operational expertise in Sales, Procurement, Supply Chain, Payables, Receivables, Inventory and Cash & Credit Management.



# About Sidetrade



**7** Offices



**250** employees



**2,700** clients  
across **80** countries



Sidetrade's unique Order-to-Cash platform *accelerates cash and increases revenue* for B2B organizations





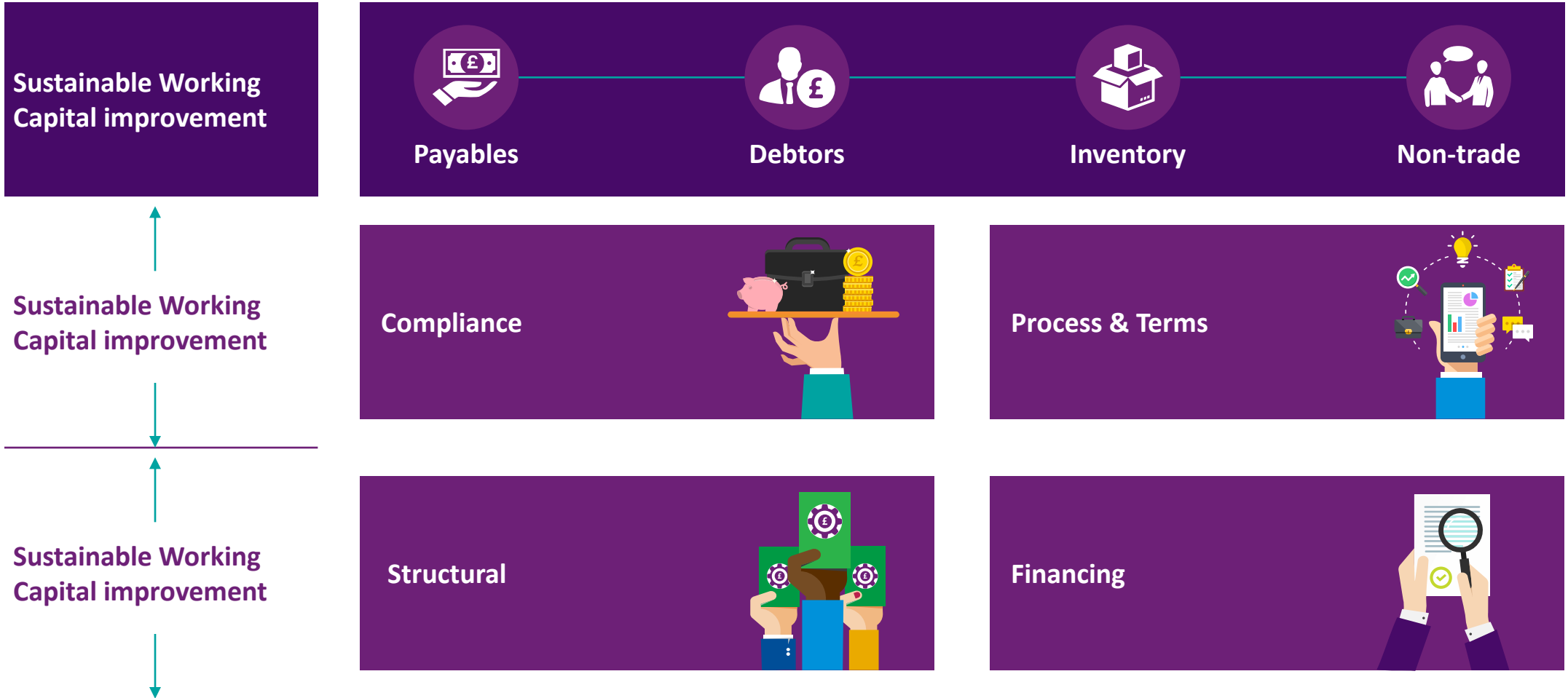


# Creating a Cash Culture

- **Why** do it?
- **How** to achieve it
- **Who** to involve
- **What** you need

