

# Taking Digital Treasury to the Next Level

## A No-Nonsense Guide

By Eleanor Hill, Editor

# Introduction

## Moving beyond the Covid catalyst

**F**or many corporate treasurers, 2020 was a crash course in digital transformation. As companies adjusted to global lockdown and remote working as a result of the Covid-19 pandemic, digital operations quickly became essential.



CONOR MAHER

Head of Transaction Banking Products, NatWest

This swift pivot away from manual processes and on-premise tech presented myriad challenges for treasury teams. At the fundamental end of the scale, some treasury teams struggled to gain visibility over cash and some could not make payments, since they had not embraced cloud treasury management systems (TMS) and enterprise resource planning (ERP) solutions or rolled out online and mobile banking capabilities across their entire departments. Meanwhile, paper bank statements being sent to the office suddenly became obsolete – and inefficiencies in manual, paper-based processes, were clear to see.

While working with their business partners to ensure the digital basics were in place, many treasurers were also battling business model and supply chain challenges – as well as managing increased market risk. Organisations that had previously sold goods or services through retail outlets and third parties also realised that they needed to find new ways to connect with ‘locked down’ consumers via the internet. Treasurers in many sectors soon found themselves adjusting to direct-to-consumer (D2C) sales strategies, requiring the selection of consumer-friendly collection instruments, shifts in well-established cash flow patterns, and the management of additional foreign exchange (FX) risks from international consumers. Suddenly, treasury teams needed to embrace omnichannel collection solutions – preferably with automation and instant visibility built in.

At the same time, physical and financial supply chains came under threat. With many international borders closed, global supply chains became blocked, leading to delays in manufacturing and in financial flows. Numerous suppliers also

felt the economic crunch, and required financial support from their large buyers in the form of supply chain finance (SCF) programmes – delivered via digital platforms.

With the support of internal and external stakeholders, the majority of treasurers took these changes in their stride and reached a functional level of digital treasury operations. But to reap the true rewards of digital innovation going forward, every aspect of treasury – including FX – must operate in a digital ecosystem in order to extract maximum value.

Many treasurers are therefore standing at a crossroads. Either they continue with their basic level of digital functionality, or they start to become comfortable with newer technologies like artificial intelligence (AI) – and take advantage of this inflection point in the digital treasury journey.

To assist treasurers in this endeavour, this whitepaper examines ways in which treasurers can move beyond a basic digital treasury landscape towards a more efficient and insightful real-time environment. We will explore tangible solutions, available in the market today (rather than in the pipeline), which can often be implemented with minimal resource requirements on the treasury side. At the same time, we will demystify digital treasury jargon and highlight best practice.

We hope you find this whitepaper insightful and we look forward to discussing digital treasury evolution with you in due course.



### Low-hanging fruit

Digital transformation does not have to mean tearing up the treasury rule book. In fact, there are some simple steps that any treasury team can take to become 'smarter'.

As Matthew Giannotti, Head of Transaction Services Sales FI & Professional Services, NatWest, explains: "During the pandemic, we have seen a significant shift to digitise and automate treasury processes wherever possible. Payments and reporting are two obvious areas, and banks have established digital solutions and channels to assist corporates with removing paper and manual work – with very little effort required from the corporate's side."

Maher cites the example of everyday online banking. "Pre-pandemic, a number of companies did not utilise online and/or mobile banking platforms to their full extent, or hadn't enabled the complete set of functionalities across all permissioned employees," he says. "Now, they're leveraging additional capabilities, including self-service tracking of payments, for example. This gives them greater visibility and control, but requires no additional implementation effort. It's a case of better understanding what your existing technology – from both banks and vendors – can do for you and leveraging that to the full."

The shift to remote working as a result of Covid-19 has also shone a spotlight on inefficient manual processes and hidden costs, says Maher. "Think of something as trivial as a cheque. Before the pandemic, many customers would come into the branch to deposit cheques. Now they use their mobile phone to scan the cheque and deposit it into their account. This saves paper, time and effort. And, again, requires no implementation effort from the customer's side."

