



White Paper

Mastering payment centralization and bank connectivity

Unlock a guide for mid-market finance leaders



Table of contents

| | |
|--|----|
| The connectivity challenge | 3 |
| Chapter 1: Understanding the barriers | 4 |
| Chapter 2: Building the business case for transformation | 6 |
| Chapter 3: Selecting the right partner | 8 |
| Chapter 4: Implementation best practices | 11 |
| Chapter 5: Measuring success | 14 |

The connectivity challenge

For mid-market finance leaders, managing relationships with multiple banking partners is a fundamental reality of business. Each connection represents a vital channel for cash flow, payments and financial data. But linking these disparate channels into a cohesive, efficient and secure financial system remains a persistent challenge.

The daily struggle with bank connectivity is often a story of manual workarounds and fragmented systems. You might spend valuable hours reconciling data from different bank portals, each with its own unique format, security protocol and reporting style. Your enterprise resource planning (ERP) system may not be equipped to integrate seamlessly with multiple banks, forcing time-consuming manual data entry and file management.

Patchwork point-to-point integrations in your financial system is not just inefficient; it's fragile and expensive. It takes significant resources to build, maintain and secure individual connections. System updates and meeting new compliance requirements are burdensome for IT and treasury teams, leading to high operational costs and greater barriers to change.

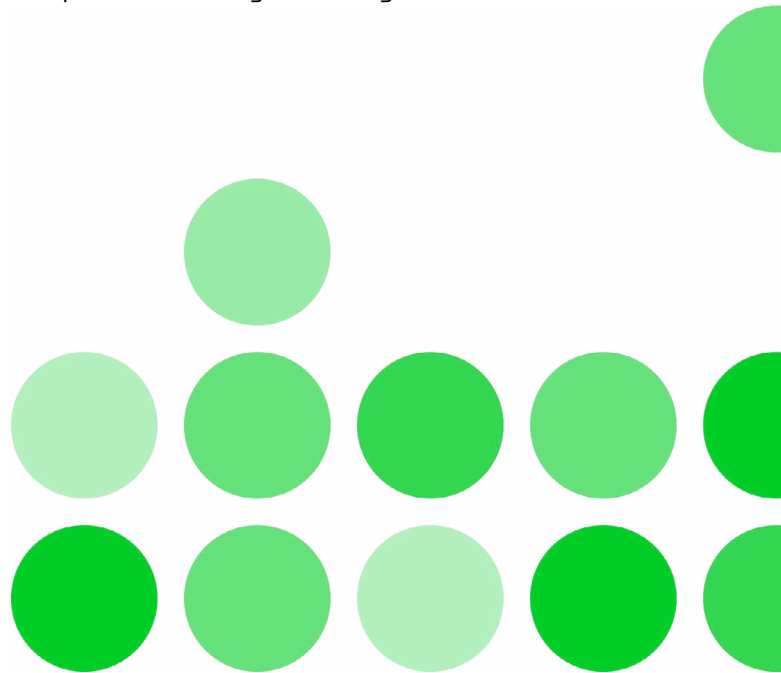
The consequences of an outdated approach to bank connectivity include:

- **Limited visibility:** Without a unified view of cash across all banking partners, making timely and informed liquidity decisions is nearly impossible.
- **Operational inefficiency:** Manual processes can lead to errors, slow down payment cycles, and divert your team's focus from strategic analysis to administrative tasks.
- **Increased risk:** Fragmented systems create security vulnerabilities and make it more difficult to detect fraudulent activity in real time.
- **Stifled growth:** As your organization scales, the complexity and cost of managing each new banking relationship grow exponentially, hindering your ability to expand into new markets or adapt to changing business needs.

But what if you could move beyond these limitations? Modernizing your payments and bank connectivity is not simply about improving operational efficiency. It's about unlocking the strategic potential of your financial data. By creating a single, standardized and automated pipeline for information flow between your enterprise and your banks, you gain the real-time visibility needed to optimize working capital, strengthen financial controls and make faster, more confident decisions.

This guide is designed for you – the mid-market CFO, treasurer and finance leader who recognizes the urgent need for a better approach. We'll explore the technical, operational and strategic barriers to payments and bank connectivity, and provide a clear roadmap for change. From leveraging the power of APIs to embracing shared platforms like payment hubs, you'll discover practical strategies to build a scalable, secure and future-proof connectivity framework.

It's time to turn your connectivity challenges into a competitive advantage. Let's begin.



Chapter 1: Understanding the barriers

Why does achieving seamless bank connectivity feel like a constant uphill battle? You want to achieve a more efficient, transparent financial ecosystem, yet face persistent, complex obstacles. You want to modernize, but need a defined path. You're not alone. Many mid-market firms face the same technical, operational and strategic barriers.

To build a better framework for modernization, you first need a complete view of the landscape and the specific hurdles. Understanding these barriers is the first step toward dismantling them. Let's explore the three core areas where these challenges arise and how they impact your daily financial operations.

The technical tangle: A web of complexity

At the most fundamental level, bank connectivity is a technical challenge. The systems, protocols and data formats that underpin financial communications were not designed with multi-bank simplicity in mind. This creates a tangled web that your teams must navigate every day.

