



Solution

SME Banking Insights

Empowering small and mid-sized enterprises,
creating opportunities



Executive Summary

Small and medium enterprises are at the heart of the world economy, yet struggle with financing, particularly in today's context. SME Banking Insights helps get these businesses back on their feet by providing seamless access to digital commercial banking.

The COVID-19 pandemic has caused a liquidity crisis for many businesses. Small and mid-sized enterprises (SMEs) in particular need timely access to information about their cash positions and the ability to manage urgent cash and trade transactions whenever the need arises. From accessibility to insights, the need for greater transparency and foresight to mitigate risk and take advantage of opportunities will be fundamental in driving change, enabling more efficient business decision making capabilities.

Finastra and Accenture's SME Banking Insights is an innovative solution to this problem. Available to banks as a white-label service, this cloud-based app gives their SME clients remote access to real-time information such as the business's cash positions, account statements, currency-wise balances and liquidity trends, presented in convenient dashboards.

The app enables users to manage their cash effectively and promptly, monitor payments, deposits and trade finance transactions, manage approvals, raise service-desk tickets, and receive alerts about critical business events like limit utilization and upcoming maturing deposits.

Built in partnership with Accenture on Finastra's industry-leading FusionFabric.cloud platform, SME Banking Insights puts the power back into the hands of the business client. By reducing the demands on back-office operations, it also allows the bank to focus on delivering great customer service.

Accelerating SME opportunities

Small and medium enterprises are the backbone of the global economy – there are 290 million businesses worldwide with fewer than 250 employees. Banks that can deliver relevant, convenient services efficiently have an unprecedented opportunity to increase their share of this market.

Financing has long been a challenge for these essential organizations. Recent research from Accenture has revealed that the COVID-19 crisis is creating an even more difficult environment for SMEs, with the potential for severe economic knock-on effects. Obtaining working capital and cash tops SMEs' list of pandemic-related concerns, followed by supply chain issues and operations.



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The SME financing challenge

Currently, around 25% of SMEs' external financing requests are rejected because of restricted credit or problems of perceived creditworthiness. While 50% of SMEs always look to use the same loan provider, they typically face a 50% chance of rejection when forced to use a different external finance provider – showing that these businesses walk a fine line between receiving the finance they need and a potential funding gap.

Given that SMEs make up a large portion of all businesses, this leaves big sections of the global economy in a precarious position with regards to access to finance.