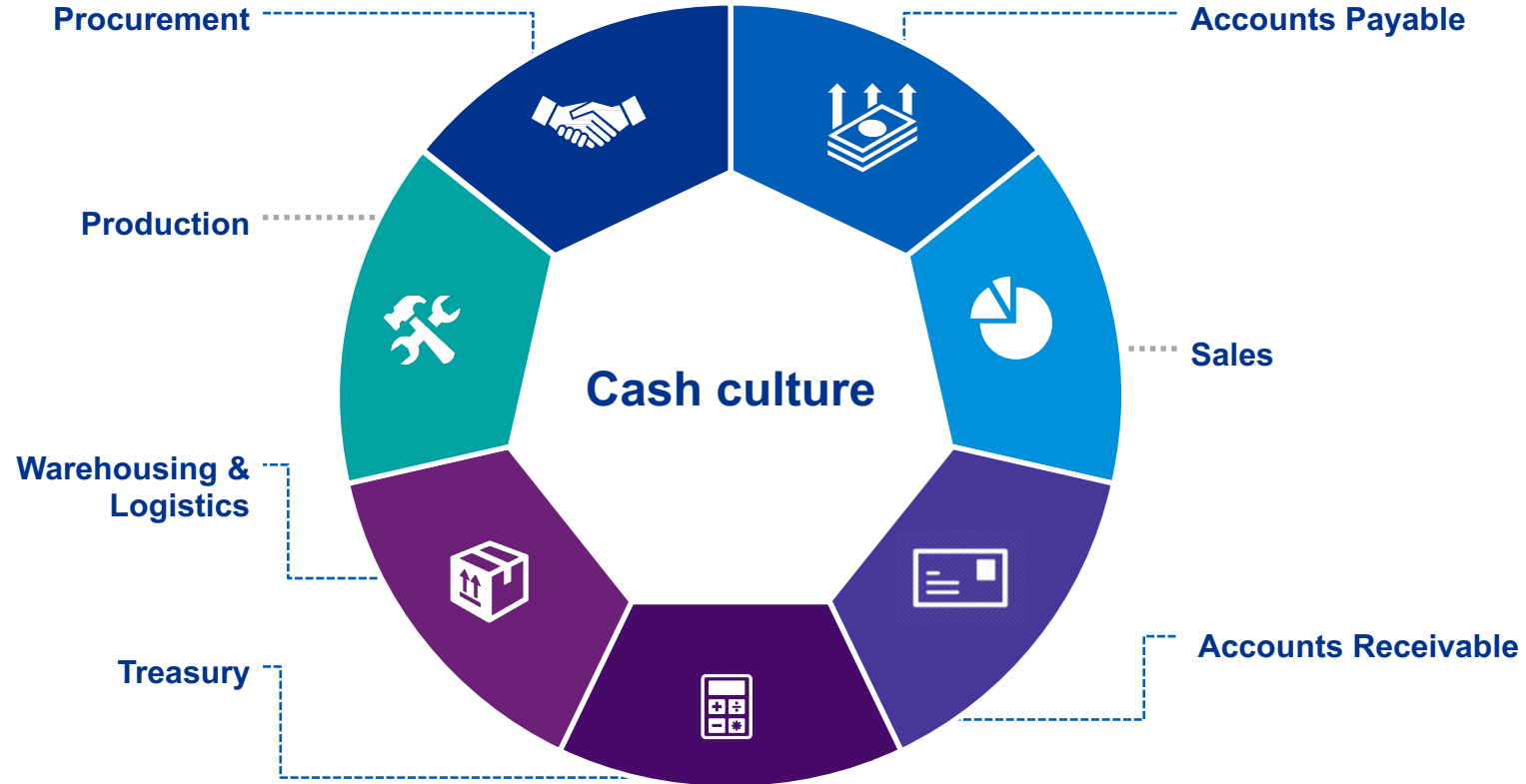


# Sustainable Working Capital optimisation





# Different priorities within an organisation

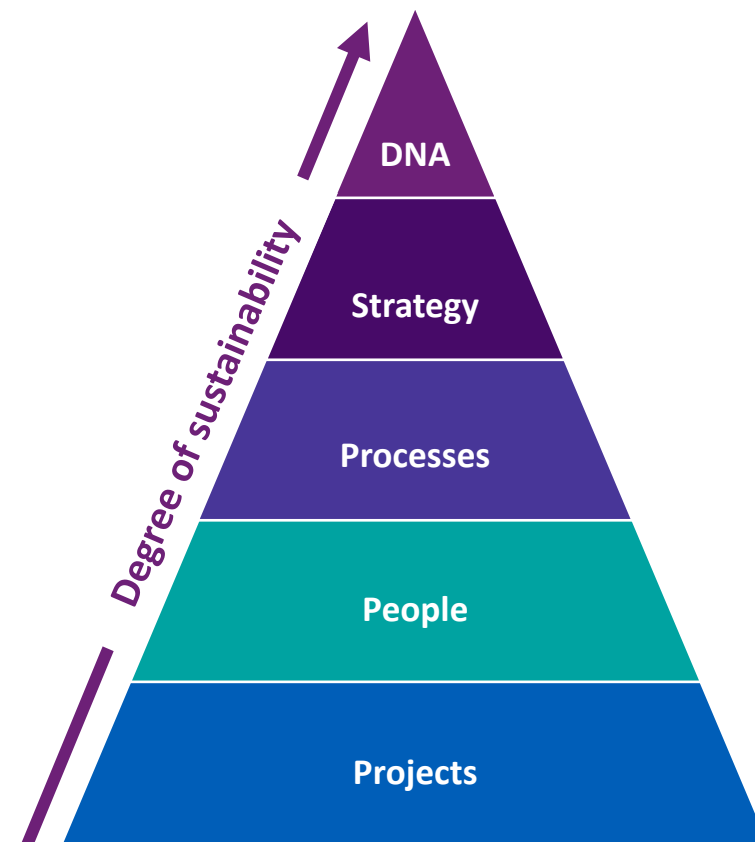