Elsewhere, banks' acceptance of digital signatures via technologies such as DocuSign has increased during the pandemic, enabling treasury teams to significantly reduce paper usage around contracts, for instance. Rowan Austin, Head of Trade Origination and Advisory, NatWest, comments: "The digital signing capability has been especially transformative in the trade finance space, where paper-based processes and wet signatures were typically

the norm. Now, we are able to execute much more trade-related documentation digitally, but there are still several areas where the legal and regulatory framework still needs to catch up."

These are just a few examples of low-hanging fruit along the digital treasury journey. But there is much more that treasurers can be doing to leverage the full benefits of digital solutions and workflows – either with the help

of in-house IT teams or in partnership with banks and vendors. Of course, it is important for digital solutions to respond to a need within the organisation or to further its strategic aims; technology for the sake of technology is unlikely to deliver optimal results.

With that in mind, let's take a closer look at some of the more impactful digital tools and trends – beyond removing paper – that treasurers can take advantage of today.



ROWAN AUSTIN

Head of Trade Origination and Advisory, NatWest



MATTHEW GIANNOTTI

Head of Transaction Services Sales FI & Professional Services, NatWest

### DIGITISATION VS. DIGITALISATION: WHAT'S THE STORY?

The world of digital treasury is awash with acronyms and jargon. Two of the most commonly confused or interchanged terms are 'digitisation' and 'digitalisation'. So what's the difference?

#### Digitisation

In a nutshell, digitisation is performing the same task as would be done manually but in a digital format. This is essentially turning analogue resources, such as physical papers, into electronic files. With digitisation, operational efficiency is improved, but the business model stays the same.

#### Digitalisation

Meanwhile, digitalisation is about transforming business activities with technology. The idea is to create value through technology by exploring new geographical and strategic frontiers, transforming the business model in the process.

#### Making change happen

Both digitisation and digitalisation are necessary parts of a successful treasury transformation.

# 1. Robo treasury

With lean teams managing a rapidly growing volume of data and the velocity of cash increasing to be real-time, 24/7/365, it comes as no surprise that robotic process automation (RPA) is growing in popularity among treasurers. According to PwC's most recent Treasury Benchmarking Survey, 47% of treasurers believe RPA will be either 'relevant' or 'highly relevant' by 2022<sup>1</sup>. The same survey also identified a number of concrete applications for RPA in treasury (see fig. 1).

RPA can also be combined with other technologies such as AI and machine learning (ML) to increase its usage. This so-called smart RPA can perform tasks, such as matching part payments and invoices, much more rapidly than an employee could. In essence, RPA frees up treasury personnel for more value-added tasks, while increasing efficiency and the speed at which the team can operate.

Nevertheless, there are considerations to take into account, says Giannotti. "There could potentially be regulatory complications around certain RPA use cases. We have worked with some corporates that simply wanted to use RPA to download statements from an online banking portal - but have subsequently

decided against RPA because secure authentication of information is required. I believe this will be a multifaceted challenge as RPA becomes more pervasive in treasury."

Another potential barrier to the rise of RPA, Giannotti believes, is good old human psychology. "With the ability to automate payment execution and perform intelligent reconciliation, accounts payable and accounts receivable teams will likely be wondering how secure their jobs are in the future. Fortunately, treasury teams are often under-staffed at the best of times, so headcount is likely to remain pretty stable, but treasury leaders would do well to educate their teams around the benefits of RPA, dispel any fears about robots

'taking over,' and also work to identify ways in which treasury can become more strategic, thanks to RPA doing a lot of the donkey work."

Maheer agrees, adding: "In this 'always on' era, treasurers are going to need as much time as possible back to analyse and interpret data - in order to make strategic decisions." Interestingly, Giannotti notes that 'smart bots' (in combination with AI and ML) could also take on the task of collating data, running models, and calculating decision paths, in particular in areas such as financial risk management. "There is a new strategic world opening up for the treasurer and a unique opportunity to demonstrate added value to the CFO and board."

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## HOW DOES RPA WORK?

