

Optimizing Cash Inflow Processes with ERP-TMS-Bank Integration

As a treasurer in 2025, you understand how critical the interplay of business process workflows between diverse software systems is – where configuration, validation, reconciliation, and reporting of cash inflows occur across multiple teams in isolation.

Inefficient interoperability of the systems these teams use can result in missing balance data, inaccurate forecasting, and avoidable events like funding shortfalls - particularly as business complexity grows.

Treasury sits at the heart of these workflows and - given the right tools - can proactively prevent such lapses through thoughtful end-to-end integrations.

This guide delves into how optimizing ERP-TMS-Bank interoperability strengthens treasury's ability to safeguard cash, driving profitability through enhanced cash inflow processes and accurate strategic insights.



Cash Inflows (Sales, Collections, AR, Treasury)

Cash flow is the lifeblood of any business, and treasury is uniquely positioned to drive positive trends through cross-departmental collaboration. Critical finance functions where inefficiencies often arise due to poor systems interoperability include:

For finance operations:

- › DSO and DIO evaluation that inform strategic decisions to shorten the CCC.
- › Counterparty risk assessment for credit-seeking customers, which requires monitoring and adjusting credit limits based on customer behavior.
- › Three-way matching for cash receipt categorization and cash application processes to close open AR.
- › Recording ROBO structure cash movements for multi-entity cash receipts.

For treasury:

- › Optimize interest on deposits, investments, and debt.
- › Foreign currency hedging and exposure risk management.
- › Executing intercompany fundings and cash pooling.
- › Managing cash concentration and pooling structures.
- › Building global liquidity forecasts to inform working capital management strategy.

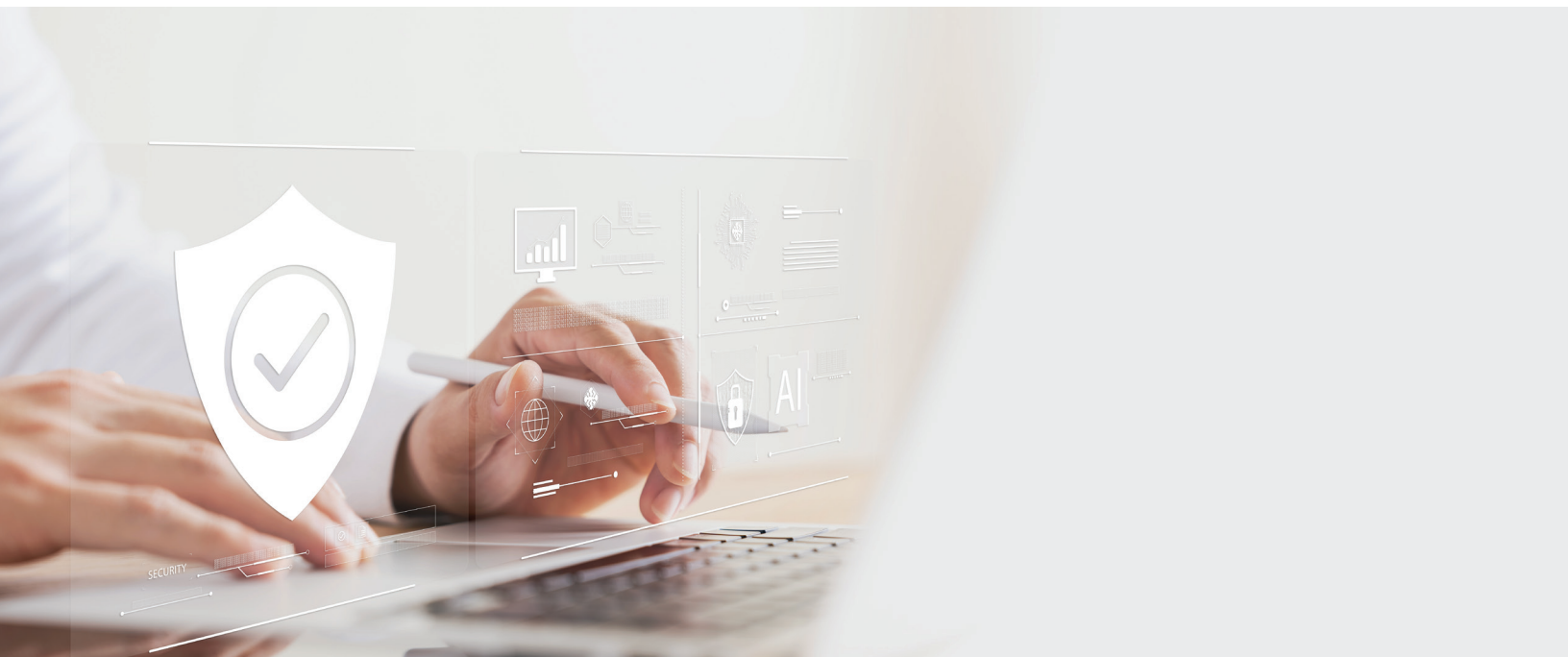
How Improving Interoperability Systems Moves the Needle

