

Five ways a modernized treasury gives you the edge in 2025





Who should read this white paper:

- Finance and treasury professionals and managers looking to enhance their organization's treasury operations.
- Executives responsible for financial strategy, risk management, and optimizing working capital.
- CFOs and finance directors seeking ways to improve financial performance and gain a competitive edge.
- Platform owners, and CIOs looking to drive digital transformation and unlock the full potential of their treasury operations.



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About this white paper

Treasury modernization is essential for organizations seeking to meet evolving business demands, enhance efficiency, enable data-driven decision making, and strengthen risk management and compliance practices. It is a vital step towards achieving increased productivity and effectively navigating the complexities of the modern business landscape.

Treasuries that embrace modernization position themselves as strategic partners to the business and help drive long-term success.

In this white paper, we will discuss how implementing five key strategies can help you achieve a modernized treasury and give your business a significant advantage over the competition. We will also look at how Finastra and ITC Infotech can support you on your modernization journey.



Modern treasuries must move with the times.

Treasury involves the efficient management of cash and collateral and financial risks in a business. No matter what external disruptors are in play, the priority will always be ensuring the business has the financial resources it needs to manage day-to-day business obligations, while also helping develop long-term financial strategy and policies.

Treasury modernization is driven by a number of factors currently reshaping financial management within all organizations, not just financial service providers. These drivers are empowering organizations to enhance efficiency, optimize risk management, improve decision making, and adapt to the evolving financial landscape.

“Since 2020, the financial services industry has demonstrated its ability to successfully navigate unprecedented levels of uncertainty. From real estate to insurance to investment management to banking and capital markets, financial services organizations across the globe faced the pandemic with remarkable resilience and adaptivity, helping people, organizations, and governments get back on their feet.”¹

Source: Deloitte Financial Services Insights 2023

Technological advancements such as cloud computing, AI (Artificial Intelligence), robotic process automation, and data analytics play a pivotal role in enhancing cash management, risk analysis, and automation of many standard processes. These advancements improve efficiency within treasury functions, providing real-time insights and up-to-date data for informed decision making in a fast-paced business environment.

Modern treasuries must move with the times.

Meeting regulatory compliance requirements is another key driver, as modern treasury systems streamline compliance processes, automate reporting, and ensure accuracy and transparency, helping treasuries effectively navigate stringent regulatory frameworks.

The evolution of treasury from a transactional role to a strategic one is also a catalyst for modernization, equipping treasury professionals with tools for strategic decision making and fiscal management that optimize business growth and performance.

Cost pressures and the pursuit of more streamlined operations further propel modernization efforts, as automation, streamlined processes, and the elimination of manual errors result in cost savings and enhanced efficiency.

Finally, the need for greater agility in adapting to market dynamics continues to motivate treasuries to modernize, so they are better able to respond at speed to the opportunities, changing funding needs, and evolving regulatory landscapes.

In an era where agility, efficiency, and strategic thinking are synonymous with competitive advantage, organizations cannot afford to overlook the transformative power of modernizing treasury operations.

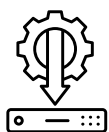
By leveraging technology, automation, and data analytics, organizations are unlocking all kinds of possibilities, empowering treasury to become a driving force behind financial stability and long-term growth.



Treasurers play an increasingly important role to partner with businesses across their organizations to develop appropriate risk management policies and take advantage of tactical opportunities to help drive growth.²

Modernization is no simple task.

Treasuries face a number of modernization challenges, many of which can be attributed to complex and highly regulated environments:



Legacy systems: Lack of flexibility and integration capabilities make it difficult to upgrade legacy systems to meet modern requirements.



Data management and security: Managing and securing vast amounts of customer data and extracting and sharing valuable insight.



Regulatory compliance: Ensuring compliance with regulations such as AML (Anti-Money Laundering) and KYC (Know Your Customer) require careful planning and execution to meet stringent requirements.



Overcoming resistance to change: Structures and governance frameworks may add to complexity.




Cost and ROI assessment: Modernization projects often require significant financial investment.



Talent and skills gaps: Recruiting or upskilling professionals with the necessary skills can be a challenge.

Overcoming these obstacles requires careful planning, strong leadership, collaboration with technology partners, and a phased approach to implementation that minimizes disruption to critical banking operations.



Treasurers are still forced to rely on fragmented systems to manage payments and currency risk. There remains a widespread lack of integration and numerous legacy systems, all of which continue to hinder treasurers, who use multiple yet interconnected functions across different providers.”³

Giving you the edge.