The problem of standardization, or lack thereof

Imagine trying to connect a dozen different devices, each with a unique plug and power requirement, to a single outlet. This is the reality of bank connectivity for most mid-market organizations.

Each banking partner operates its own ecosystem with distinct:

- **File formats:** While standards like ISO 20022 are gaining traction, many banks still rely on proprietary or legacy formats for statements, payment instructions and lockbox reports. Your team is left to translate and map data from BAI2, MT940, CSV and other formats just to get a consolidated view.
- **Communication protocols:** One bank may require you to connect via a Secure File Transfer Protocol (SFTP) site; another may use a host-to-host connection; and a third might be pushing for API integration. Each protocol comes with its own setup, maintenance and security considerations.
- **Security requirements:** Each bank enforces its own requirements for encryption, authentication tokens and user permissions, creating a significant administrative burden that also increases the risk of a potential breach.

This lack of standardization forces organizations into a reactive position, constantly adapting to a fragmented and ever-changing environment.



Enterprise Resource Planning (ERP) systems: Not built for multi-bank reality

Your ERP system is the heart of your financial operations, but often falls short as a central hub for bank connectivity. Most ERPs are designed for internal process excellence, not for external integration with a diverse network of banking partners.

The native connectivity modules within many ERPs are often limited or require expensive, custom development to meet your specific needs. This leaves you with a difficult choice: invest heavily in customizing a system that was not designed for this purpose, or rely on manual processes outside the system. Both paths lead to inefficiencies and data silos, undermining the very idea of a single source of truth.

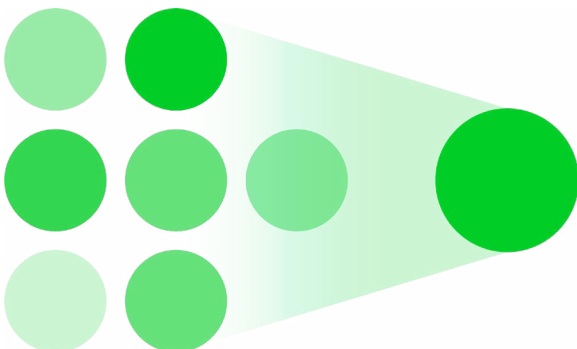
Operational hurdles: The strain on your resources

Beyond the technical complexity lies a set of operational realities that place immense strain on mid-market finance and IT teams. Unlike large enterprises with dedicated treasury technology departments, your resources are likely stretched thin, making it difficult to manage the demands of a complex connectivity infrastructure.

The treasury-IT capacity gap

Many mid-market firms don't have a dedicated team of treasury IT specialists. Instead, the responsibility for building and maintaining bank connections often falls to a generalist IT department that is already juggling competing priorities. They may lack the expertise in banking protocols and payment formats to manage these connections effectively.

This capacity gap means that adding a new banking partner or updating an existing relationship can take months, delaying strategic initiatives. Routine maintenance becomes a burden, and troubleshooting failures consumes valuable time that could be spent on innovation.



The high cost of maintenance and fragility

Point-to-point connections are not just difficult to build; they're also fragile and expensive to maintain. Each custom-built link is another potential point of failure. When a bank updates its systems, changes a security protocol or modifies a file format, custom integration can break.

Fixing it requires developer resources, testing and coordination, all of which come at a cost. The total cost of ownership for a patchwork of individual connections is often far higher than anticipated. This "technical debt" accumulates over time, making your entire financial infrastructure resistant to change and innovation. The result is a high barrier to switching banking partners or adopting new services, effectively locking you into suboptimal relationships.

Strategic misalignment: The bigger picture

Finally, the most subtle but significant barriers are often strategic. A short-term, tactical approach to connectivity can undermine long-term goals for growth, scalability and governance.

The missing scalability and governance layer

When bank connections are built one at a time to solve immediate problems, the bigger picture is often lost. Without a centralized strategy, organizations end up with systems that cannot scale efficiently. Onboarding the fifth or tenth banking partner becomes exponentially more difficult than adding the second.

This approach also creates a critical gap in governance. How do you enforce consistent security policies, compliance checks and approval workflows across a dozen different connection points? A fragmented payment infrastructure makes it nearly impossible to maintain centralized control, leading to greater operational, financial and security risks.

Together, technical, operational and strategic barriers create a challenging environment for mid-market finance leaders. It's one reason why a team spends so much time on low-value manual tasks instead of high-impact strategic analysis.

Recognizing these challenges is the first step toward implementing a solution. Now that we have defined the problem, we can begin to explore the modern strategies and technologies that provide a path forward.

Chapter 2: Building the business case for transformation

You've identified the barriers holding your treasury operations back. You've explored the modern path forward: implement APIs, managed connectivity and payment hubs. But now you face perhaps the most significant hurdle of all: securing the budget and organizational buy-in to make it happen.

For many mid-market organizations, the status quo is a powerful force. If payments are being made and cash positions are eventually reconciled, it's easy for stakeholders to assume that the current system "works fine." But "working fine" is a dangerous standard in a rapidly evolving financial landscape. It ignores the hidden costs of inefficiency, the looming risks of fraud, and the lost opportunities of trapped capital.

