



Creating a Cash Culture – the secrets to success!

18th 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



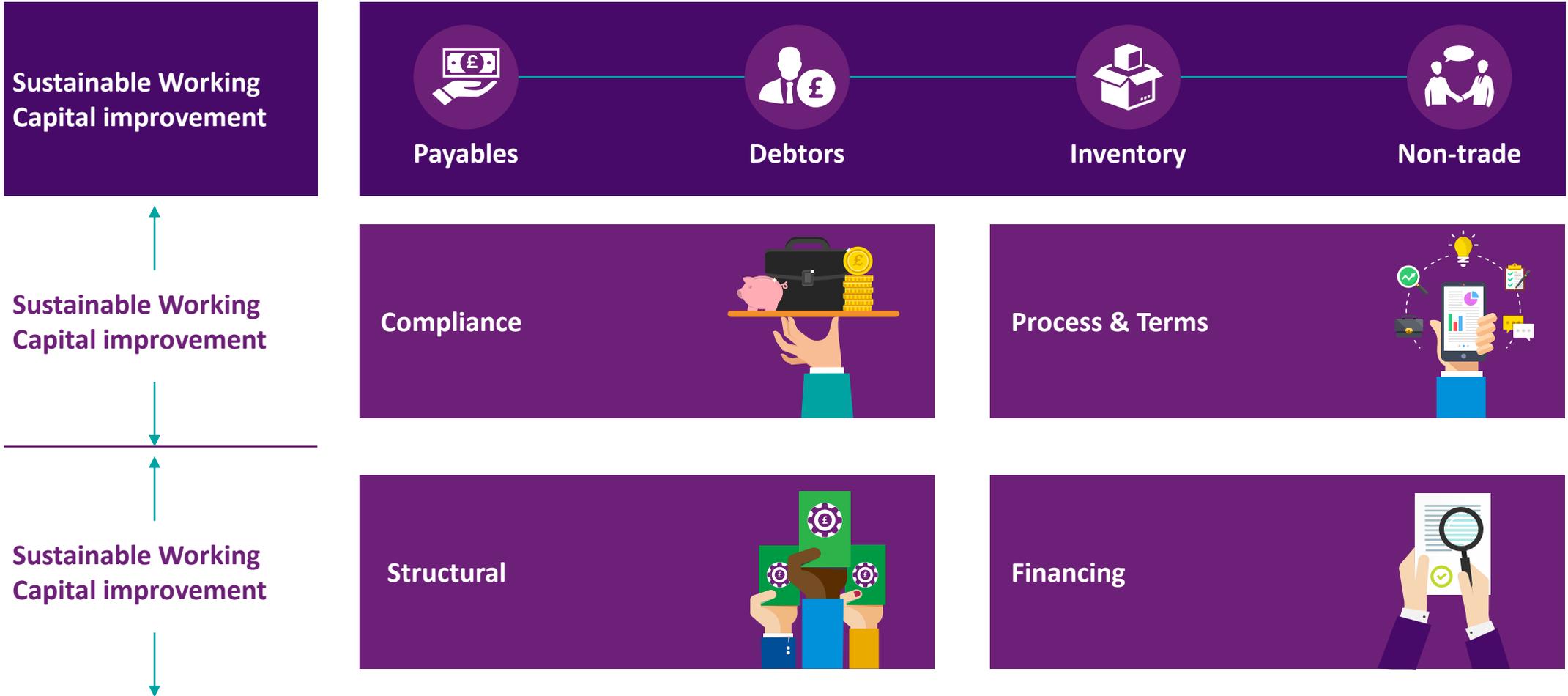


Creating a Cash Culture