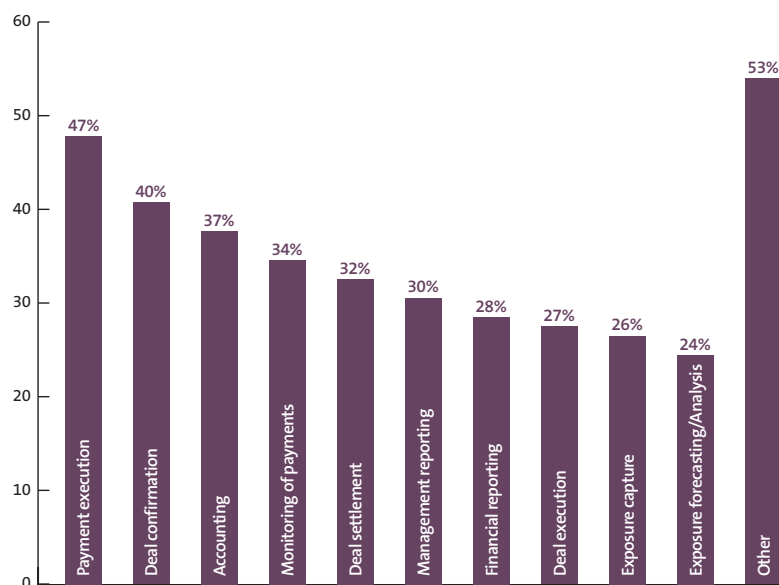
A bot is simply a piece of software that can be used to capture and automate defined, repetitive, typically low-value, tasks.

RPA can be integrated with everyday technologies such as email and spreadsheets. As such RPA can collate the information and processes that a human employee requires to perform a defined task - but much more rapidly.

RPA is becoming easier and easier to access, thanks to innovative fintechs and well-informed in-house IT teams. Some treasury leaders are training themselves and their teams in RPA so that they can work with IT to build the best possible RPA solution for treasury.

Source: <https://treasury-management.com/articles/raising-the-bar-corporate-recognition-awards/>

FIGURE 1 RPA USE CASES



Source: PwC Treasury Benchmarking Survey 2019



## 2. Artificial intelligence and machine learning

According to an April 2021 poll by Treasury Management International, 16% of treasurers cite AI and ML as their top digital priority. One of the reasons for this popularity is the potential to increase cash flow forecasting accuracy and speed – a task that has received great attention as a result of the pandemic.

Correctly deployed, AI can provide early warning of potential issues that might otherwise go unnoticed, such as increasingly erratic customer payment behaviours. AI can also be used to stress test liquidity, enabling treasurers to run multiple scenarios with numerous variables at the click of a button.

“Complex decision-making, such as working out which instrument to use to hedge a non-standard risk, can also be supported by AI’s ability to quickly compute scenarios,” comments Giannotti. “Indeed, as treasury

becomes increasingly data-driven, AI for data analytics will only become more important. With electronic payments and collections, as well as real-time cash visibility at the touch of a button, treasury is dealing with more data than ever before and at a greater speed than ever before – humans alone cannot keep pace with that but AI and ML can.”

Elsewhere, AI and ML have a powerful role to play in fraud prevention, with some banks now offering payment outlier solutions to identify unusual payment behaviours. And on a related note, an international airline has recently completed a project to identify erroneous payments to suppliers. This has saved the finance team precious time by reducing false positives, while correctly identifying payment anomalies that could have been missed manually<sup>2</sup>.

While many treasury teams will not

have the resources to work on internal AI projects, fintechs are becoming active in this area and there are numerous offerings available in the market, in particular around cash flow forecasting. Many banks are also joining forces with fintechs to bring AI capabilities to their customers, meaning that the barriers to entry for using treasury AI are lowering.

As with RPA, regulation in the AI and ML space is also evolving, with the European Commission having recently issued a ‘Proposal for a Regulation laying down harmonised rules on artificial intelligence’. Some finance professionals also see AI as a threat to their jobs, but Maher notes that “AI is in fact likely to enable treasurers to do more strategic thinking and to deploy an asset that technology doesn’t yet have: gut instinct. Someone also has to teach the AI, so there isn’t too much of a threat at present”.

## 3. Application programming interfaces

Maher comments: “While application programming interfaces [APIs] might seem like quite a new technology, they have been around for well over a decade. Treasurers are now exploring new ways to leverage them, including through open banking.”