# Embedding a cash culture - Sustainability framework

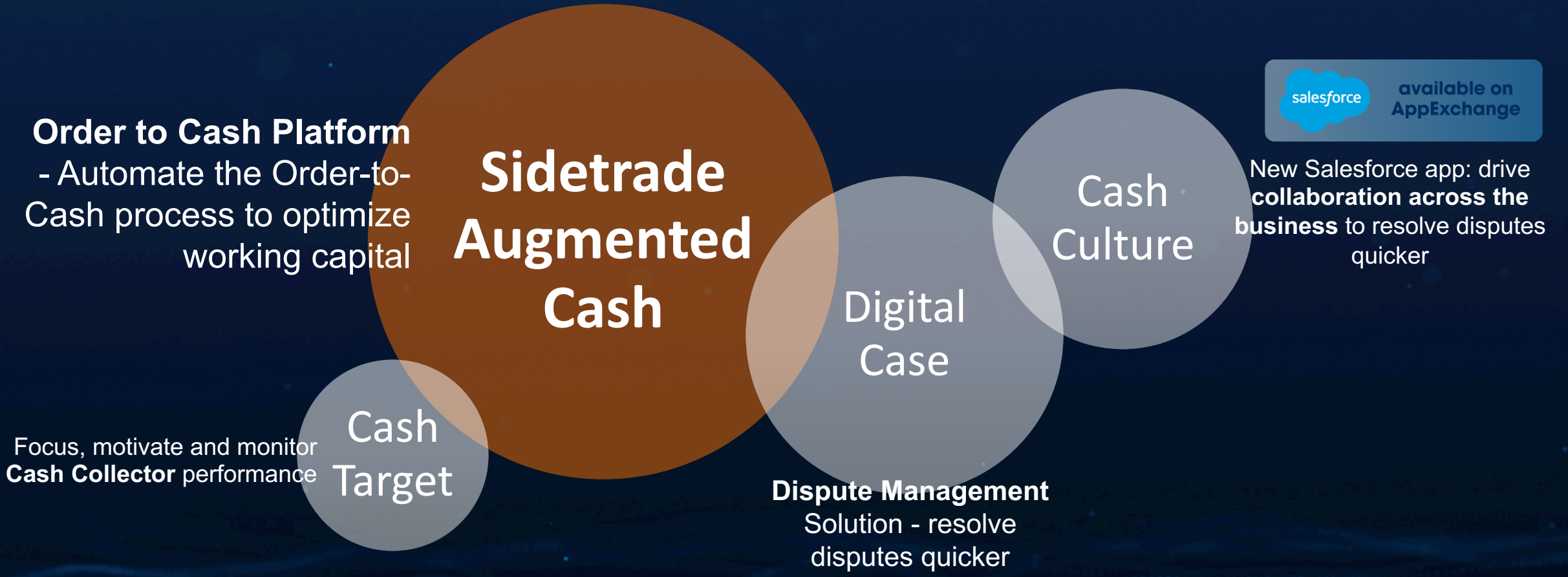
Key considerations to drive a cultural change and embed a sustainable framework around Working Capital

