

An Enterprise Payments Optimization Platform for Corporations

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Prepared for:



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EXECUTIVE SUMMARY

An Enterprise Payment Optimization Platform for Corporations, commissioned by Treasury Intelligence Solutions (TIS) and produced by Aite Group, analyzes how finance and treasury professionals can manage and execute the entire life cycle of outbound payments using a dedicated enterprise payment optimization platform (EPOP).

Key takeaways from the study include the following:

- Payments are at the center—at the very core—of every business. Traditionally, companies have invested heavily in improving inbound payments from their customers in an effort to accelerate cash inflows. The focus on inbound payments, however, has led to a downplaying of outbound payments.
- As organizations begin to pay ever more attention to companywide cash flow management as well as real-time information and liquidity, they need to focus on outbound payments. This focus must go beyond the department or local-entity level and encompass the company globally.
- Outbound payment platforms are built on a solid foundation of connectivity to both enterprise resource planning (ERP) systems (and other payment input systems) and banks. Value-added services, such as bank account management, cash forecasting, or fraud protection, must be available and easily accessible.
- Innovative platforms create cloud-based ecosystems of best-of-breed partners. These services enhance the capabilities of the payments platform to provide treasury and finance teams with a decision-support system to optimize an enterprise's outbound payments life cycle.
- The adoption of cloud computing has moved from infancy to mainstream. Similarly, open ecosystems based on API-enabled software applications are the future, allowing companies to choose exactly the solutions they want and need. Aite Group expects open ecosystems will move into the mainstream like what happened with cloud.
- To give substance to what otherwise could appear only as a theoretical essay, this paper analyzes how a fintech vendor—TIS—has implemented a fully functioning EPOP.

INTRODUCTION

Treasury and finance teams want quickly implemented and easy-to-consume solutions. Treasury-on-demand cannot afford any further lengthy IT projects. Solution providers must be ready to run multi-geography and multicurrency businesses with trained and experienced sales teams. They must support a client's headquarters to streamline and automate the outbound payments process that cascades down to the company's network of subsidiaries.

Innovative financial technology providers are developing payments solutions that evolve from corporate-centric automated workflows to community-centric cloud-based platforms. These services enable collaboration in partner ecosystems through API-enabled and best-of-breed software applications.

In this white paper, Aite Group assesses the market generally and TIS specifically as a player of reference in the area of enterprise payments optimization regarding capabilities and readiness to innovate.

METHODOLOGY

This white paper is based on desktop analysis and extensive examinations of various vendors' ERP and treasury management system (TMS) solutions for outbound payments. Using the life cycle steps of outbound payments as a benchmark, Aite Group's groundwork also included analyzing the limitations of currently available solutions. Research also comprised lengthy interviews with TIS executives. Aite Group explored the impact of the vendor's EPOP on the organization's culture, business processes, and IT performance, and its alignment with management's goals.

THE LIFE CYCLE OF AN OUTBOUND PAYMENT

On a typical business day, a corporate treasury office liaises with multiple shared service centers and company subsidiaries. Each one has its own ERP system and works—usually—with multiple e-banking tools. These are often “black box” situations for the finance staff who do not know how all these systems work and interact, thereby finding it difficult to build a single source of truth from such a complex structure. In this same scenario, finance manages the payments process for invoices, payroll, treasury settlements, tax obligations, etc. In a perfect world, a company would operate one corporate ERP system and deal with one core banking partner. Reality means a company works with an average of 30 to 40 ERP systems and over 50 different banks worldwide for international companies.

Treasury departments of large organizations usually run their daily operations on TMS solutions—suites of treasury-related software applications. The scope of TMS suites is rather wide and can encompass different business needs (e.g., accounting, payments and reporting, cash and liquidity management, cash forecasting, foreign exchange [FX] and currency hedging, investments, and risk management) as well as bank relationship management. Each of these core TMS features has—inevitably—a limited depth of functionality, and the payments module is no different. To offset this limitation in regard to payments, treasurers usually rely on the support provided by bank-specific and proprietary e-banking tools. However, these portals usually only allow a company to exchange payment transactions with one particular bank. To enhance capabilities and automate the payment process, finance could develop an in-house solution to provide a tailor-made fit. There are, however, multiple downsides for doing this. Development requires staff to plan and manage the project as well as significant IT resources. In addition, there is an ongoing need to update and adapt these customized connectivity formats between treasury management and bank systems. Business-to-business platforms (e.g., SAP, Ariba, Alibaba, NetSuite) offer full cloud-based payments capabilities with strong bank connectivity as well as ERP integration. The downside is that each one runs its own proprietary portal. This means various applications with multiple sign-ons and with different rules.