To secure the investment you need, you must shift the conversation from technology to value. You need to demonstrate that modernizing bank connectivity is not just an IT upgrade. It's a strategic imperative that protects the bottom line and fuels growth. This chapter will guide you through building a compelling business case, quantifying the return on investment (ROI), and aligning your proposal with the broader goals of your organization.

The hidden cost of the status quo

Before you can sell the solution, you must clearly define the problem in financial terms. The manual processes and fragmented connections we discussed in Chapter 1 carry a price tag that often goes unnoticed because it's buried in operational overhead. To build your case, start by auditing the "soft costs" that drain your resources every day:

Labor hours: How many hours per week does your team spend logging into bank portals, downloading files and manually keying data into the ERP? What is the annual cost of that time?

Error correction: How often do manual entry errors occur? What is the cost of investigating and rectifying these errors, or worse, recovering incorrect payments?

IT maintenance: How much time does your IT team spend troubleshooting broken file transfers or updating security certificates for individual bank connections?

When you aggregate these costs, the "free" manual process often proves to be the most expensive option of all. Modernization eliminates these inefficiencies, allowing you to redeploy valuable talent toward analysis and strategy rather than data entry.

The financial argument: Hard ROI

While operational efficiency is important, hard financial returns hold the most sway with CFOs and boards of directors. A modern connectivity layer drives direct cost savings in several key areas.

1. Reducing bank fees and transaction costs

With a centralized payment hub, you gain the ability to route payments intelligently. You can analyze transaction costs across banking partners and route files through the most cost-effective channels. You can aggregate low-value payments into a single bulk file, which costs less than sending individual transactions. By standardizing connectivity, you are not as reliant on expensive proprietary bank software or specialized workstations.

2. Unlocking idle cash

Visibility is synonymous with liquidity. When you rely on prior-day reporting, you are forced to keep "safety buffers" of idle cash in various accounts to ensure you can cover unexpected outflows. This is capital that isn't working for you. Real-time API connectivity provides a more accurate, up-to-the-minute view of your cash position. This allows you to:

- Minimize idle balances across accounts
- Reduce reliance on costly overdrafts or revolving credit lines
- Invest surplus cash faster to generate yield

Even a modest improvement in working capital efficiency can generate significant returns when annualized.

3. Lowering total cost of ownership (TCO)

Maintaining a patchwork of custom-built connections leads to an endless cycle of technical debt. With a managed connectivity service or a standard payment hub, you can convert unpredictable variable costs, such as emergency IT repairs or consultant fees, into a predictable, fixed operating cost. You can also eliminate the need for costly internal server infrastructure and security upgrades associated with hosting your own connections.

The operational argument: Risk and resilience

Financial savings are compelling, but for many organizations, risk mitigation is the tipping point. The cost of a single fraud event or a major compliance failure can far exceed the cost of a connectivity project.

Manual processes are the playground of fraudsters. Emailed payment instructions, manual file uploads and decentralized approvals create gaps that bad actors exploit. A centralized connectivity hub acts as a fortress, allowing you to:

- Centralize controls by enforcing standard approval workflows for all payments, regardless of the bank or region.
- Detect anomalies automatically to flag suspicious payments such as a first-time vendor, a duplicate invoice amount or a transaction outside normal hours.
- Secure data by replacing vulnerable file handling with encrypted, direct-to-bank transmission channels.

What happens if your primary banking connection fails? In a point-to-point model, you might be unable to process payroll or pay critical suppliers. A managed connectivity layer offers redundancy. If one channel goes down, robust platforms often have failover mechanisms or alternative routing options. Investing in resilience helps ensure your business keeps moving, no matter what technical disruptions occur.

The strategic argument: Scalability and agility

The last approach is to link your connectivity project to the future of the company. Mid-market firms are rarely static; you're likely aiming for growth, whether organic or through acquisition.

M&A integration speed

If your company acquires another firm, integrating their banking operations can take months of manual effort. With a standardized connectivity hub, you can plug the new entity's banks into your existing infrastructure much faster. You gain visibility into your acquisition's cash positions on day one, accelerating the realization of synergies.

Speed to market

As you expand into new geographies, setting up banking relationships can be a bottleneck. A managed service provider already has the "pipes" built to thousands of banks worldwide. Instead of building a new connection from scratch, you simply turn on a new destination. This agility allows finance to support business expansion rather than slowing it down.

Tailoring the pitch to your stakeholders

To win approval, you must speak the language of your audience. Tailor your message based on who you are addressing.

To the CFO: Focus on control and capital

Message: "This investment gives us control over our cash. It reduces our borrowing costs by optimizing liquidity and protects our capital from fraud. It transforms finance from a reporting function to a strategic driver."

Key metric: Return on Invested Capital (ROIC), working capital improvements, risk reduction.

To the CIO/IT leader: Focus on security and simplicity

Message: "We can offload the maintenance of fragile bank connections. This solution adheres to the highest security standards (ISO 27001, SOC 2), reducing our cyber risk profile. It frees your team from low-value support tickets to focus on core business technology."

Key metric: Reduction in IT support hours, improved security compliance posture.