 Visibility	<ul style="list-style-type: none"><li>— Leadership</li><li>— Cashflow forecasting</li><li>— Working Capital KPIs and reporting</li><li>— Review and meeting agendas</li></ul>
 Control	<ul style="list-style-type: none"><li>— Entity targets and performance management</li><li>— Individual targets and incentives</li><li>— Policies and controls</li><li>— Business case formats and sign-off</li></ul>
 Organisation	<ul style="list-style-type: none"><li>— Responsibility and accountabilities</li><li>— Competency models</li></ul>
 Capability	<ul style="list-style-type: none"><li>— Training and skills</li><li>— Knowledge management</li><li>— Internal benchmarking</li></ul>





# How **Technology** can help you build a **cash culture**





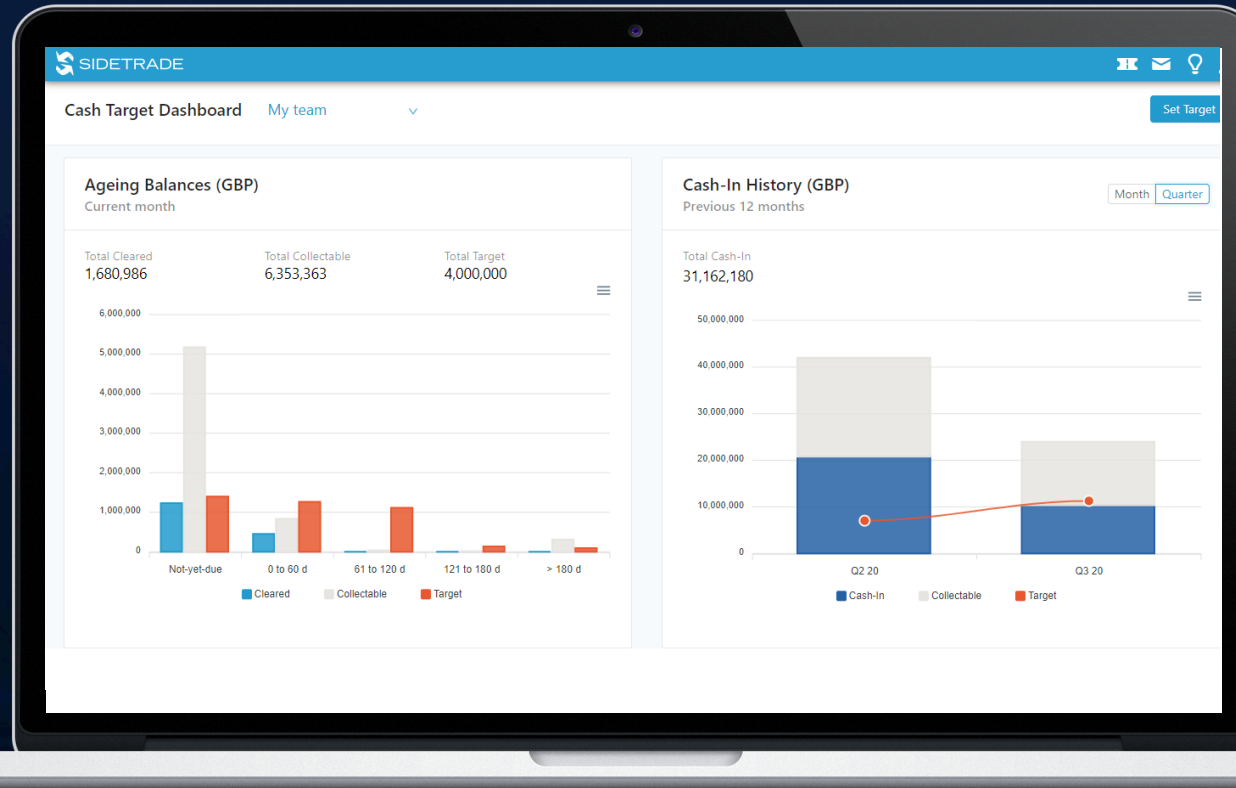


# Cash Target

The challenge: Organizations can find it difficult to monitor the cash collection process and motivate the collection team; lack of insight into cash collection performance