Fintech vendors in the cloud (i.e., Software-as-a-Service [SaaS]) with no legacy systems to contend with, can offer payment services that are API-based and multibank. The complexity of connectivity can be outsourced while providing real-time analytics. Young startups, however, lack the expertise of financial supply-chain dynamics and complex payment processes. They have insufficient experience to blend technology proficiency with the complexity of an international treasury operation. Managing the entire life cycle of an outbound payment in an international company is much more intricate than just sending a payment instruction. It involves subsidiaries in many geographies with multiple accounts payable (AP) systems and teams. Corporate headquarters must roll out an easy-to-use payments solution globally to accelerate adoption and increase efficiency. At the same time, central treasury must ensure that an appropriate level of control for outbound payments is maintained. Company guidelines and policies must also be embedded in the system that is implemented.

The complexity of the payments/disbursement process follows a clear pattern, but it must be managed carefully. This happens by choosing the right EPOP, as described herein.

BUILD THE BANK ACCOUNT MASTER DATA

For treasury, a clean master data repository is necessary to manage hundreds (if not thousands) of bank accounts across various subsidiaries. The corporate treasurer stores the organization's global bank account data in the EPOP bank account management (BAM) module. This becomes the organization's single source of truth. BAM powers the other modules, while various payment processing and balance reporting workflows are executed. Beyond acting as an information hub, this module also enables users to easily perform core BAM functions, such as nominating users within the group and assigning roles and responsibilities. During regular operations, the activity of every listed user should be tracked and traced through an immutable audit log that helps to avoid unauthorized actors (e.g., hackers) to abuse the system's controls. There should also be a processing function that scans all user permissions within the platform. If any irregular configurations are identified (e.g., a user having the ability to review and approve his or her own payments), the system should generate an alert and flag that user.

BAM can become a successful collaboration between headquarters and subsidiaries, orchestrated by a governance process. When staff within a global organization wants to open a new bank account, the supervising manager must approve the request. A workflow-based approval process provides the treasurer with audit trails. Once the request is approved, the workflow enables the local subsidiary to activate the newly created account. To be effective, a master data software application should include an onboarding feature that uploads the master data (e.g., bank account details, likely collected by the user in an Excel spreadsheet) to the EPOP. If the company has stored its data in a TMS, downloading the master data can be done in a matter of seconds.

The EPOP can effectively build a master data overview once proper data governance is in place. Only structured control can ensure that the right numbers will be at the fingertips of the treasury team. This type of control can prevent significant risks in a finance operation. Such risks occur, for example, when newly opened bank accounts are not incorporated into the central ERP general ledger. The management of bank master data is the prerequisite to obtaining global cash visibility and market-leading account management. BAM supports the correct attribution and control of roles and signatory rights as well. An additional step could involve better control of accompanying documents (e.g., invoices, receipts, certificates, package lists) related to outbound payments.

ENHANCE THE VISIBILITY OF DATA

The EPOP software stores and manages bank master data, making it visible across all company entities and lines of business, effectively breaking down internal silos. The rule-based management of bank data enables treasury to incorporate and even refine company policy, including guidelines for opening bank accounts. It helps to establish clear roles and responsibilities to manage both existing and newly created accounts. The collected data can then generate reliable cash flow visibility and transparency reports, data transmission downloads (i.e., API calls), or user-configured dashboards. Another benefit of full bank information is the ability to gather and store information related to charges levied by different banking relationships. A dashboard reporting capability that analyzes banking fees related to accounts, payments, balances, and FX exposures better supports both understanding and

forecasting company expenses. Cash visibility is mission critical to a treasury and finance function. When the chief finance officer (CFO) wants to learn more about the company's cash position, the treasury staff must be ready to answer.