To the Board of Directors: Focus on resilience and governance

Message: "We are modernizing our financial infrastructure to match our growth ambitions. This ensures we are compliant, secure and agile enough to handle future expansion without adding headcount."

Key metric: Scalability, governance and compliance adherence.

The cost of inaction

When building your business case, don't forget to quantify the cost of doing nothing. Remaining with the status quo means accepting higher fees, higher risk and lower efficiency. It means your team will continue to drown in manual work while competitors operate with real-time agility.

The investment in modern bank connectivity is not just about buying software; it's about buying speed, security and certainty. By presenting a balanced case that highlights hard savings, risk mitigation and strategic value, you position this project not as a cost center, but as a critical enabler of your organization's future success.

In the next chapter, we'll look at how to select the right partner to help you execute this vision.

Chapter 3: Selecting the right partner

You have built the business case and secured the mandate for change. You understand that the path forward lies not in building more custom infrastructure, but in leveraging modern, managed solutions. The next critical step is choosing the right partner to guide you on this transformation. How do you find a collaborator that understands your unique mid-market challenges and has the technology and expertise to deliver on the promise of seamless connectivity?

This decision extends far beyond a simple software purchase. You're selecting a partner that will become an extension of your finance and IT teams, a custodian of your most critical financial data flows. The right partner acts as a strategic enabler, helping you unlock efficiency, security and growth. The wrong one can lead to project delays, budget overruns and a solution that fails to deliver on its core value.

Making the right choice requires a structured evaluation process. You need to look past the marketing materials and assess potential partners on a range of critical capabilities. This chapter provides a framework for that evaluation, outlining the key criteria to consider and the essential questions to ask.

Core pillars of a strategic connectivity partner

Your evaluation should be built around five core pillars: technological expertise, security and compliance, scalability and global reach, implementation and support, and strategic alignment. A best-in-class partner will demonstrate strength across all these areas.

1. Proven technological expertise

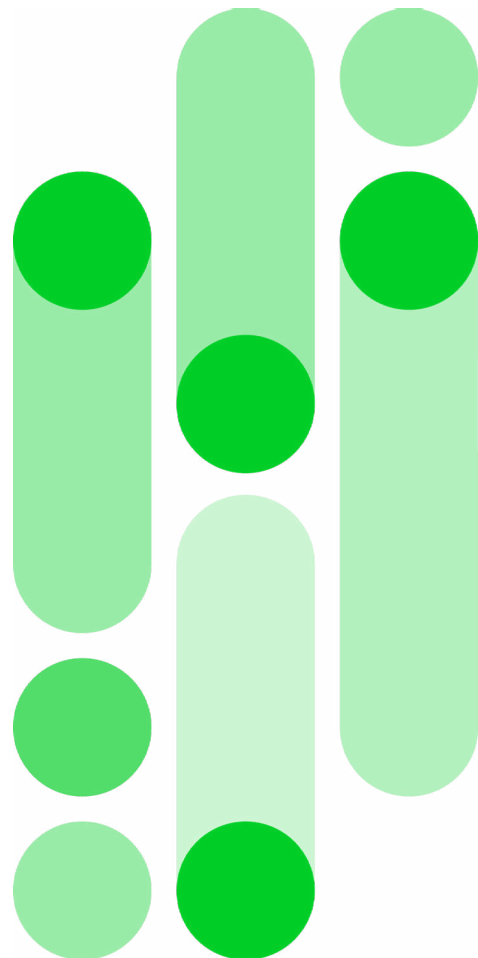
The world of financial messaging, payment formats and banking protocols is complex. The company you partner with must be a master of this domain, not a generalist IT provider. Here's what to look for:

- **Deep domain knowledge:** Including ISO 20022, SWIFT, local payment clearing systems (like ACH, SEPA, Bacs), and the nuances of various bank-proprietary formats.
- **Modern and flexible platform:** The technology offered should be built on a modern architecture that supports both legacy file-based connections and real-time APIs.
- **Global bank connectivity:** This is a crucial indicator of a provider's experience and ability to accelerate your implementation timeline.

2. Uncompromising security and compliance

When you trust a partner with your payment flows and treasury, their security and compliance posture must be impeccable and transparent. Key considerations include:

- **Certifications and audits:** Look for internationally recognized security certifications like ISO 27001 and SOC 1/SOC 2 compliance reports that validate robust controls for data security, availability and confidentiality.
- **End-to-end data encryption:** Make sure the provider has protocols in place to protect data in transit and at rest.
- **Proactive compliance:** Find out how the provider handles evolving regulations like GDPR, as well as sanctions screening updates. Can they manage this on your behalf? Are compliance checks embedded into the platform?



3. Scalability and global reach

Your business is not static, and your connectivity solution shouldn't be either. The right partner provides a platform that can grow with you, whether you want to expand into new markets, acquire other companies or increase transaction volumes.

How can you assess scalability?

- **Global bank network:** Does the partner have established connectivity with banks in the regions you plan to enter? A provider with a global footprint saves you the immense effort of finding and vetting local solutions.
- **Volume and performance:** Ask for metrics on their platform's transaction processing capacity. Can it handle significant peaks in volume without performance degradation?
- **Ease of onboarding:** How quickly can a new banking partner be added to your profile? A scalable solution turns this from a months-long IT project into a simple configuration change.