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

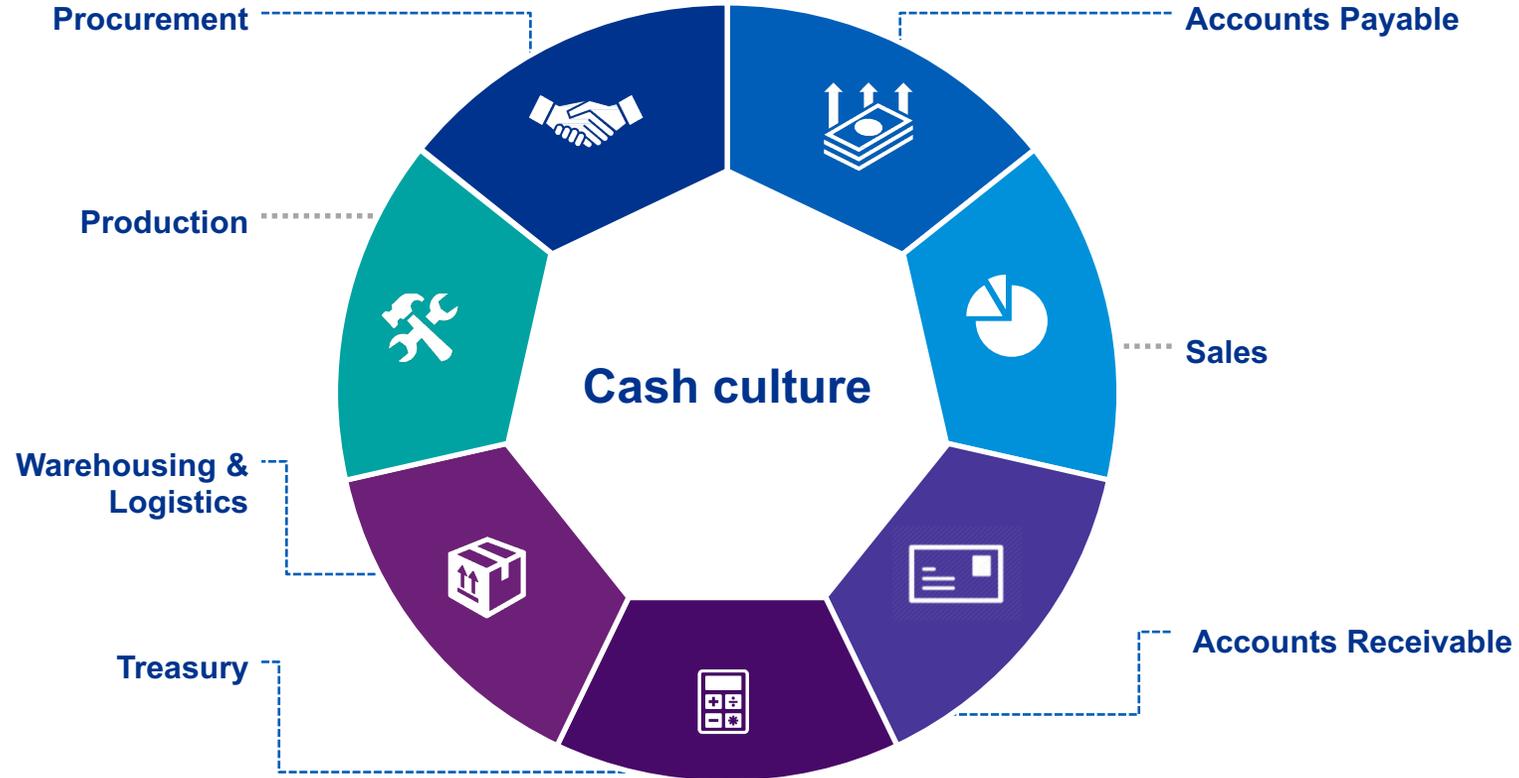


Sustainable Working Capital optimisation





Different priorities within an organisation

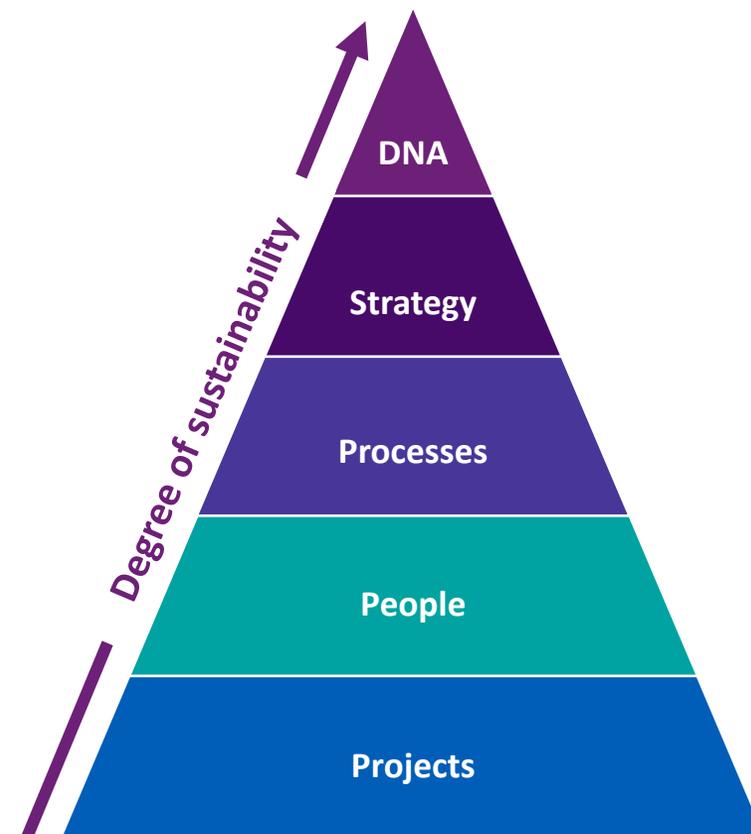