Data can be downloaded using plug-ins into major TMS and ERP systems. By activating these connectors, the customer's EPOP can extract and enrich the data. Plug-ins may not be available if the system is not one of the mainstream suites (e.g., SAP, Oracle, Infosys, Microsoft Dynamics, Wallstreet Systems, Kyriba, GTreasury). In that case, there will be a call to an IT agent who will orchestrate the process between the customer and its systems. A well-engineered EPOP provides real-time visibility for the payments that have been processed and can arrange for value-added services, such as fraud prevention and compliance support. Payments information should become available as soon as the bank provides its statements.

Outbound payments generated within an ERP or TMS are transmitted to banks through the EPOP. The platform is responsible for creating and updating formats that allow connectivity to virtually any bank. This means producing and maintaining an extensive proprietary format library as well as having the ability to connect via EBICS, SWIFT, or other local format "flavors." A well-designed EPOP should also have a standard API that allows organizations of all sizes to easily connect to it. In order to enrich platform data or provide additional services (e.g., cash flow forecasting or FX/hedging solutions), a robust API connection is a must.

In summary, to produce maximum visibility of data, the EPOP, in addition to integrating with any back-office system, must be able to connect with the organization's banks and bank accounts globally. The EPOP replaces legacy e-banking tools and offers full compatibility with all relevant financial messaging and reporting formats, including SWIFT MT, ISO 20022, and regional or bank-proprietary formats. The EPOP becomes the single gateway for connecting corporate ERP systems, TMS solutions, and all other systems (e.g., HR and AP) with global banks through end-to-end format conversions.

CONTROL PAYMENT EXECUTION

The EPOP offers other significant advantages to the finance function. First and foremost, treasury can decide whether to centralize or decentralize its payments process. This can be based on company policy, organizational design, and priorities rather than system limitations. Whether centralized or decentralized, rapidly growing or maintaining a steady state, organizations can create or maintain their desired structure. Local treasury staff may, however, be required to rationalize and standardize their AP or payroll processes to ensure that outbound payments can be executed seamlessly. The system will automatically be able to decide how to aggregate and instruct payments without having to wait for accounting clerks to manually input instructions. Finance won't need to decide which banks to mandate based on ease of connectivity. The EPOP allows entities to choose providers that are the best fit for their needs. In addition, connectivity and visibility facilitates straight-through processing of outbound payments, generated from a variety of systems. Even a PDF file can be executed by a properly designed financial messaging hub.

Receiving information from all banks globally, in a timely manner, is very important as well. This feeds cash transparency and visibility as well as reconciliation. It forms the basis of cash forecasting. As a bank and system-agnostic payment platform, an innovative EPOP has an in-house payment format library. Such a repository can house thousands of format variations to support clients. The EPOP becomes the bridge between a company's ERP systems (and other payment input systems) and the its banks. Connectivity-as-a-service is one of the pillars of an EPOP, easy to consume and out of the box. Little or no IT should be required to implement bank and system connectivity. This is a key point, because IT resources will both slow down the ability of a company to embrace such a system as well as significantly increase the costs.

PROVIDE DECISION INSIGHTS

The ability to actively use data, produced via the payments process, is key for better decision-making. The finance function can have a very valuable commodity at their fingertips in the form of information stored on an EPOP. This data is the basis for monitoring liquidity, engaging in cash forecasting, and supporting the information needs of finance, risk, compliance, and the management board. Given an often-fragmented ERP landscape, a holistic view of payments via a hub may be the only way to get a consolidated view across all corporate departments, subsidiaries, and geographies. This information can also benefit procurement, for example, during negotiations of contract terms and conditions. The importance of suppliers can be measured through the relative spend across the entire company. Through business intelligence and data analytics, managers can make better and more informed decisions impacting both the top and the bottom line. Another benefit of full information related to outbound payments are the internal reports that can be configured and generated. Reports that, for example, show user signature authority and user roles as well as system usage by staff. Access to real-time data via a scalable and versatile platform gives decision-makers additional possibilities to analyze and use data to take advantage of a wide range of value-added services—services that are a part of the EPOP.