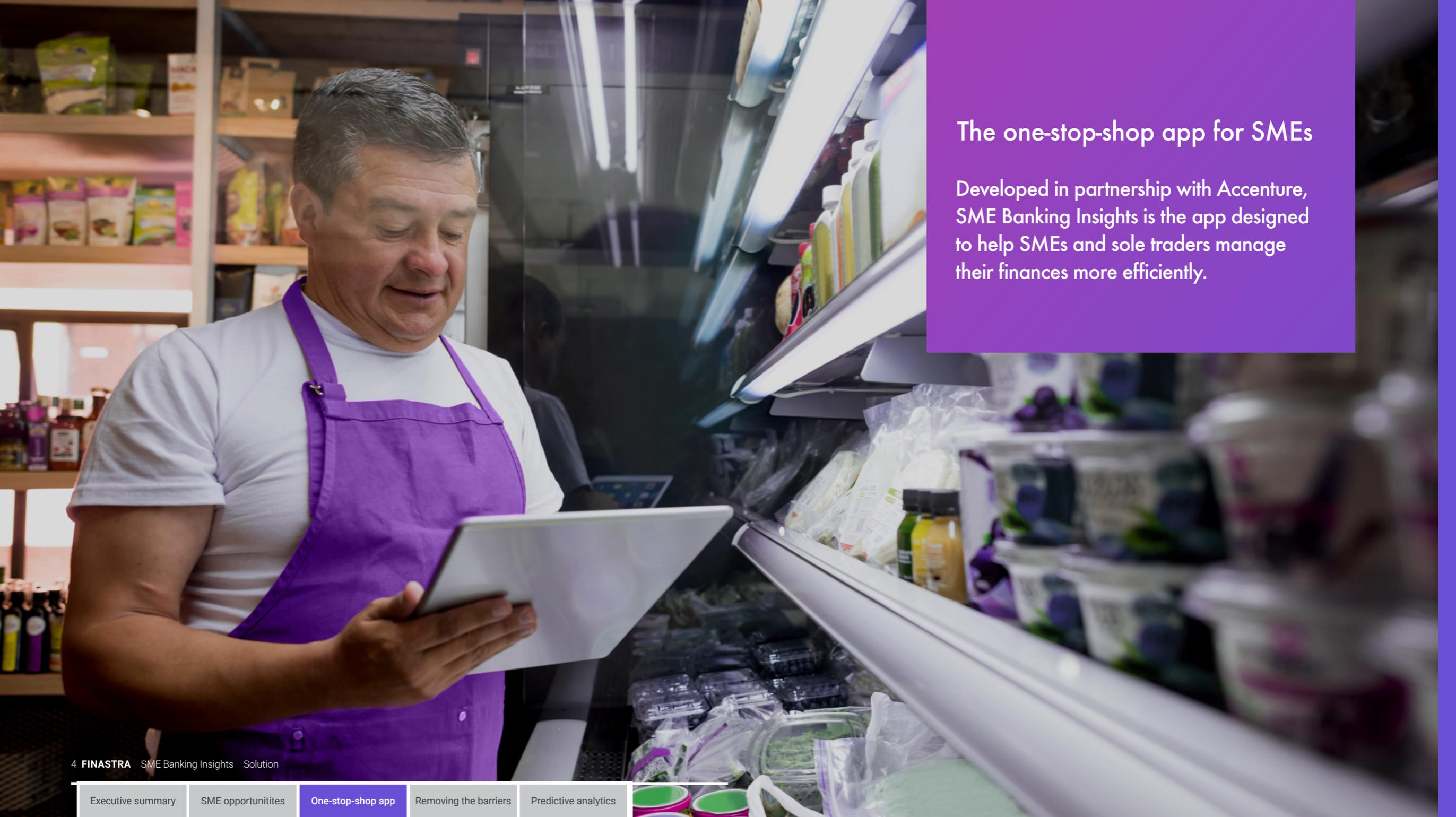
Take Europe, for example, where 95% of all businesses are SMEs and three quarters of those businesses are looking to their banks for COVID-19-related finance support.

To help these businesses, banks rely increasingly on additional reporting and forecasting, over and above the typical industry standards of the past.

For banks, helping SMEs is an opportunity

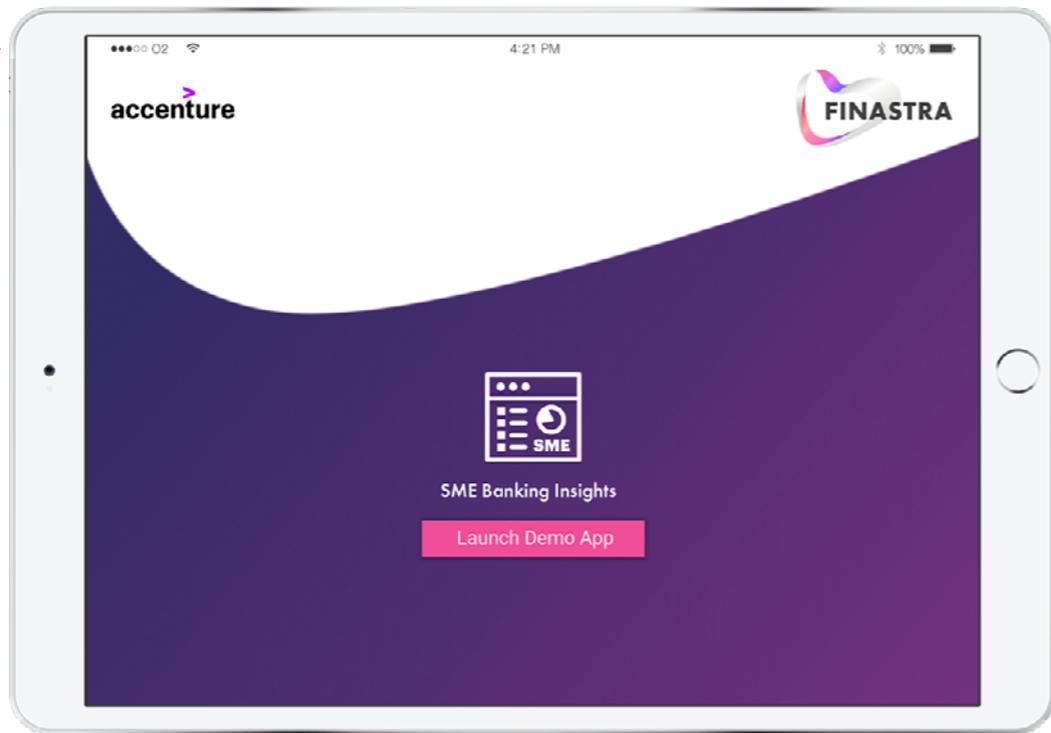
On average, four out of five SMEs have emerged from previous crises either stronger or no worse off. Many crises are followed by booms, so banks that stand by and help SMEs can earn rich rewards when these businesses bounce back. SME financing can also offer higher net interest margins (NIMs) and lower delinquency rates. Supporting customers in tough times builds loyalty – and gives banks with innovative solutions a chance to build up market share.