Embedding a cash culture - Sustainability framework

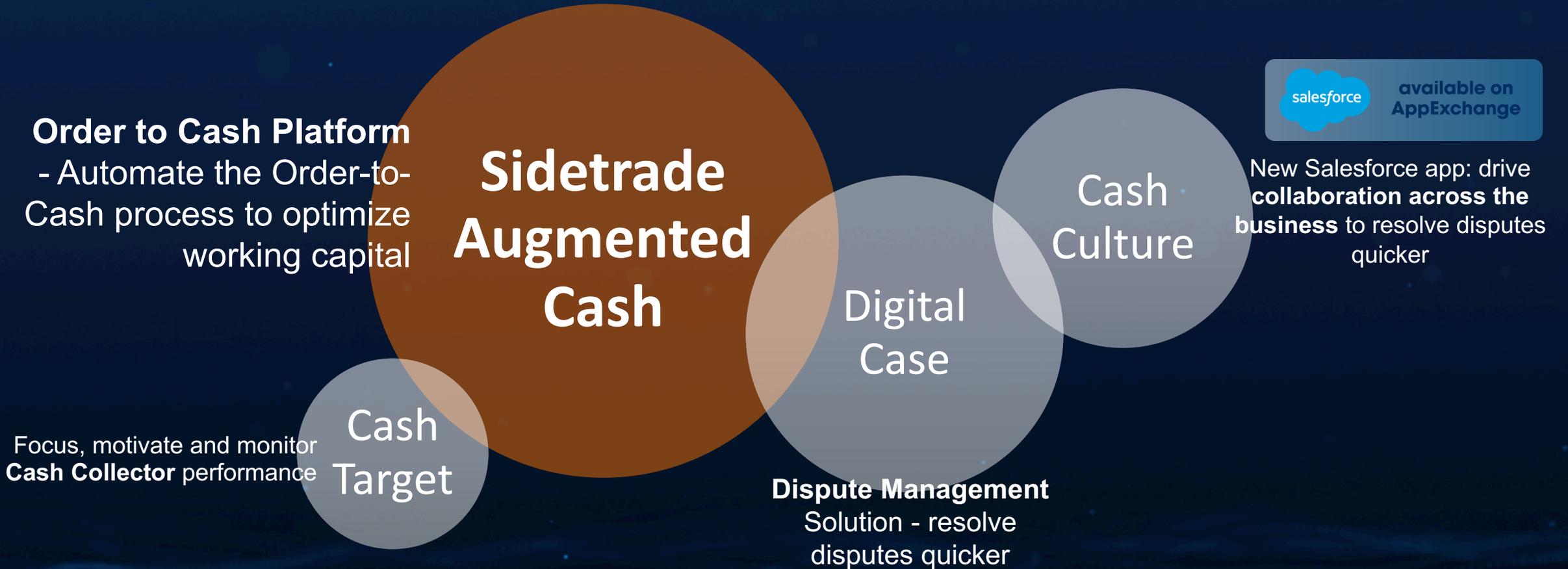
Key considerations to drive a cultural change and embed a sustainable framework around Working Capital