Set collection targets at individual and team level

Gamify the collections process and add some healthy competition to motivate the team



Monitor progress towards target and ageing balance with dashboards



ST Payment Disputes can have real impact

1 in 7  
Invoices

...will have a  
dispute or  
reason to not pay

1 in 2  
B2B Clients

...pays invoices  
after the due  
date

After 30  
Days

...an invoice is  
6X more likely  
never to paid

# Dispute management is cross-functional and complex

- Multiple departments involved
- The path for resolution may vary
- Transparency over the entire chain is often poor
- Responsibility is often not clear
- Disputes may be of low priority to the people responsible for resolution
- Things get lost and forgotten!



It is essential to have clear rules for the identification, allocation and resolution of disputes and to have well-defined escalation responsibilities





# Sidetrade's DigitalCase with CashCulture Salesforce app

Disputes from outbound collection calls  
 Customer inbound emails  
 Digital replies to account statements  
 Enquiries made through customer services or account teams



ID	Subject	Code	Company	Assignee	Category / Subcategory	Amount (USD)	Creation Date	Deadline	Age (days)
882163	Incorrect price on my invoice	739586	Company A	Shawn Sticker	Invoice Dispute / Price error	0.00	10/26/2018 9:19 AM		0
882154	Invoice Issue	2482191	Company B	Busan Heath	ND / ND	0.00	10/26/2018 9:16 AM		
882151	Wrong PO Number	1927532	Company C	Jane Conzales	Billing Issue / Incorrect PO Number	0.00	10/26/2018 9:16 AM		
882148	Credit Memo Request	2746208	Company D	Mike Brown	Payment Issue / Credit memo	0.00	10/26/2018 9:14 AM		
882147	Invoice dispute	2747289	Company E	Erik Marsch	ND / ND	0.00	10/26/2018 9:14 AM		
882144	Delivery not aligned with the order	2748215	Company F	Luc Warner	Delivery Issue / Wrong quantity	0.00	10/26/2018 9:14 AM		
882143	Copy of invoice	2748217	Company G	Mike Brown	Administrative request / Copy of invoice	0.00	10/26/2018 9:13 AM		
882138	Question on my invoice	2747419	Company H	Luc Warner	Invoice Dispute / Price error	0.00	10/26/2018 9:13 AM		

Finance Teams

DigitalCase ID	Subject	Account name	Company Code	Details	Category / S.	Amount	Sender	Creation Date	Status
1463146	Your inquiry re...	Holiday Inn New...	1097504	Details	ND/ND	0.00 €	-	04/01/2020	NEW
1463125	Relocation Reem...	Wynham Gard...	1007607	Details	HC - Invoice Dis...	52,278.00 €	moaman@repe...	03/01/2020	RESOLVED
1463038	In Progress - Car...	Courtyard by Ma...	15943	Details	ND/ND	390,620.00 €	-	03/01/2020	RESOLVED
1462998	Range on Suite...	The New Luxury ...	2831117	Details	HC - Payment S...	117,451.00 €	mkinmekalay@...	03/01/2020	RESOLVED
1462285	Payment made t...	Oranston New D...	2623726	Details	ND/ND	0.00 €	-	03/01/2020	NEW
1462270	Travelers Invoic...	Lotte New York ...	2732572	Details	HC - Account Up...	0.00 €	asao@lottery...	03/01/2020	RESOLVED
1461956	EEO-40723908...	CHD 44577 Hot...	3134794	Details	ND/ND	0.00 €	-	03/01/2020	NEW
1461951	EEO-40723908...	CHD 44577 Hot...	3134794	Details	ND/ND	0.00 €	-	03/01/2020	NEW
1461937	POP INV 75965...	Cyphorne Hotel...	3043490	Details	MESO/TAL/Remit...	0.00 €	-	03/01/2020	RESOLVED
1461923	RE: Your account...	New Galaxy Ente...	1363606	Details	ND/ND	0.00 €	-	03/01/2020	NEW
1461875	Re: Your account...	Hilton New York ...	348575	Details	ND/ND	0.00 €	-	03/01/2020	NEW