4. A partnership approach to implementation and support

Technology is only as good as the team that implements and supports it. A true partner invests in your success from day one and provides expert support when you need it most. Features of a great support model include:

- **Structured onboarding:** The implementation plan should be clear and phased, with defined milestones and dedicated project management resources.
- **Expert support teams:** When you have an issue with a payment file, you need to talk to someone who understands both your system and the bank's requirements. Look for partners with dedicated support teams who are experts in payments, not just generic software support.
- **Proactive monitoring:** The best partners don't wait for you to tell them there is a problem. They proactively monitor connectivity and file processing, often identifying and resolving issues before they impact your business.

5. Strategic alignment with your business goals

Lastly, the partner you choose should understand and align with your business objectives. They should function less like a vendor and more like a trusted advisor who:

- **Understands the needs of mid-market firms:** They should recognize that your resources are finite and offer solutions that are designed for efficiency and ease of use, not solutions that require a large team to manage.
- **Shares a vision for the future:** Inquire about their product roadmap. Are they investing in emerging technologies like AI-powered fraud detection or advanced analytics? Their forward-looking vision should align with your long-term goals for the Office of the CFO.
- **Focuses on outcomes:** A strategic partner is interested in the business outcomes you achieve, like reduced risk or improved working capital, not just in selling you a software license.



Key questions to ask potential partners

As you engage with potential partners, ask questions that explore their core capabilities.

- **On technology:** “Can you walk me through your standard process for connecting to a new bank that is not already in your network? What are the timelines and costs?”
- **On security:** “Can you provide us with your most recent SOC 2 Type II audit report? How do you segregate customer data on your platform?”
- **On scalability:** “Describe a scenario where you helped a client rapidly scale their banking connectivity following an acquisition.”
- **On support:** “What are your support team’s hours of operation? What is your standard service-level agreement (SLA) for resolving a critical payment failure?”
- **On strategy:** “How does your solution help us reduce the total cost of ownership for bank connectivity, beyond just subscription fees?”

Red flags to watch for

Just as important as knowing what to look for is knowing what to avoid. Be wary of partners who:

- **Lack transparency:** If they’re hesitant to provide security documentation or details about their infrastructure, consider it a major red flag.
- **Offer a “one-size-fits-all” solution:** Every business has unique needs. A partner who does not take the time to understand your specific workflows and challenges is unlikely to be a good fit.
- **Outsource core functions:** Be cautious of providers that outsource critical functions like product development or customer support, as it can lead to quality and accountability issues.
- **Compete on price alone:** The cheapest solution is rarely the best. An unusually low price may signal a lack of investment in security, support or technology.

Choosing a connectivity partner is one of the most important decisions you’ll make in your modernization journey. Take your time, do your due diligence, and select a partner who not only provides world-class technology but also demonstrates a genuine commitment to your long-term success. With the right partner by your side, you can transform bank connectivity from a persistent challenge into a powerful strategic asset.



Chapter 4: Implementation best practices

The decision is made. You've built a compelling business case, secured the necessary budget, and selected a strategic partner to help you modernize your bank connectivity. This is a significant milestone, but the journey has just begun. Now, you must turn your vision into a reality. How do you navigate the transition from your current fragmented state to a streamlined, centralized and automated future?

A successful implementation is not just about technology; it's about people, processes and planning. It requires a methodical approach that minimizes disruption, manages expectations and ensures the solution delivers on its promised value from day one. Many organizations falter at this stage, not because of a flaw in the technology, but because of a failure in execution.

This chapter provides a practical guide to implementation best practices. It outlines a clear, repeatable process for deploying your new connectivity solution, helping you avoid common pitfalls and ensuring a smooth, successful rollout. By following these steps, you can manage the project with confidence and transform implementation from a source of anxiety into a manageable and rewarding process.

Laying the foundation: Before you begin

The success of your implementation is often determined before the first line of code is written or the first file is configured. Proper preparation is essential.

Define clear, measurable goals

What does success look like for this project? Moving beyond the high-level goals from your business case, you need to define specific, measurable outcomes. These might include:

- **Operational efficiency:** Reduce manual reconciliation time by 50% within six months of go-live.
- **Cost savings:** Lower bank transaction fees by 15% in the first year by optimizing payment routing.
- **Risk reduction:** Achieve 100% adherence to centralized payment approval workflows for all high-value transactions.
- **Cash visibility:** Attain real-time visibility into 95% of your global cash balances by the end of the project.

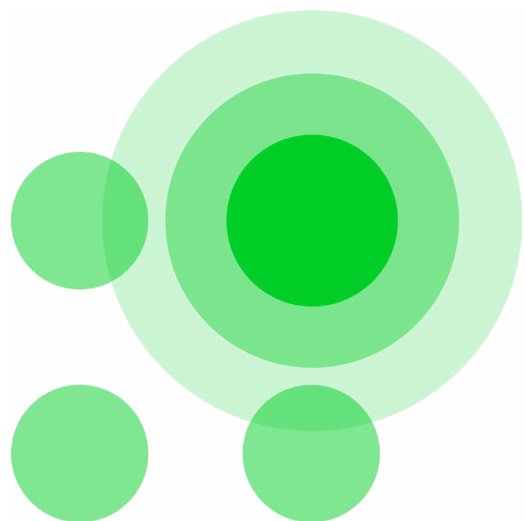
These clear key performance indicators (KPIs) will guide your implementation decisions and provide a benchmark for measuring the project's ultimate success.