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





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



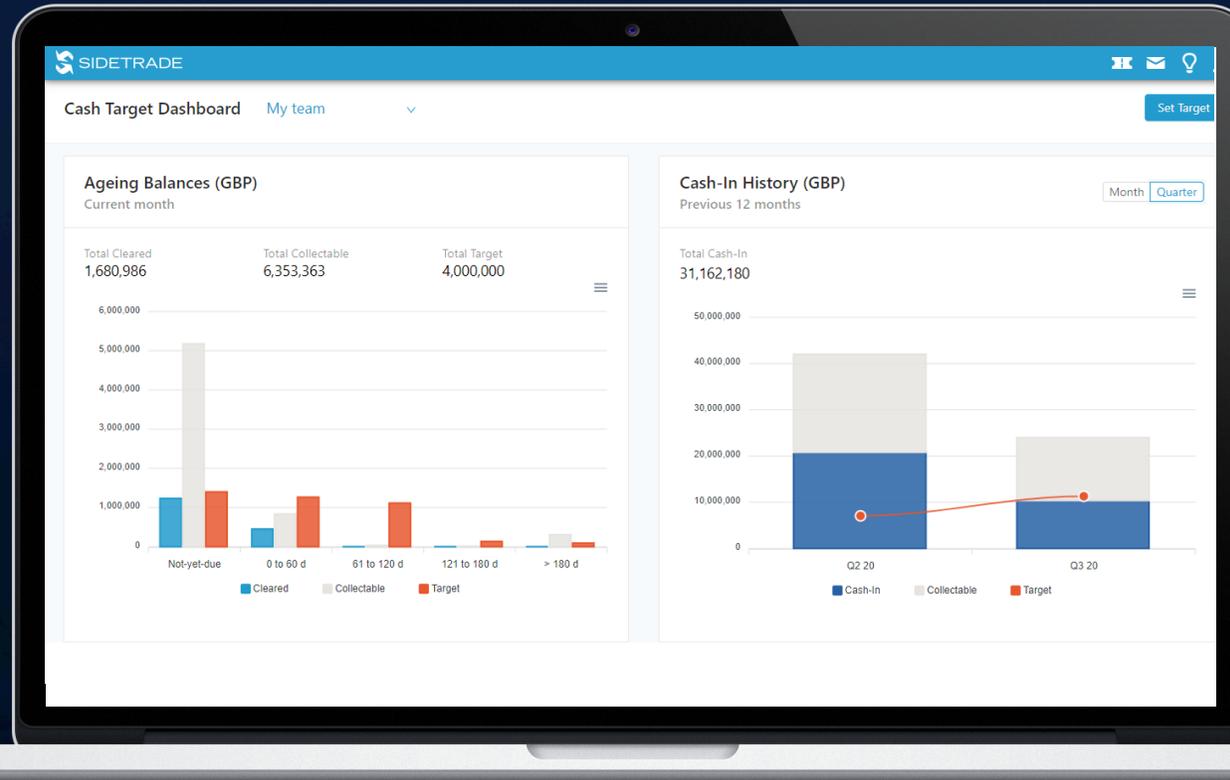


Cash Target

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!



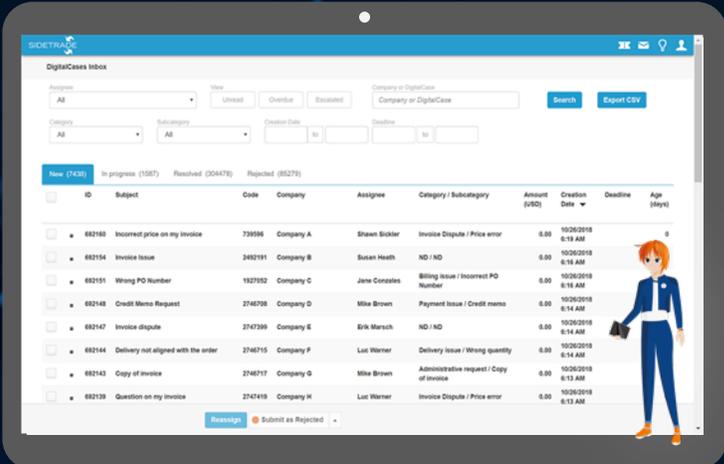
It is essential to have clear rules for the identification, allocation and resolution of disputes and to have well-defined escalation responsibilities