Account Teams



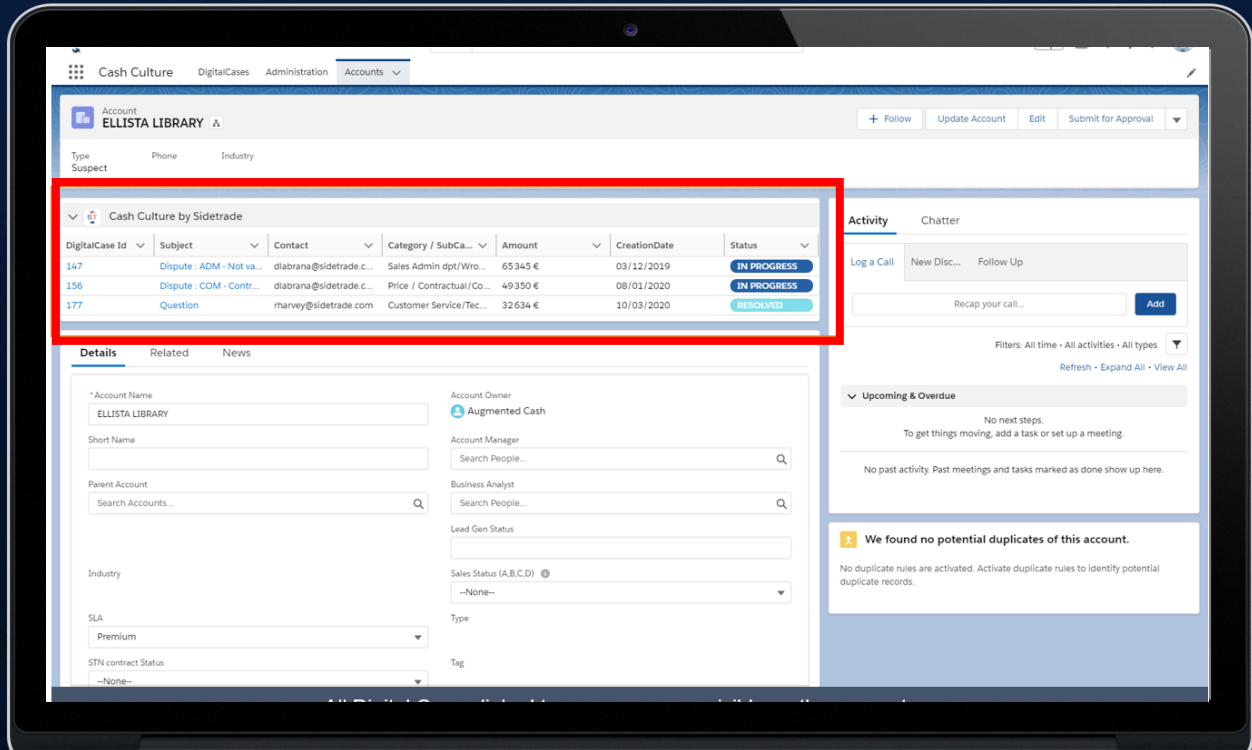


# Cash Culture

The challenge: customer account details, order history and payment information stored in disparate systems across your organization. This leads to stakeholder misalignment and slow dispute resolution – affecting how quickly you get paid

View Dispute Cases from within your Salesforce environment

All stakeholders, including sales, can now be aware of customer disputes as well as add/view comments



Drive a cash culture right from the point of sale by focusing on collection of cash





# CASE STUDY: Global media organisation



## Focus at the top

Strong senior focus on cash was integral to the transformation at this global media organisation.



## Debtors

Sidetrade tool, and centralizing credit control in Eastern Europe, as well as changing processes, led to a significant improvement



## KPIs

A working capital dashboard was developed to track performance by region, including KPIs for unbilled revenue, overdues, % of customers on 30-day terms or less



## Reporting

Week-on-week performance reviews were set up which quickly allowed identification of regions in need of additional support



70%

Working capital training  
Rolled out to over 70% of the organisation



£110m

Working capital opportunities identified

## Rolling 13-week CFF

The business initially only had a long-term forecast.

Today, a rolling 13-week cash flow forecast, with all material entities feeding into it is operational.

Weekly cash calls with finance directors drive people's thinking about cash, and the CFO challenges them on any variances with forecasts, probing the "why"



The year-on-year cash impact has been quite phenomenal...the cash culture has really improved over 20 months and cash is a top priority now.





# QUESTIONS?





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