Assemble your cross-functional 'A-team'

Implementing a bank connectivity solution is not just a finance or IT project; it's a business transformation project. Your implementation team should reflect this and include representation from all key stakeholder groups including:

- **Project sponsor:** A senior leader (often the CFO or treasurer) who champions the project, removes roadblocks and communicates its strategic importance to the organization.
- **Project manager:** The day-to-day leader responsible for managing timelines, resources and communication between your team and your implementation partner.
- **Treasury/finance lead:** A subject matter expert who understands the current payment processes, cash management workflows and reporting requirements.
- **IT lead:** A technical expert who understands your ERP system, security protocols and internal data infrastructure.
- **Business unit representatives:** Key users from departments like accounts payable or payroll who will interact with the new system daily. Their early involvement is crucial for adoption.

A cross-functional team helps ensure all perspectives are considered and fosters a sense of shared ownership.



The implementation roadmap: A phased approach

Trying to boil the ocean by connecting all your banks and processes at once is a recipe for disaster. A phased approach is almost always the best practice. It allows you to build momentum, learn as you go, and deliver value incrementally.

Phase 1: The pilot - Prove the concept

Just as important as knowing what to look for is knowing what to avoid. Be wary of partners who start small. Select one or two key banking relationships for your pilot phase. Choose a bank with significant transaction volume and a relatively straightforward process.

The goal of this phase is to:

- Establish the core connectivity with your partner's platform
- Configure and test a primary payment type (e.g., domestic ACH)
- Test end-to-end data flow, from ERP file generation to bank confirmation
- Train a small group of super-users

A successful pilot validates the technology and builds confidence across the organization, creating momentum for subsequent phases.

Phase 2: The rollout - Expand and scale

Once the pilot is successful, you can begin methodically rolling out connectivity to your other banking partners and introducing more complex processes. Group banks by region or by payment type to create logical implementation waves. For each wave, you'll:

- Onboard the new banking partners onto the platform
- Configure additional payment types (e.g., international wires, check files)
- Map and test bank statement reporting (e.g., MT940, BAI2) for automated reconciliation
- Expand training to a wider user base

Phase 3: Optimization - Enhance and refine

After the core connectivity is in place, the final phase focuses on optimization. This is where you unlock the full strategic value of the platform. Activities may include:

- Implementing advanced features like automated payment routing for cost optimization
- Developing custom dashboards and reports for enhanced cash forecasting
- Integrating the platform with other systems, such as a treasury management system (TMS)
- Conducting a post-implementation review to measure success against your original KPIs

Critical success factors and common pitfalls

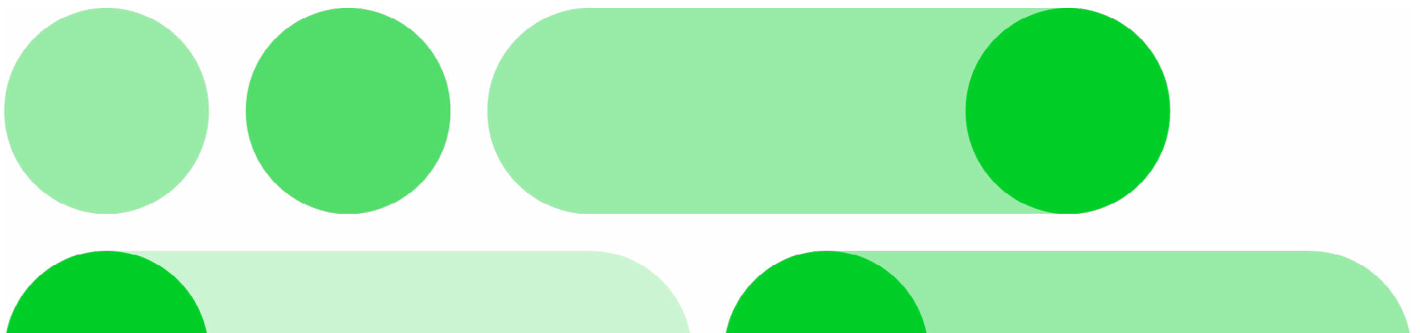
Even with a solid plan, execution matters. Pay close attention to these critical areas to avoid common implementation traps.

Success factor: Rigorous testing

Do: Test everything. And then test it again. Your testing plan should be comprehensive and cover multiple scenarios, including:

- **Positive testing:** Does the process work as expected for a standard transaction?
- **Negative testing:** What happens when a file is malformed or a payment is rejected? Does the system provide clear error messages and notifications?
- **User acceptance testing (UAT):** Involve your end-users to test real-world scenarios. This is your last line of defense before go-live and is crucial for user adoption.

Pitfall to avoid: Rushing through testing to meet an arbitrary deadline. A single payment error in a production environment can cause financial and reputational damage that far outweighs the benefit of launching a week early.