One of the most promising use cases for APIs lies in the area of payments. Deployed correctly, APIs can be used to collect from customers in real time,

direct from their bank account without the need for account details or costly fees. APIs can also be used to generate instant payments, again without the need for bank account details. NatWest’s innovative solution that delivers these capabilities is called Payit™, which is part of NatWest’s ‘Bank of APIs’ initiative. Importantly, end customers do not need to bank with NatWest to use Payit™.

Improved cash and exposure

visibility is another area where APIs are making waves. Nick Pedersen, Global Head of Digital, NatWest Markets, comments: “One of the biggest data-related challenges that treasurers have is pulling cash balances from various bank accounts they hold with multiple banks. Open banking is a great way of standardising the output of that data and being able to pull it in one file simply and quickly. Having that data in one place

### WHAT ARE APIS AND WHAT CAN THEY DO?

An application programming interface (API) is a software intermediary that enables multiple applications to talk to one another. They can be used to seamlessly integrate new functionalities into an existing system, for example. APIs also deliver information instantly, and form the basis of real-time treasury.

Despite the technical nature of APIs, there is no need for treasurers to understand the mechanics of them – the prize lies in identifying how APIs can help to increase treasury efficiency. In addition to the use cases explained opposite, some corporates are replacing host-to-host connections with APIs. Elsewhere, APIs

are also being leveraged to help tackle fraud, through services such as Confirmation of Payee.

### What is open banking?

Maher explains: “Open banking is an infrastructure that facilitates the secure sharing of financial information as well as payment instructions – through the use of open APIs. There are clear opportunities to leverage the digital ecosystem that open banking creates to solve real business challenges for corporate treasurers and to leverage innovation.”

enables treasurers to make decisions around liquidity and FX much more easily and swiftly.”

The same type of aggregation is also happening in the trade and supply chain space, enabling visibility across multiple platforms, in one place. Austin comments: “One of the challenges in the trade space is that there are so many disparate platforms available to corporates that it can be a challenge to choose solutions that will talk to each other – and to the corporate’s TMS or ERP and banking partner(s). This leads to information breaks in the chain and a lack of visibility, as well as operational inefficiencies. The beauty of APIs and the open banking framework is that corporates can potentially bring these different systems together to create an information ecosystem, which offers a single window onto trade activities.”

The situation is not dissimilar in the supply chain finance (SCF) space, says Austin, and there are a growing number of SCF vendors and fintechs who have fully operational API-based multi-bank solutions available today. “The theory behind such platforms makes complete sense – why wouldn’t a corporate want just one platform for all of their SCF needs? But there are risks to consider too. Will the chosen provider truly be able to connect to all of the company’s banks? And more importantly, will the provider still be around in years to come?”

Austin continues: “As such, I would urge caution when examining

emerging solutions such as API-based multi-bank platforms. Yes, there are significant potential benefits, but there are risks to be weighed in the balance as well. Choosing the right partner is not just about technology capabilities, it’s about trust and resilience as well.”

In addition to aggregating cash, trade and FX data, APIs also come into play in the execution of FX transactions, says Pedersen. “Once the treasurer has pulled all of their bank account data together, then they need to make a decision – am I going to buy or sell this currency? Do I want to hedge it or do something different? After the decision is made, APIs can be used to seamlessly execute that decision – from their TMS or ERP.” Pedersen explains that NatWest uses APIs to embed the bank’s FX services into the customer’s existing TMS or ERP. This enables seamless transactions and also helps the customer to achieve best execution.

Along with the technical API integration, NatWest also provides advisory around further improving FX efficiency. “One of the areas that is often overlooked is transactional FX. These small FX trades associated with cross-border payments or international supply chain finance might not seem significant in isolation, but when aggregated the story is often different. “Treasurers typically have an arbitrary cut-off where they say, ‘any FX exposure that’s under £1m, for example, we will manage as a small transaction’ – and the rules that are typically applied to their large FX transactions do not come into play. This can lead to price and operational inefficiencies.”