According to McKinsey, “Forward-thinking CFOs and treasurers have begun to fundamentally rethink the treasury function, shifting its role from custodian of historical cash activities to encompassing a more strategic and expansive approach of “owning” the full suite of enterprise liquidity.”⁴

Here are five key strategies to achieving treasury modernization and overcoming the obstacles in your way:

1

Refine liquidity management processes.

Liquidity management is a critical aspect of treasury modernization that can provide a distinct competitive advantage in the financial industry. Insufficient visibility into cash positions, inaccurate cash forecasting, and inadequate risk management practices can create challenges. Embracing modernization allows organizations to harness advanced technologies and tools to optimize liquidity positions and effectively respond to an ever-changing market landscape.

In the dynamic financial industry, effective liquidity management becomes a catalyst for enhancing financial stability and outperforming competitors. By optimizing liquidity positions, organizations can achieve greater operational efficiency, mitigate liquidity risks, and ensure business continuity in times of market volatility.

When it comes to liquidity management, Finastra and ITC Infotech offer a powerful combination of solutions that optimize financial processes and drive better outcomes. These include:

Real-time visibility

Gain a comprehensive and up-to-the-minute view of your liquidity position. By consolidating data from various sources into a single source of truth, you can quickly assess your financial landscape, identify potential bottlenecks, and take proactive measures to optimize liquidity utilization.

Automated treasury processes

Automating manual and time-consuming treasury tasks frees up key resources so you can focus on strategic initiatives. From cash forecasting to payment processing, the solution streamlines workflows, improves straight-through processing, and reduces the risk of errors or delays.

Informed decision making

Finastra and ITC Infotech empower you with the necessary controls and insights you need to enhance decision making. By leveraging real-time data, advanced analytics, and customizable reporting, you can assess risks, identify opportunities, and make confident, data-driven choices that align with your organization's financial goals.

Risk management

Monitor and mitigate risks effectively. From liquidity stress testing to compliance monitoring, our solution provides the tools and frameworks to assess and address potential risks, ensuring the stability and resilience of your financial operations.

Straight-through processing

Automated workflows, reduced manual intervention, and improved straight-through processing not only accelerate transaction cycles but also minimize the risk of errors, ensuring smoother operations and enhanced productivity.

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2

Accelerate response to market opportunities.

In the fast-paced and competitive financial industry, rapid response to market opportunities is business-critical. Treasurers must be able to capitalize on profitable ventures, mitigate risks, maximize investment returns, meet stakeholder expectations, and drive organizational growth.

Boosting agility via the use of modernized treasury operations puts you ahead of the curve to achieve superior financial outcomes. The ability to swiftly identify, evaluate, and act upon market opportunities means you can optimize investment decisions, proactively manage risks, and meet ever-changing stakeholder demand.

Embracing a culture of speed and responsiveness, supported by cutting-edge treasury technologies, provides what it takes to thrive in an environment where first-mover advantage can make all the difference. Finastra and ITC Infotech together ensure you can extract the most value in the least time to deploy.

Through our partnership, you gain access to a wide range of innovative fintech apps and services, all seamlessly integrated into a single platform. This enables swift adoption of the latest advancements including regulatory reporting, cloud technology, artificial intelligence, and machine learning, to augment your treasury management capabilities. With the continuous additions of new apps, you stay at the forefront of technological innovation.

As a leading software provider, Finastra proactively identifies and adapts to emerging market trends, ensuring our software solutions align with the changing dynamics of the financial landscape. Leveraging industry insights and customer feedback, we develop innovative features that help you stay competitive and capture new opportunities.

Finastra understands the importance of meeting regulatory obligations and integrates the necessary features and functionalities into its solutions. By staying up to date with regulatory changes, you can navigate complex compliance requirements with ease and confidence.

Finastra's FusionFabric.cloud platform revolutionizes the way financial institutions access and utilize fintech solutions. FusionFabric.cloud provides a plug-and-play feature that opens up an entire ecosystem of proven fintech solutions, offering you a seamless integration experience. With FusionFabric.cloud, you can easily connect and leverage a wide range of innovative tools and services to enhance your operations and deliver superior customer experiences.

By combining our commitment to meeting emerging market trends, compliance with regulatory requirements, and the power of FusionFabric.cloud's plug-and-play ecosystem, Finastra empowers you with the tools and capabilities to thrive in the rapidly evolving financial industry.

Here are five key strategies to achieving treasury modernization and overcoming the obstacles in your way:

3

Accelerate digital transformation & innovation.

Embracing digital transformation and innovation can offer you a significant competitive edge. Transformation enables you to unlock new technologies, including automation and digitization designed to drive operational excellence, accelerate decision making, and facilitate the development of innovative products and services. This positions you as a forward-thinking leader in the industry, attracting and retaining customers and setting you apart from traditional competitors.