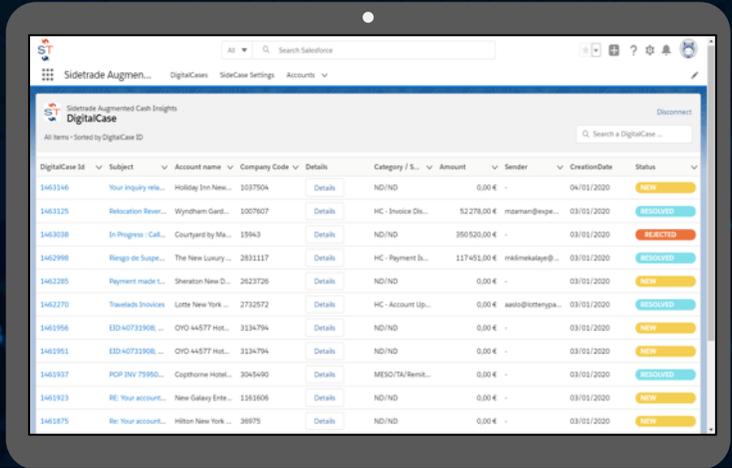


Sidetrade's DigitalCase with CashCulture Salesforce app

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



Finance Teams



Account Teams

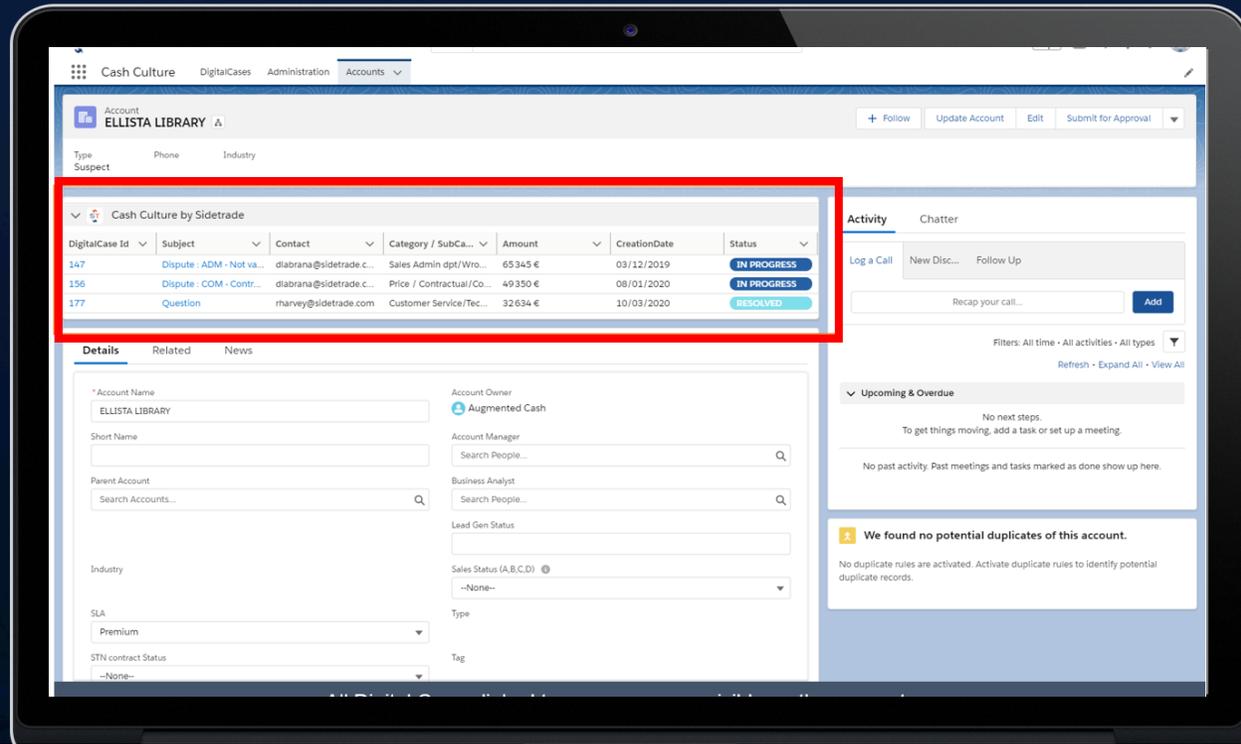


Cash Culture

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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