Thankfully, APIs and automation can be used here to bring the same level of pricing and hedging expertise that applies for the company’s main FX risks to transactional FX. “There is no longer a need to split these two elements of FX. At NatWest we work with a number of innovative partners that can deploy the APIs and automation to enable a single treatment for all FX transactions – regardless of their size,” says Pedersen.

The above examples are just the tip of the iceberg as far as APIs and open banking are concerned. As the compliance angle around open finance is honed and as banks and fintechs continue to collaborate, many more treasury APIs will evolve.



NICK PEDERSEN

Global Head of Digital,  
NatWest Markets

A WORD ON AUTOMATING FX

According to Pedersen, a large proportion of corporates still use spreadsheets to manage FX exposures. “This creates a blockage in what could otherwise be quite a seamless process. It also opens up room for manual errors and delays.” To make the move away from spreadsheets, Pedersen believes that choosing a software vendor and a digitally savvy bank that has a good relationship with the vendor is key. “It’s no good picking a software vendor that can accommodate your complex hedging needs only to find out that they don’t gel well with your chosen bank – or vice versa. Relationships are arguably just as important as technology when it comes to FX automation.”

BANK OF APIS

NatWest’s Bank of APIs is a community designed to help build the future of banking through collaboration with fintechs and customers. The bank’s API ecosystem simplifies and facilitates the development of innovative digital solutions across a range of services.

Discover more at [www.bankofapis.com](http://www.bankofapis.com)

To discover more about Payit™ and open banking, read our recent article *Open Your Eyes to the Benefits of Open Banking*.



[tinyurl.com/5jxdbas4](http://tinyurl.com/5jxdbas4)

## 4. Cloud computing and treasury on demand

Maher comments: “The pandemic has proven that we are able to work remotely. And these working patterns are likely to stay for a long time as people and companies realise the benefits of a remote workforce. What’s enabling that is cloud technology – since it gives systems access more or less anywhere in the world, 24/7/365.”

Giannotti agrees, adding: “The historic view of treasurers was that first thing in the morning when they arrive in the office, they would pull a report from the TMS or ERP. Now they are sitting at home, receiving instant information on demand, and being pinged notifications for anything that requires action.”

Companies that did not have a not cloud-based tech infrastructure prior to the pandemic have now, by and large, managed to shift to a functional remote model. But even those that already had cloud systems in place have further to go in terms of enabling truly on-demand treasury, anywhere in the world, anytime.

“Think about reconciliations, for example,” says Maher. “In the past, reconciliations have inevitably involved paper documents of one sort or another. Quick digital fixes, such as emailed documents, have been made throughout the pandemic to enable remote working. Now that the initial ‘firefighting’ is over, however, it’s time to take a step back and

### DEMYSTIFYING THE CLOUD

According to cloud provider Microsoft Azure: “Simply put, cloud computing is the delivery of computing services – including servers, storage, databases, networking, software, analytics and intelligence – over the internet (the cloud) to offer faster innovation, flexible resources and economies of scale. Typically, you only pay for cloud services you use, helping you lower your operating costs, run your infrastructure more efficiently and scale as your business needs change.”

Source: <https://azure.microsoft.com/en-gb/overview/what-is-cloud-computing/>

### E-INVOICING IN THE CLOUD

One area where cloud solutions have come into their own during the pandemic is e-invoicing. Austin comments: “Almost all organisations have or will be moving towards a cloud-based e-invoicing solution and the pandemic has certainly acted as a catalyst here.”

He continues: “NatWest undertook a digital transformation in its e-invoicing processes several years ago and uses cloud-based vendor, Taulia, to ensure end-to-end efficiency. We’ve learnt so many important lessons from that transformation that we can now pass on to customers – not least that a cloud-based electronic-invoicing platform enables visibility and management of working capital anytime, anywhere.”

To complement and help monetise invoices, dynamic discounting solutions are also now being built into e-invoicing platforms, says Austin. “This enables treasurers to be even more dynamic around the management of working capital.”

assess how to optimise what’s in place.”

Have documents only been digitised when really there is a need for digitalisation – as in a process rethink? And are there cloud systems available that could assist in this journey, ultimately resulting in no treasury team member ever needing to be in the office purely to receive a paper document? These are the types of questions treasurers should be

asking in order to fully embrace treasury on demand.