Traditional silos between systems hinder efficiency, but modern ERP-TMS-Bank integrations address this with advanced software that includes features like:

- › Customizable mapping tables for intersystem standardization across collections, yields, reconciliation, and reporting data points.
- › Multi-format translations (CSV, PDF, JSON, PAIN, BAI, CAMT).
- › SOX compliant workflow and user management controls
- › Bi-directional SFTP for automated batch processing of receipts and matching for cash applications or journal entries.
- › RESTful APIs for integration, enabling:
 - › Streamlined system configuration
 - › Access to bank account balance and transaction data
 - › Real-time analytics for cash receipts, open AR, FX rates, Aging Receivables, Credit Lines, etc.
 - › Ability to support open API interfacing with a middleware or data lake

Robust data policies and structured processes are foundational to successful end-to-end integration. By leveraging advanced system capabilities - like those listed above - treasury can optimize workflows through:

- › 1:1 data point relationship between systems where possible
- › Enhanced mapping tables between systems where 1:1 data matching isn't available
- › File format translation configurations that allow systems to communicate in native formats seamlessly
- › Automated rules that reconcile and post cash receipts in real time
- › Open API connectivity to ensure fast, secure, and flexible cross-system data updates for Cash and AR
- › Data entry and user management controls to ensure process integrity





When Treasury partners with Data teams to design and implement such policies and structures - the pathway to optimized cash inflow processes, through modernized systems integration, can become actualized.

To further conceptualize some of the achievable outcomes of this collaboration, reference the below table:

BEST PRACTICE	ACTIONS	IMPACT
Thorough Blueprinting	Map workflows, engage stakeholders, consult experts	Ensures accurate receipt and liquidity processes
Compliance with Terms	Align SLAs with design document to avoid breaches	Maintains secure data handling
Testing & Sandbox	Conduct SIT, UAT, PVT for validation	Validates receipt automation
Communication & Resolution	Establish clear communication channels and use ticketing for timely issue resolution	Enhances collaboration on cash flow issues
Project Management	Use RACI chart, set milestones, outsource if needed	Drives successful implementation
Progress Tracking	Schedule cadences (e.g., weekly calls, troubleshooting workshops, QBRs)	Monitors money-in project progress
Continuous Feedback	Encourage end-user input	Refines cash inflow processes

Better Collaboration from Lessons Learned

Please refer to the below table for some of the best practices to consider when upgrading your treasury and finance tech stack for optimized systems interoperability.

Examples of Cash Inflow Efficiencies from Optimized End-to-End Integration

ACTIVITY	INTEGRATION EXAMPLES	IMPACTED DEPARTMENTS	KEY BENEFITS
Days Sales Outstanding (DSO) Analysis	Seamlessly update DSO by calculating from invoice data extracted from the ERP - centralizing key forecasting metrics to your TMS via API or SFTP	Sales, AR, Treasury	Improves liquidity and identifies inefficiencies
Days Inventory Outstanding (DIO) Analysis	Automatically calculate DIO by integrating inventory turnover data from the ERP - consolidating insights in the TMS	Sales, Inventory, Treasury	Lowers holding cost and optimizes inventory strategy
Cash Conversion Cycle (CCC) Optimization	Streamline CCC analysis by aggregating receivable, payable, and inventory data via the ERP and TMS - enhancing cash flow visibility	AR, AP, Treasury	Enhances cash conversion efficiency
Counterparty Risk Assessment & Credit Limit Monitoring	Leverage AI tools to assess counterparty risk by pulling credit data from the CRM via API and analyzing it in the TMS - adjusting limits automatically	Sales, Credit, Treasury	Prevents bad debt, mitigates counterparty risks, and can increase sales
Automated Three-Way Matching & Cash Application	Automate three-way matching by extracting invoice, PO, and receipt data from the ERP - matching cash receipts from bank statements in the TMS. Leverage AI for OCR and matching when available	AR, Treasury	Saves time, ensures accuracy, and reduces risk of error
ROBO Structure Accounting	Seamlessly support your ROBO structure by automating multi-entity receipt allocation from banks to the TMS and ERP, reconciling in real time and posting to the GL	Treasury, Accounting	Streamlines multi-entity receipts posting
Predictive Analytics	Automatically predict collection outcomes by analyzing payment history data in the ERP and TMS, connected to key data sources via API	Collections, Treasury	Proactively manages delinquencies and enhances liquidity forecasting

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