The one-stop-shop app for SMEs

Developed in partnership with Accenture, SME Banking Insights is the app designed to help SMEs and sole traders manage their finances more efficiently.



Removing the barriers to SME banking

SME Banking Insights combines Accenture's technology and banking expertise with Finastra's state-of-the-art platform and marketplace, FusionFabric.cloud. Designed to help sole traders and SMEs stay on top of their finances, it is a one-stop-shop app that provides the insights and analysis that help them improve profit margins and revenues.

SME Banking Insights removes the barriers separating SMEs from essential financial insights, giving them great understanding of their finances and opening the door to better commercial banking support.

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Benefits for banks

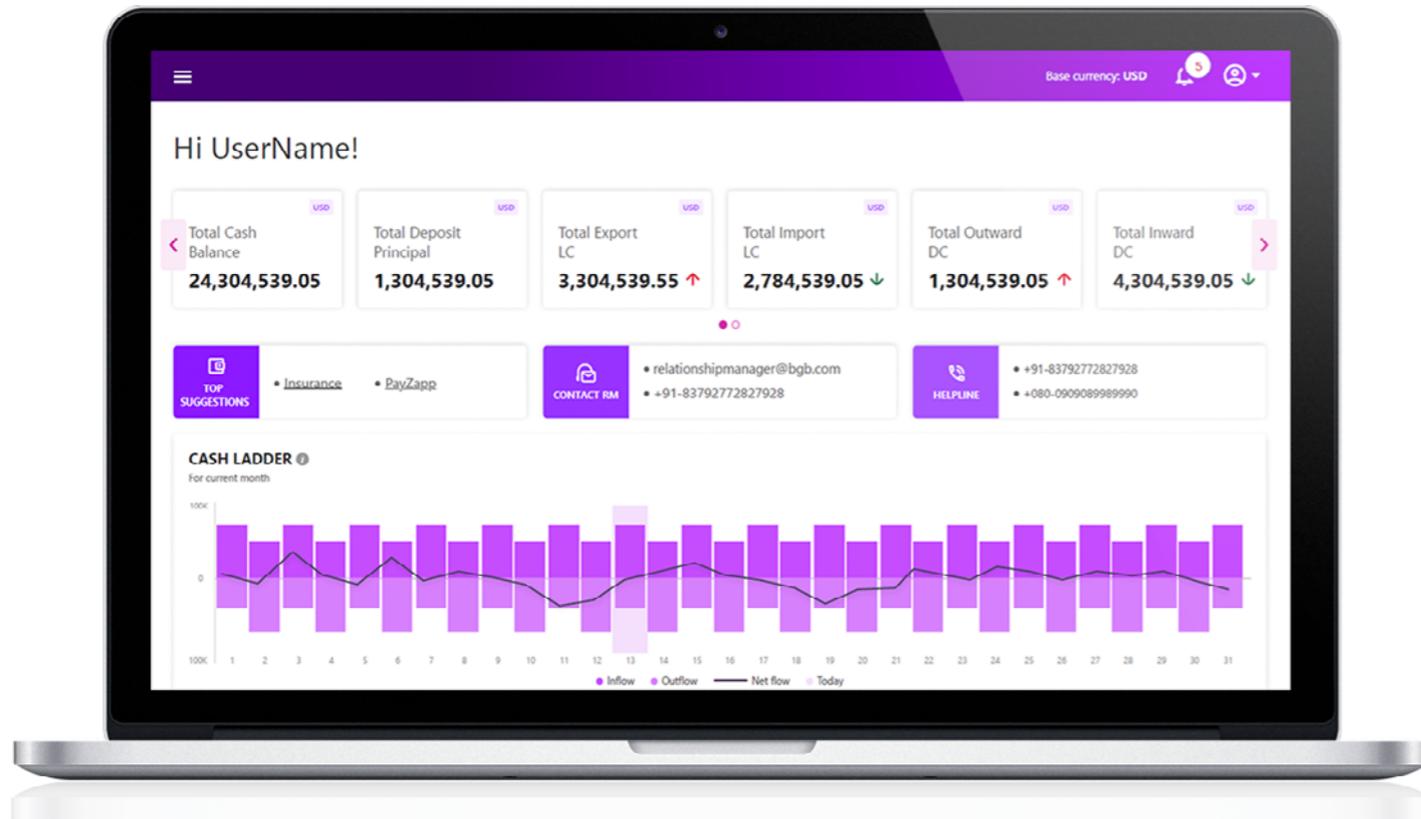
- Improves SME customer service and engagement through digital banking
- Provides an enhanced SME banking product suite that matches customer expectations
- Enables improvements in treasury management for SMEs, reducing risk factors
- Unlocks new cross-selling opportunities through enhanced client relationships
- Taps into and supports the underserved SME sector