Giannotti concurs: “In the era of real-time information, paper-based processes simply do not cut it. Treasury needs to be able to analyse information and respond to queries in a far more efficient way, 24/7/365. Cloud solutions and on-demand information are part of the bedrock of a truly digital, real-time, treasury.”



## 5. Seamless digital payments and collections

Although not technically a technology in itself, electronic payments and collections are also a critical part of a solid digital treasury strategy – especially in the era of e-commerce.

Maher explains: “In response to global lockdowns, customers are increasingly building and/or developing their e-commerce capabilities, with many organisations that were previously business-to-business sellers now connecting directly with consumers.”

Strategic treasurers have a role to play here in helping to ensure that the range of payment instruments offered to the end-customer is sufficiently broad and seamless to encourage checkout. “This should include alternative payment methods, ranging from mobile wallets to API-based payment tools such as NatWest’s Payit™,” says Giannotti.

### DID YOU KNOW?

In the UK alone, e-commerce already accounts for more than 25% of all retail sales. By 2024, this number is expected to reach almost one-third of all retail sales.

Source: <https://osome.com/uk/blog/2021-ecommerce-trends/>

Of course, treasurers are not alone in this endeavour – banks’ merchant acquiring teams can assist in ensuring collection instruments and processes are optimised across both digital and physical channels. “It is important that data flows from online and in-person sales are also managed in one place, so that returns can be processed without complications, and so that treasury can have a complete cash picture at any point in time,” adds Giannotti.

Away from the e-commerce space, real-time payments and collections are also a cornerstone of digital treasury – whether it be domestic schemes, or SWIFT gpi. These are no longer just the preserve of B2C organisations, but B2B companies as well. And as the ISO 20022 standard rolls out, instant payments will gain even further traction. Added value services such as ‘Request to Pay’ and ‘Confirmation of Payee’ only make the business case for instant payments and collections stronger.

### The human touch

The technologies and trends highlighted above are by no means an exhaustive list of digital treasury components. Nevertheless, they are some of the most critical ingredients for a treasury department that can operate in real time, from anywhere in the world, answer management’s questions on demand, and help the business to achieve its growth and competition goals.

That said, the human element of digital treasury cannot be overlooked. Maher comments: “Skills gaps are already emerging in treasury departments as technology is evolving at such a rapid pace. Ongoing training is essential to help keep the treasury team up to speed. Familiarisation with new technologies should also help to break down any cultural or psychological barriers. Training around

cybersecurity and fraud prevention is also critical, given that ‘bad actors’ are becoming increasingly sophisticated and attacks are becoming more frequent.”

Working collaboratively with others in the business will also be critical to achieving digital transformation that reaches its full potential, believes Austin. “This is particularly true for trade because it impacts so many functions across the organisation. Building relationships with other departments and helping them to understand how the digital project will add value for them, will inevitably pay dividends.”

Austin also says it is important to recognise that humans still have a role to play in a number of transactional processes, especially around trade. “There are times when manual, human-centred, processes still work and do not need to be changed. For large value, low volume, trade deals, for

example, it is still perfectly acceptable to pick up the phone to the bank or to email them. In fact, this might be more efficient than going through a platform.”

### Integrating ESG

Another important aspect of digital treasury is environmental, social and governance (ESG) factors. Of course, there are the obvious environmental wins as a result of eliminating paper through digitisation, which lead to a reduced carbon footprint. But ESG can also be embedded in many digital treasury solutions. SCF is a prime example.

Austin notes: “Regulations such as the Prompt Payment Code and consumer desires for more sustainable and ethical interactions are driving a move towards sustainable SCF programmes. These enable financing rates to become more favourable

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if suppliers meet certain pre-agreed ESG criteria. And if the criteria are not met, the rate returns to the baseline.”

The aim here is to influence suppliers’ behaviours, and to edge them towards cleaner and more ethical operations. “The majority of a corporate’s carbon footprint lies in its supply chain – in fact for a typical company, the supply chain accounts for around 80% of its carbon emissions. So, for organisations working towards net zero goals, programmes such as sustainable SCF are incredibly valuable.”