Success factor: Change management and communication

Do: Communicate early and often. Your team needs to understand why this change is happening, what's in it for them (e.g., less manual work), and how it will impact their daily jobs. Develop a clear training plan tailored to different user groups.

Pitfall to avoid: "Dropping" the new solution on users with minimal warning or training. Resistance to change is natural; a lack of communication turns that resistance into active opposition, crippling adoption and undermining the project's ROI.

Success factor: Data cleansing and migration

Do: Use the implementation as an opportunity to clean up your data. This is particularly important for vendor payment details. Ensure your static data is accurate and standardized before migrating it to the new system.

Pitfall to avoid: The "garbage in, garbage out" problem. Migrating messy, outdated vendor data will only lead to payment failures and operational headaches in the new system. Take the time to scrub your data upfront.

Life after go-live: Ongoing governance and optimization

Your implementation project does not end on go-live day. To ensure you continue to derive value from your investment, you must establish a framework for ongoing governance and continuous improvement.

- **Establish a center of excellence (CoE):** Designate a small team or individual to "own" the connectivity platform post-launch. They will be responsible for managing user access, overseeing future enhancements and acting as the primary liaison with your partner.
- **Regular health checks:** Schedule regular reviews with your implementation partner to discuss performance, explore new features and ensure the platform continues to meet your evolving business needs.
- **Monitor Your KPIs:** Continue to track the metrics you defined at the start of the project. Are you realizing the expected cost savings and efficiency gains? This data is crucial for demonstrating ongoing value to senior leadership.

By treating implementation as a strategic, phased process rather than a one-time technical event, you set your organization up for long-term success. A well-executed implementation delivers more than just a new piece of software; it delivers a resilient, scalable and intelligent financial infrastructure that will serve as a cornerstone of your company's growth for years to come.

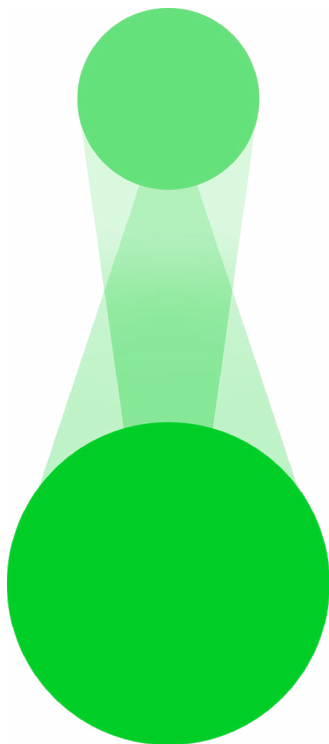


Chapter 5: Measuring success

How do you know if your bank connectivity transformation was truly successful? The project go-live is a major milestone, but it's not the finish line. The true measure of success is not whether the new system is running, but whether it's delivering the strategic value you outlined in your business case. Without a clear framework for measurement, you risk flying blind, unable to quantify your return on investment or identify opportunities for further improvement.

Measuring success is a continuous process of tracking performance, gathering feedback and connecting technology outcomes to business results. It's what transforms a one-time project into a lasting capability. This structured approach allows you to demonstrate value to stakeholders, justify future investments and ensure your finance function continues to evolve.

This chapter provides a guide to defining what success looks like and how to measure it. We'll explore the key metrics that matter, how to build a performance monitoring framework, and how to use those insights to drive a culture of continuous improvement.



Beyond the project plan: Defining your metrics

The KPIs you established in your business case are the foundation of your measurement framework. Now, it's time to translate those high-level goals into tangible, trackable metrics across several key categories. Your success story will be told through the data you collect in these critical areas.

1. Financial performance: The hard return on investment

This is the language of the C-suite. These metrics directly connect your connectivity project to the bottom line and are essential for proving financial value.

- **Total cost of ownership (TCO):** Compare the predictable operating costs of your new platform (subscription fees, internal support) against the variable costs of the old model (consultant fees, developer hours for fixes, legacy system maintenance).
- **Bank fee reduction:** Track a month-over-month decrease in transaction fees resulting from optimized payment routing and the decommissioning of proprietary bank software.
- **Working capital efficiency:** Measure the reduction in idle cash balances held as safety buffers. Quantify the financial benefit of deploying this newly available capital, whether through short-term investments or debt reduction.

2. Operational efficiency: Giving time back to your team

One of the most immediate benefits of modernization is the elimination of low-value manual work. Measuring this frees up your team to focus on more strategic activities.

- **Manual process reduction:** Calculate the number of hours per week saved on tasks like logging into bank portals, manually entering data and reconciling accounts.
- **Straight-through processing (STP) rate:** What percentage of your payments and cash application entries are now processed automatically without any manual intervention? Aim to increase this rate continuously.
- **Error rate reduction:** Track the decline in payment errors, such as incorrect entries or duplicate payments, that require manual investigation and correction.

3. Cash visibility and control: From reactive to proactive

Enhanced visibility is a cornerstone of modern treasury. Your metrics should reflect how quickly and accurately you can see and control your cash.