PREVENT FRAUD AND ENSURE COMPLIANCE

Fraudulent actors frequently target outbound payment rails using “Trojan horses” embedded in emails. These emails, in turn, redirect disbursements to illicit accounts. The use of fake invoices is also a typical cause of payment fraud in organizations. The perpetrator sends an invoice that looks authentic. However, the account data has been changed. If payment controls are not applied uniformly and automatically across a company, the department initiating the payment may not detect the “switch.” Another type of deception is chief executive officer (CEO) fraud. A clerk within the finance area receives a request from the CEO's (forged) email account with an instruction to execute an urgent payment. Unfortunately, this trick often works because employees quickly react when they see their CEO's name—or another senior manager—in the signature line. Rather than following documented procedures, monies are sent out to a fraudster's account. Payment scams are such an important topic that specific fraud prevention

applications have been developed. One example is the use of identity protection whitelists and blacklists. These can be used to either authenticate legal access of parties to a domain or to block them. These lists are tools to help companies detect and prevent fraud.

Regulatory compliance can also be supported by centralizing the outbound payments process. Screening for suspicious activity before sending payment files to the bank can reduce a company's reputational risk and, indeed, its costs. Compliance violations damage a corporation's reputation and may expose it to large fines. This occurs when a supplier remittance, a salary payment, or a treasury settlement is processed on behalf of a restricted sector or sanctioned individual, organization, or country. Dedicated transaction screening software reviews every payment for compliance with relevant government sanctions lists.

The EPOP processing software offers a portfolio of fraud protection and compliance screening applications that act like middleware or a firewall to build a security net for the company. In some cases, these features are already embedded within an ERP system. However, screening requirements and criteria change frequently. This means that continually updating (all) ERP systems can be extremely cumbersome. Most international companies have many ERP versions or systems. Entities that have grown through acquisition will have multiple types of systems. And not every subsidiary will even have an ERP system at all, or not a robust, up-to-date version. It is not unusual for corporations to use banking partners as their "anti-fraud and transaction screening firewall." Financial institutions (FIs) are obligated to filter payments according to various sanctions screening criteria. However, in this case, if a sanctions violation occurs, the payment is already within the bank's environment. This forces the FI to face the unpleasant duty of dealing with a breach, including investigating the incident and freezing the funds. When screening is done on the platform of an outbound payments provider, before it even gets to the bank, a corporate client can rectify its mistakes. The treasury staff has both the time and opportunity to review the payment instruction and make corrections.

The need to discover and intercept potential fraudulent transactions is changing the way companies collaborate with their banks, vendors, and peers. For banks, fraud prevention and compliance filtering represent significant costs that customers do not pay for, at least not directly. A bank can turn this weakness into a strength by collaborating with an EPOP provider. The bank can use its knowledge and expertise to enrich the EPOP's broad set of enterprise data. Banks are telling Aite Group that they welcome this cooperation. Aite Group has also found that it is not just the compliance or operational risk officer who is interested in reducing compliance breaches or fraud. Corporate relationship managers and transaction services sales representatives are just as eager. Sales teams see this as an opportunity to better serve their clients with a true value-added proposition—a service that clients will pay for. The EPOP gives clients the ability to centralize both payments and prevention easily. Banks and other fintech vendors can partner to enrich the offering, providing new and exciting products for the platform.

THE INNOVATION INTRODUCED BY TIS

The features and capabilities of an EPOP, described in this white paper, may give the impression of a technology solution developed for well-integrated finance and treasury functions. In the past, however, treasuries have often operated in a remote, “ivory tower” fashion, running their own processes and making isolated decisions. Luckily, there are financial technology providers that understand the situation and want to bridge this gap by optimizing performance and results. Fintech vendors want to do this within an open, collaborative ecosystem of partners, both within the company and externally (e.g., clients, suppliers, service providers, and banks). To give substance to what otherwise might appear as a theoretical essay only, Aite Group analyzed how one fintech vendor—TIS—has implemented the principles of EPOP. TIS has done this via a suite of software modules, further enriched, enhanced, and extended, to create an EPOP solution.