Innovation is occurring in the FX space too, with ESG-linked derivatives. Pedersen elaborates: “We’ve recently released the first tangible FX product that has an ESG flavour to it. There has been significant interest over the past 18 months in ESG solutions and the ESG-linked FX derivative was an obvious first step. One of our customers in the energy sector has already signed up for the product and we expect many more to follow suit.”

He continues: “We have passed the tipping point for ESG now – companies in every sector realise how important it is for them and treasurers also understand that ESG needs to be part of treasury’s DNA. When reviewing technology choices and looking to embrace new digital solutions, there is a great opportunity to include ESG as a natural part of those digital workflows and processes. This will help to build a more sustainable business, in every sense of the word. And banks have a number of solutions available to assist corporates with meeting their ESG goals.”

**Next steps**

With so many aspects of digital treasury to consider, how can treasurers put the theory into practice?

1. **Speak to your business partners.** “Banks and fintechs have many ready-made solutions that treasurers can adopt without disruption, and often with minimal cost. Start with the low-hanging fruit,” says Giannotti.
2. **Open your mind to the possibilities.** “Don’t be deterred from using technology because you don’t understand how it works, or can’t code. Treasurers themselves aren’t expected to build the solutions. Most important is an understanding of how the technology could benefit treasury and the wider organisation,” comments Pedersen.
3. **Re-evaluate treasury’s role.** “What is the purpose of treasury in a truly digital world where everything is real time and exposures of a huge size or a small size can be managed identically? How do treasury responsibilities – and the treasury policy – need to be updated to reflect the digital, on-demand, environment?” asks Pedersen.
4. **Recognise where manual processes still work well.** Austin notes: “Corporates shouldn’t feel as if everything needs to be revolutionised with technology right now. If a manual process works and is actually more efficient than using multiple trade platforms, for example, then don’t feel compelled to switch to a digital workflow simply for the sake of it. It may be worth waiting for a more evolved platform to emerge.”
5. **Create the business case and address the right stakeholders.** Maher comments: “Just because a treasurer can see value in a system or tool, doesn’t mean management always can. The treasurer is an instrumental figurehead in the company, and needs to bring all the right stakeholders together – from procurement to IT and legal – to create a strong value case that extends beyond treasury and makes sense for the business as a whole. This is especially true when upfront infrastructure investment is required, as ROI [return on investment] can take quite some time.”
6. **Implement a phased plan.** “A common pitfall when undertaking a digital journey is to do too much at once. A long-term vision is needed, but a phased roadmap is also essential,” says Maher. “Small wins should be celebrated and the plan should be reviewed along the way for any additional efficiencies that could be made. Business continuity should also be front of mind at every step of the plan.”
7. **Embrace continuous improvement.** Maher notes: “A digital treasury journey has no ultimate destination – the end goal will flex with the organisation and with new technologies that come along the way. While a plan is important, digital treasury transformation is an ongoing task that requires a continuous improvement mindset.” ■

**Notes**

- 1 <https://www.pwc.co.uk/services/risk/insights/global-corporate-treasury-benchmarking-survey-2019.html>
- 2 <https://treasury-management.com/articles/how-etihad-enhanced-its-financial-controls-using-microsoft-ai/>

**HOW NATWEST CAN HELP**

In addition to the digital solutions mentioned in this whitepaper, NatWest has significant experience in working with corporate customers to understand and respond to their unique circumstances. Maher comments: “As one of the largest clearing banks in the UK, we have a unique view of what is happening in customers’ own sectors and in other industries. We have insight into best practices in each sector, and knowledge of pitfalls to avoid when embracing new digital tools.”

NatWest’s own digital transformation journey and its work with fintechs and API developers is also a source of great inspiration. Maher

continues: “NatWest has rapidly adapted to being a digital-first bank and we have many learnings to share with customers from our own experience. We also understand that treasurers operate in a complex, often multi-bank environment, and that is why we are champions of open banking. We look forward to having equally open conversations with treasurers about the changes they can make today to improve their operations and embrace digital innovations.”

*For further information please visit [ci.natwest.com](http://ci.natwest.com)*