

CASH CULTURE PULSE #2 2022

Cash Culture

The key to success

CASH CULTURE: FROM AGILITY TO STRATEGIC ALIGNMENT

To succeed in a VUCA world, **cash culture has become an axis of governance for companies looking to secure and accelerate cash flow generation.** Instilling a cash culture involves aligning stakeholders and removing obstacles that prevent companies from getting paid quickly.

→ This change in mentality requires

close and strong collaboration between Finance, Sales and Support functions.

61% of businesses lack Order-to-Cash *software*

NOT WELL EQUIPPED

BUSINESSES WITH **LESS THAN 1,000 ACCOUNTS**

WELL EQUIPPED

+60%

BUSINESSES WITH **MORE THAN 1,000 ACCOUNTS**

O2C software offers automation features that allow organizations to be more efficient in their operations.

The most advanced O2C solutions use Artificial Intelligence to analyze customers' financial and commercial data, predict payment behavior, recommend dynamic collection strategies and eliminate unfruitful actions.

68% of businesses have fully **documented and standardized** their Order-to-Cash processes

47% are enlisting their sales teams to fight **alongside finance** in the battle for cash

Nearly half of the businesses have laid a cornerstone of cash culture: **actively involving sales teams in cutting DSO.** Intelligent automation platforms make it easier to collect. It's a gamechanger for everyone in the Order-to-Cash cycle.

DSO considered **vector of cash culture** in half of the businesses surveyed

77%

AGED BALANCE

62%

% OUTSTANDING BALANCES COLLECTED

48%

DSO

28%

AMOUNT COLLECTED

While aged balance remains the major criterion, **DSO is increasingly relevant for cash culture.**

It is a KPI shared daily, weekly, monthly or quarterly, depending on the cash issues at hand.

BREAKDOWN OF THE RESPONDENTS

Profile of the 149 businesses surveyed

DEPARTMENT	
Finance	81%
IT	15%
Sales & Marketing	4%

TERRITORY	
North America	10%
Europe	45%
UK & IE	40%
Middle East	2%
Asia	3%

INDUSTRY	
Utilities & Environment	4%
Retail	8%
Financial Services	9%
Transport & Logistics	6%
Manufacturing	20%
ICT (Information, Communication & Technology)	14%
Life Sciences	2%
Services	24%
Construction & Mining	4%
CPG (Consumer Packaged Goods)	9%

ROLE	
CxO	16%
Director	34%
Manager	50%

REVENUE - M€	
< 100	36%
100 to 500	14%
500 to 1,000	10%
> 1,000	40%

Cash Culture Pulse 2022 is a three-part study (#1, #2, #3), conducted by Sidetrade in the last quarter of 2021. It gives a realistic and uncompromising view of the characteristics and trends of cash culture. The quantitative data provided, along with information from businesses, offer invaluable insights for finance departments seeking to secure and accelerate cash flow.