To recap, an EPOP is a global, multichannel, multibank connectivity platform that streamlines and automates the processing of a company’s outbound payments. This is achieved by integrating the information from a company’s ERP systems, TMS solutions, and HR and accounting systems with its banks. The payment data is passed on to banks via host-to-host, EBICs, SWIFT, and other local formats depending on the bank’s back-office requirements. The platform also uses API-based data exchange and automated connectors. TIS’ foundational pillars are workflow management for bank accounts, bank connectivity, payment format conversion, ERP (and enterprise systems) integration, orchestration of payments execution, user-friendly digital dashboards, fraud detection, and transaction screening. This platform allows the corporation to discontinue the use of multiple bank-proprietary e-banking systems to connect to its many FIs. A revolutionary invention when introduced almost 30 years ago, e-banking tools now represents an audit, compliance, and process efficiency nightmare for large international companies. TIS’ EPOP can also use the wealth of data that corporate treasurers have produced but are not leveraging as well as host ecosystem products and services that customers want and need.

PAYERS AND PAYEES BELONG TO THE SAME ECOSYSTEM

TIS believes that a company that is optimizing its outbound payments can also benefit from services developed by other dedicated and specialized providers. This is made possible by being part of an ecosystem of partners whose solutions can leverage the outbound payments data captured on a collaborative technology platform. TIS is the orchestrator of a cloud-based hub hosting value-added services that leverage (or enrich) payments data and payments processes.

TIS has already processed hundreds of billions of transactions for thousands of individual users. With a SaaS approach, developed over 10 years ago, TIS can build software applications once and then scale these across all customers. This enables TIS to ensure its clients will always have the most up-to-date version of the platform software.

The TIS vision is that its clients can operate in an open, innovative, and multitenant ecosystem, accessing a rich array of platform-based products and services. This new, game-changing world is not accessible to companies locked in by their TMS solutions or ERP systems. Clients need a

place where all stakeholders can collaborate and exchange information. By helping to break down the silos created by company-centric and bank-proprietary applications, an open, innovative, and cloud-based architecture lays the foundation for best-of-breed solutions.

THE BEST-OF-BREED APPROACH

TMS suites have historically grown into what they are today—an aggregation of solutions attached to a central structure. A TMS covers many different disciplines, such as cash forecasting, payment guarantee management, asset management, FX management, and risk management. It usually offers too much or too little (i.e., not a tailored “right” fit). If a customer wants to optimize its payments process and use this information to support cash forecasting only, why should it implement (and pay for) a full TMS monolith? Ten years ago, cloud was in its infancy, and now it is mainstream. TIS believes that cloud-based, open ecosystems that support best-of-breed applications enabled by APIs will represent the next “new normal.”

A new generation of treasury professionals are used to consuming apps in their mobile devices and are used to switching between applications without having to think about seamless authentication or data flows. While some rely on the native email app in their phone, others use specialized providers such as Outlook or Gmail. These programs can offer a better user experience and service quality while sharing data with other applications on the device. Today, a meeting invitation attached to an email can be added directly to a calendar application. A picture received in WhatsApp can be shared via email to any contact person in an address book. The smartphone is “smart” essentially because it “smartly” allows users to add applications and manage and enrich data with value-added services from third-party providers.

The challenges faced by corporate IT departments to integrate ERP systems or TMS solutions from multiple solution providers are significant. The combination of scarce resources, lengthy integration projects, and high costs are not acceptable. Companies are looking for solutions tailored exactly to their needs: solutions that are easy to install and access. TIS decided early on that not every product or service could, or should, be produced in-house. Specialized fintech vendors and banks can create best-of-breed services, which in turn can be made available on the TIS platform. Just like the smartphone analogy above, clients can now select exactly what they want and need. The key is having a harmonized look and feel and a single sign-on; the process needs to be easy and intuitive. Cloud technology and APIs are making this dream a reality. Corporate users can now combine specialized services in new ways. Through an EPOP, they can choose the best solution provider for each specific need. Customers can tailor their treasury management technology mosaic virtually on demand. With a fully integrated platform and quality data analytics, companies gain strategic agility and can focus on optimizing their business rather than tackling operational bottlenecks in formats and connectivity. Scalability is much higher in this best-of-breed environment that already represents the new normal for advanced treasury practitioners.