- **Time-to-visibility:** How long does it take from the close of business to have a consolidated view of your global cash position? This should move from hours or a full day to near-real time.
- **Forecast accuracy:** With more timely and granular data, does the accuracy of your cash flow forecasts improve? Measure the variance between your forecast and actual cash positions.
- **Policy adherence:** What percentage of payments now flow through the centralized platform, subject to its automated controls and approval workflows?

4. Risk mitigation: Quantifying a safer operation

While it can be difficult to measure an event that did not happen, you can track leading indicators of a stronger risk posture.

- **Fraud attempt detection:** Log instances where the system automatically flagged a suspicious transaction (e.g., a duplicate invoice, a changed vendor bank detail) that was subsequently confirmed as fraudulent or erroneous.
- **Audit and compliance efficiency:** Measure the reduction in time and resources required to prepare for internal or external audits, as all data is now centralized and accessible.
- **Security incident reduction:** Track any decrease in security-related incidents, such as unauthorized access attempts or data exposure related to manual file handling.

4. Risk mitigation: Quantifying a safer operation

While it can be difficult to measure an event that did not happen, you can track leading indicators of a stronger risk posture.

- **Fraud attempt detection:** Log instances where the system automatically flagged a suspicious transaction (e.g., a duplicate invoice, a changed vendor bank detail) that was subsequently confirmed as fraudulent or erroneous.
- **Audit and compliance efficiency:** Measure the reduction in time and resources required to prepare for internal or external audits, as all data is now centralized and accessible.
- **Security incident reduction:** Track any decrease in security-related incidents, such as unauthorized access attempts or data exposure related to manual file handling.

5. User adoption and satisfaction: The human element

A system is only successful if people use it. Gauging user adoption and satisfaction is critical for ensuring the long-term health of your new processes.

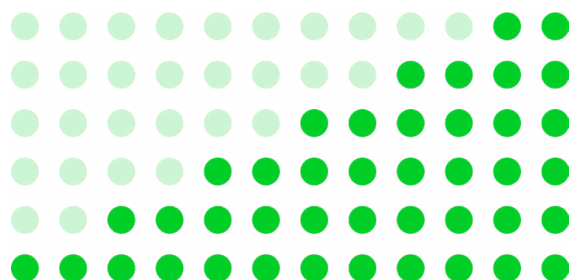
- **Adoption rate:** What percentage of the target user base is actively using the new platform for their daily tasks?
- **User satisfaction surveys:** Conduct simple, regular surveys (e.g., using a Net Promoter Score model) to ask users how the new system is impacting their work. Ask questions like, "How much easier is it to process payments now compared to the old way?"
- **Support ticket volume:** Monitor the number of support requests related to payment processing. A successful implementation should see this number decrease over time as users become more proficient.

Building your performance dashboard

Once you have defined your metrics, you need a way to track and visualize them. A performance dashboard, whether built in a BI tool, a spreadsheet or within your new platform itself, serves as your single source of truth for project value.

A good dashboard should:

- **Be visually intuitive:** Use charts and graphs to make trends immediately obvious.
- **Track progress over time:** Display data on a weekly, monthly and quarterly basis to show improvement.
- **Compare against a baseline:** Benchmark your current performance against the data you collected on your old processes. This clearly illustrates the "before and after" impact.
- **Be accessible:** Share the dashboard with your project team, stakeholders and senior leadership to maintain visibility and celebrate progress.



From measurement to momentum: Driving continuous improvement

Measurement is not a passive activity. The insights you gather from your KPIs should be the fuel for a continuous cycle of improvement.

Host regular review sessions

Schedule monthly or quarterly meetings with your cross-functional team and your implementation partner. Use the dashboard as your agenda. Discuss what's working well, where you're falling short of your targets, and what actions you can take to close the gap.

Use insights to refine your strategy

The data may reveal unexpected opportunities. Perhaps you notice that one banking partner consistently has higher payment failure rates. This is an insight you can act on, either by working with the bank to resolve the issue or by shifting volume to a more reliable partner. Your measurement framework becomes a strategic tool for optimizing your entire banking network.

Unlock more

By embedding measurement into your post-implementation operating rhythm, you ensure that your investment in bank connectivity continues to pay dividends long after the project is officially "complete." You create a data-driven culture where finance is not just reporting on the past, but actively shaping a more efficient, secure and profitable future for the organization.

Money at rest. Money in motion. Money at work.™

Our **technology** powers the global economy across the money lifecycle.



Money at rest

Unlock seamless integration and human-centric digital experiences while ensuring efficiency, stability, and compliance as your business grows.



Money in motion

Unlock liquidity and flow of funds by synchronizing transactions, payment systems, and financial networks without compromising speed or security.



Money at work

Unlock a cohesive financial ecosystem and insights for strategic decisions to expand operations while optimizing performance.

fisglobal.com/contact-us

linkedin.com/company/fis

x.com/fisglobal

This material is for information purposes only of the intended recipient. We have taken care in the preparation of this information but will not be responsible for any losses or damages including loss of profits, indirect, special or consequential losses arising as a result of any information in this document or reliance on it (other than in respect of fraud or death or personal injury caused by negligence). Terms and conditions apply to all our services. The content of this material may not be reproduced without prior consent of FIS.