Benefits for SMEs

- Provides valuable insights through treasury and liquidity analytics, enhanced data capture, and forecasting capability
- Delivers enhanced real-time FX, cash flow and trade analytics and alerts, as well as transaction authorization
- Improves overview and insights into company finances

No crystal ball, but predictive analytics to drive accurate forecasting

Powerful dashboards provide instant insights



Key features

- Checking and savings account dashboards with real-time information on current available balance, account balance trends, currency balance position, top five transactions and a register of all historic transactions.
- A powerful tool for cashflow analytics, net cash flow position, and intra-day cash flow trends.
- Term deposit insights with visual representations of upcoming maturities, distribution of deposits by currency, deposits that are past maturity and the status of deposits being processed.
- Online trade operations dashboards to trade contracts initiated and recently amended by products, counterparty and currency.
- A transaction management tool for reviewing registered future transactions.
- Dashboards showing pending approvals, with the ability to approve or reject transactions awaiting approval.
- Alerts with an overview of imminent accounting/ transaction events, e.g. future-dated transactions, overdraft limit, post-maturity alerts.
- Fund transfer dashboards providing the distribution of online and bulk fund transfers by currency, status and transaction trends.

THE FUTURE OF FINANCE IS OPEN

Finastra is unlocking the power of finance for everyone by creating a platform for open innovation in the world of financial services.



Contact us

About Accenture

Accenture is a global professional services company with leading capabilities in digital, cloud and security.

Combining unmatched experience and specialized skills across more than 40 industries, we offer Strategy and Consulting, Interactive, Technology and Operations services—all powered by the world's largest network of Advanced Technology and Intelligent Operations centers. Our 506,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. We embrace the power of change to create value and shared success for our clients, people, shareholders, partners and communities. Visit us at www.accenture.com.

About Finastra

Finastra is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world's top 100 banks. Our open architecture approach brings together a number of partners and innovators.

Together we are leading the way in which applications are written, deployed and consumed in financial services to evolve with the changing needs of customers. Learn more at finastra.com

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