OPEN ECOSYSTEM

Corporate, bank, and fintech stakeholders have a mutual interest in sharing valuable knowledge that will drive business process improvement and optimization. Workflow-based applications support onboarding as well as day-to-day operations for treasury departments. In a cloud environment, a multitenant architecture makes data sharing easy to realize. The open platform allows users to consume API-enabled best-of-breed applications provided by the participating vendors within the ecosystem. In addition, consulting firms and systems integrators can also become ecosystem partners. They provide support in professional services and can connect their own products to the ecosystem cloud, thus expanding the notion of best-of-breed from software applications to value-added service providers.

Designing payment format configurations and robust connections for multiple banks is a complex task. This work is not part of treasury's core competency. Many companies are realizing that the benefits of creating and maintaining their own proprietary connections are extremely limited. More and more corporations are evaluating the decision to free up IT resources through outsourcing. Innovative and forward-looking platform providers such as TIS are ISO-certified. This also allows their clients to outsource the complexity and administrative burdens connected to security by using third-party applications that are already compliant with audit guidelines.

Through a catalog of open API specifications and definitions, vendors can make their solutions available on the platform. Connected ecosystem partners can build incremental applications and pull data from the EPOP stack or from another system via APIs. Data can travel from one player on the platform to another. The benefit of the ecosystem can be illustrated by the following example: A corporate buyer on the platform wants to pay a supplier through Bank A. The corporate buyer can benefit from the experience of all other ecosystem buyers in this multi-tenant universe, who have, in the past, dealt with this supplier. If one buyer suffered fraudulent activity through the supplier, this information ripples through the community, benefiting all other buyers. In a more traditional, bank-centric fraud detection and prevention system, the buyer would have known only about any issues surrounding this supplier, if Bank A had been involved in a fraud case. In an ecosystem, regardless of the buyer's bank, the fraud alert is shared with all corporate (and bank) participants. Another benefit is that Bank A can partner with a platform provider such as TIS. The bank can offer its clients a wider, more robust and—very importantly—multibank fraud prevention service. These benefits will enrich any existing proprietary systems, such as pattern recognition or fraud prevention algorithms. As a bank joins the TIS EPOP, it becomes a platform partner, and its services become part of the ecosystem community.

TIS' EPOP

Thanks to cloud-based, API-enabled, best-of-breed applications, an EPOP goes far beyond a suite of proprietary software applications: It is an open ecosystem. TIS' EPOP allows corporate users to collaborate with best-of-breed and value-added vendors, including banks. The platform runs a decision-support dashboard that corporate treasurers activate to review transactions and the cash positions of their hundreds (even thousands) of bank accounts. These accounts are spread throughout the company units around the world. The process workflow dashboard may trigger an API-based application that recommends transferring money from one bank account to

another. Another possibility is that the treasurer is urged to hedge a certain U.S. dollar exposure that appears in the U.S. dollar account of a subsidiary that resides in a euro environment. The EPOP becomes a decision-support system, underpinning the outbound payments process.

The EPOP core provides the hub with the necessary features and functions to manage the outbound payments process. Connectivity to ERP systems, TMS solutions, and all other necessary systems, as well as format creation and connectivity to a corporation's banks, is the starting point. Workflow tools and best-of-breed, value-added services are part of the platform as well. Data from bank statements provide the treasurer with balance and cash flow information that triggers the outbound payments process for suppliers, payroll providers, and treasury settlements. TIS' EPOP offers clients a variety of security and fraud protection features, such as segregation of duties and multilevel approvals, in combination with designation of signature authority. Screening against approved—and blocked—lists, as well as sanctions screening against all commonly available government lists, is available.

A new and innovative fraud prevention feature just launched by TIS is called Payee Community Screening (PCS). PCS leverages the ecosystem community's collective knowledge base and allows collaborative data sharing. Consider the scenario in which the treasurer is about to issue a payment to a supplier for the first time. The system sends an alert noting that this is a first-time payment to this supplier. The alert provides the treasury team with a valuable reminder and triggers a compliance workflow in reference to this payment. A key feature of PCS is the community effect. In this case, a message is sent to the payer saying that, for example, no one from the TIS customer community has issued payments to this supplier, in this particular country, in the last five years. It might also alert the payer that this supplier has never been paid using the noted bank account or that no one in the community has even paid this particular supplier/bank combination. The workflow evaluates these conditions and automatically triggers a notification for compliance verification. The community effect can significantly reduce a company's payment risk tied to invoice fraud and will facilitate mastering data to counter "man-in-the-middle" attacks. Community intelligence may often outpace artificial intelligence (AI). This brings additional benefits to make community members feel like part of a self-protecting and self-controlling ecosystem of peers. Other fintech vendors and banks joining the community can further enlarge the reach and improve the depth of information.