Finastra and ITC Infotech can play a pivotal role in supporting your digital transformation and driving faster innovation in the marketplace – with a skill and knowledge pool that no in-house team can match. By leveraging our expertise, you can scale your operations efficiently and achieve market agility and growth. Through a phased implementation of modular solutions, Finastra and ITC Infotech accelerate your return on investment while reducing project risks. This approach also decreases infrastructure and maintenance costs, converting capital expenditures to operational expenditures.

The partnership between Finastra and ITC Infotech follows a best-of-breed approach. Finastra provides the application layer, including Finastra's Kondor, Opics and FusionFabric cloud, while ITC Infotech delivers the managed service layer, encompassing implementation, service center support, and evergreen application and infrastructure management. Microsoft Azure can serve as your cloud platform, offering global reach and compliance with financial services regulations. Alternatively, you have the flexibility to choose your preferred secure cloud platform. This collaborative approach empowers you to accelerate digital transformation, drive innovation, and achieve long-term success.



Here are five key strategies to achieving treasury modernization and overcoming the obstacles in your way:

4

Reduce pressure on IT resources.

Treasuries rely heavily on technology-driven systems and platforms to manage complex financial operations – from cash management to liquidity forecasting to risk analysis and compliance. These systems demand continuous monitoring, maintenance, and enhancements. Treasuries also deal with massive volumes of financial data, which, in turn, require robust infrastructure, storage, and secure data management capabilities. This places further strain on finite IT resources, and treasury modernization plays a crucial role in reducing these pressures.

Modernization introduces advanced technology solutions and automated processes that alleviate the burden on IT resources. Modern treasury systems' user-friendly interfaces and intuitive workflows enable treasury teams to independently manage day-to-day operations without heavy reliance on IT support. These systems also facilitate seamless integration with existing IT infrastructure, minimizing the need for complex customizations or time-consuming integration projects.

Finastra and ITC Infotech alleviate the burden on IT teams by offering expert guidance and a faster time to value. Finastra's pre-built best-practice modules reduce complexity and implementation time, allowing in-house teams to focus on higher-value tasks like business analysis.

ITC Infotech's test automation framework streamlines user acceptance testing, saving time and cost. With ready-to-use solutions and automated processes, treasuries benefit from accelerated data migration, configuration, and ongoing maintenance.

By providing comprehensive managed services, including software upkeep, infrastructure maintenance, and support, the burden of solution maintenance is removed from in-house teams. With a single partner accountable for delivering SLAs, internal management overhead is reduced, simplifying issue resolution.

Here are five key strategies to achieving treasury modernization and overcoming the obstacles in your way:

5

Improve security and compliance.

Treasuries deal with critical financial transactions on a daily basis and must operate within a strict regulatory environment. This makes security and compliance a top priority, where robust security measures and adherence to compliance requirements ensure sensitive financial data is protected and mitigate the many risks associated with fraud and regulatory violations.

Legacy treasuries are often at an even greater disadvantage when it comes to security and compliance. Outdated systems and manual processes provide limited visibility and a higher risk of human error. This not only exposes treasuries to vulnerabilities, but also hinders their ability to meet evolving regulatory demands.

Modernized treasury systems give you the ability to access and adopt advanced security features, such as encryption and access controls, to safeguard financial data from unauthorized access and cyber threats. Automated processes and workflows enhance accuracy and reduce the risk of human error, while ensuring compliance with regulatory requirements. Real-time monitoring and reporting capabilities enable proactive identification and mitigation of security breaches and compliance issues, ensuring timely responses to emerging risks. Integrated systems and data analytics provide comprehensive risk assessments and advanced fraud detection, further strengthening your security posture.

And, because treasury modernization enhances auditability, transparency, and streamlined reporting, you are in a much better position to efficiently meet compliance obligations. Demonstrating robust security measures and adherence to regulatory standards, businesses can build trust among stakeholders, differentiate themselves in the market, and gain a competitive advantage.

Finastra and ITC Infotech enhance security and regulatory process, easing compliance and reducing the cost to comply. **As a managed cloud service, the Finastra platform is kept up to date with worldwide regulations at all times and incorporates regulatory developments into its solutions. Compliance is assured through built-in best-practice workflows that undergo rigorous checks.**

ITC Infotech's hassle-free services leverage cloud-based offerings, eliminating the burden of maintaining on-premise security. You can rely on using the latest secure and compliant treasury software versions through their evergreening services. ITC Infotech ensures compliance with the highest cloud security standards, whether on Microsoft Azure or any other secure cloud platform.

The value of partnering with a Managed Service provider.

Many modern treasuries are recognizing the value of partnering with specialists and outsource the complexities of managing these functions in-house in favor of leveraging expert-driven efficiency with a Managed Service Provider.

As your Managed Service Provider (MSP) for Treasury Management Solutions (TMS), ITC Infotech will collaborate closely with your organization to customize and configure a TMS that aligns with your unique workflows and processes. Together, we explore insights to optimize your treasury operations and identify any and all efficiency gains.

We work with you to streamline the implementation process, reducing risks and ensuring the successful adoption of your Finastra solution. As seasoned industry veterans, we understand just how delicate the balance can be between customization and standardization, tailoring your TMS just enough to meet the nuances of your business without incurring unnecessary costs or complexity.

During the migration from legacy systems to the cloud, we ensure the accuracy and completeness of historical data, enabling the comprehensive analysis and reporting you'll need going forward. We are also committed to providing comprehensive training for your end-users, including treasury staff and other relevant employees, facilitating a swift onboarding process and the all important buy-in from your in-house teams.

And, finally, we assist with your TMS configuration to ensure you stay 100% compliant with industry and regulatory standards – a critical concern for all treasury management. Beyond implementation, we continue our support, providing essential services such as software updates, bug fixes, and assistance with system enhancements or additional customizations as needed.

With ITC Infotech as your dedicated MSP, you not only adopt at speed, but will continue to derive optimal value from your Treasury Management Solutions in the future.

Conclusion

The discussed strategies give you a competitive edge by optimizing liquidity management, capitalizing on market opportunities, embracing digital innovation, optimizing IT resources, and ensuring robust security and compliance. By implementing these, you'll be sure to differentiate yourself in the market, attract customers, improve operational efficiency, and establish a strong position as an industry leader.

Partnering with Finastra and ITC Infotech will help you amplify all these benefits as you leverage one of the world's leading treasury software and expert consultancy and delivery teams.

Finastra and ITC Infotech offer a combination of technology solutions, data analytics capabilities, process automation, and expert guidance to help you refine liquidity management processes, optimize working capital, and reduce financing costs. This collaborative approach and industry knowledge contribute to enhancing the overall liquidity management capabilities.

Finastra's solution, with its 30-year track record of robust performance in complex scenarios, has been reimagined for the cloud with an open architecture. The app store-style access to an expanding ecosystem of fintech services via Finastra's FusionFabric.cloud platform keeps your bank at the forefront of innovation.

ITC Infotech is Finastra's leading technology service partner with certified consultants including individuals with many years' experience working in treasury and risk management functions at banks. Together, we can provide your organization with the modern treasury capability you need in the form of a cost-efficient, secure, and compliant managed on-premise or cloud service.

If you would like to organize a call to assess your current infrastructure and suitability and see how we can support you in your journey please email us at

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Finastra is a global leader in treasury solutions.

Listed as #3 in the Top 100 Financial Technology Companies report of 2021

XCELENT Corporate Digital Banking Platforms 2021 recognized Finastra for 'Breadth of Functionality', and 'Customer Base & Support'

Awarded Best Treasury Management Implementation by The Asian Banker Financial Technology Innovation Awards 2021

ITC Infotech is a leader in automation.

Recognized as a Strong Performer in Forrester Wave™ Midsize RPA Services 2021

Recognized as an Innovator in Avasant's RadarView™ on Intelligent Automation Services 2020-2021

Featured in Forrester's Now Tech: Continuous Automation and Testing Service Providers, Q1 2021

About ITC Infotech

ITC Infotech is a leading global technology services and solutions provider, led by Business and Technology Consulting. ITC Infotech provides business-friendly solutions to help clients succeed and be future-ready, by seamlessly bringing together digital expertise, strong industry specific alliances and the unique ability to leverage deep domain expertise from ITC Group businesses. The company provides technology solutions and services to enterprises across industries such as Banking & Financial Services, through a combination of traditional and newer business models, as a long-term sustainable partner.

About Finastra

Finastra is a global provider of financial software applications and marketplaces, and launched the leading open platform for innovation, FusionFabric.cloud, in 2017. It serves institutions of all sizes, providing award-winning software solutions and services across Lending, Payments, Treasury & Capital Markets and Universal Banking (Retail, Digital and Commercial Banking) for banks to support direct banking relationships and grow through indirect channels, such as embedded finance and Banking as a Service. Its pioneering approach and commitment to open finance and collaboration is why it is trusted by over 8,000 institutions, including 45 of the world's top 50 banks. For more information, visit finastra.com