Aite Group finds that TIS strongly believes in the power of best-of-breed using APIs in order to provide clients with the best possible solutions. Most treasuries are constantly looking to both improve cash visibility and cash forecasting accuracy. APIs connect dedicated cash management and cash forecasting applications, developed by TIS best-of-breed partners—TIPCO and Cashforce—to clients. Similarly, AI-based, best-of-breed fraud prevention features can be consumed from Net Guardians' APIs. A cross-border, outbound payment that requires FX conversion can be processed by other partners. For example, to pay a supplier, the AP department initiates a payment run from the ERP accounting environment. When the payment file reaches the TIS cloud platform, the payments optimization engine processes payments according to predefined rules (e.g., do not pay a U.S. supplier through a euro account, or pay that U.S. supplier only after converting the appropriate euro-denominated amount into U.S. dollars) before making the payment. By processing the outbound payment through this ecosystem participant, companies can reduce their FX service charges. Cooperation with another

best-of-breed partner—HighRadius—gives corporate clients the opportunity to optimize transactions on the accounts receivable side.

Any software or value-added-service a corporate user may need should be available within the ecosystem. The platform's dashboard facilitates the selection and functions like a menu. The user selects the support that best fits their current need, and the EPOP engine connects the user's system with the application. Data can be shared, for various purposes, including fraud prevention, with players that are part of the ecosystem. By expanding the features of the EPOP with cloud-based, API-enabled, best-of-bred applications from partners, TIS can turn theory into practice in regard to creating a true open ecosystem and thereby the next new normal.

CONCLUSION

Corporate treasurers:

- Don't centralize processes or rationalize the banking landscape to gain important benefits. Complexity can be outsourced, allowing ease of connectivity to ERP systems, TMS solutions, and other systems, as well as banks.
- Concentrate on optimizing your outbound payments to reap significant advantages regarding information and cost reduction.
- Move from a one-size-fits-all TMS suite to best-of-breed solutions connected via APIs. Choose only the solutions that you want and need.
- Profit from a cloud-based, SaaS, multitenant EPOP. Allow data sharing to enrich your processes and gain advantages, for example, in regard to fraud protection and prevention.

CFOs:

- Aim for real-time information at the "push of a button" to support better decision-making.
- Seek IT features and functions to support revenue generation and cost reduction that do not require costly software implementation projects.

Banks:

- Cooperate with key fintech vendors that offer EPOPs to reap the benefit of multibank information as well as deep pools of corporate data.
- Deploy EPOPs to expand your reach in regard to clients, geography, and/or product and service offerings.
- Leverage EPOPs to reduce the burden of format connectivity and systems integration.

Fintech vendors:

- Develop solutions natively ready for cloud-based, API-facilitated ecosystems that EPOP members can consume as best-of-breed applications.

ABOUT TREASURY INTELLIGENCE SOLUTIONS

TIS is reimagining the world of enterprise payments through a cloud-based platform uniquely designed to help global organizations optimize outbound payments. Corporations, banks, and business vendors leverage TIS to transform how they connect global accounts, collaborate on payment processes, execute outbound payments, analyze cash flow and compliance data, and improve critical outbound payment functions. The TIS corporate payments technology platform helps businesses improve operational efficiency, lower risk, manage liquidity, gain strategic advantage—and ultimately achieve enterprise payment optimization.

Visit www.tis.biz to reimagine your approach to payments.
For all inquiries please contact: info@tis.biz

ABOUT AITE GROUP

Aite Group is a global research and advisory firm delivering comprehensive, actionable advice on business, technology, and regulatory issues and their impact on the financial services industry. With expertise in banking, payments, insurance, wealth management, and the capital markets, we guide financial institutions, technology providers, and consulting firms worldwide. We partner with our clients, revealing their blind spots and delivering insights to make their businesses smarter and stronger. Visit us on the [web](#) and connect with us on [Twitter](#) and [LinkedIn](#).

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