

Industrial manufacturers

Cash flow optimization

Industrial manufacturing plays a vital role in driving global economies. But to keep doing this, it needs to evolve to meet the challenges of tomorrow — and CFOs, Treasurers, and Procurement Leaders are key to supporting this. This means navigating three key issues:

- Increasing digital maturity and adopting more efficient ways of working.
- Improving supply chain resilience in a turbulent landscape.
- Meeting ESG goals to reduce environmental impact.

While each of these challenges hold their own tensions and require specific skills to solve, they can —and should— be tackled together. With the right approach, CFOs, Treasurers, and Procurement Leaders can make a business-wide impact.

| **That approach?** Cash flow optimization.



The situation at a glance:

24%

of manufacturers say lack of financial support is a challenge to integrating ESG into their supply chain.*

33%

of manufacturers say their organization must invest more in tech to identify, track, and measure supply chain risk.*

29%

of industrial products leaders named increasing resilience as a top three objective when investing in supply chain tech.*

Achieving digital maturity

For industrial manufacturers, events like acquisitions, vertical integrations, and changes to production processes can leave them having to consolidate large numbers of disparate enterprise resource planning (ERP) systems. Hiding within these systems are inefficiencies, if corrected, can free up cash to fund future investments. But, with some industrial manufacturers interacting with up to 100 ERP systems, it's unsurprising that those costly inefficiencies often go unrecognized. Tapping into that trapped cash requires a strategic approach.

Do it with SAP Taulia

With SAP Taulia's Cash Flow Acceleration platform, you can consolidate your ERP systems, allowing you to free up cashflow. Through automation and AI, you can speedily analyze public and private supplier data to identify opportunities through incremental discounts.

Improving supply chain resilience

Thanks to its size, the industrial manufacturing Tier 1 supply chain has strong built-in continuity. But this relies on countless smaller specialist suppliers (run by sole traders, supplying smaller, critical components). If any of these Tier 2 suppliers experiences a failure, it can threaten the resiliency of your overall operation. With some banks only offering supply chain finance to your top suppliers, those in Tier 2 may be left behind.

Do it with SAP Taulia

With SAP Taulia's Cash Flow Acceleration platform, you can gain visibility of up to 7,000 suppliers — and SAP Taulia will work with all of them. This means that any potential issues with a long-tail, lower-tier supplier can be identified and addressed far earlier — so you can keep your supply chain moving.

Meeting ESG goals

With both internal pressures from the boardroom and external demands from stakeholders, improving and meeting ESG goals is a priority for industrial manufacturers. Unfortunately, many industrial manufacturers are struggling to meet ESG goals while still finalizing their baseline metrics and figuring out how to effectively monitor Tier 2 suppliers.

Do it with SAP Taulia

With solutions like Sustainable Supplier Finance, SAP Taulia is helping customers gain ESG visibility into their entire supplier chain. This includes suppliers that are geographically distant or further down the value chain. That means you're not just getting insight into your suppliers, but your suppliers' suppliers (and theirs too). From that deep understanding of your supply chain, you can set financial incentives for suppliers to improve their ESG ratings — which, in turn, improves your own.

What could you do with SAP Taulia's Cash Flow Acceleration platform?

SAP Taulia can help you use cash flow optimization to better meet the challenges you face around digital maturity, ESG, and improving supplier resilience.

To find out more contact us at:
taulia.com/company/contact-us

Contact us

Or, to get a deeper understanding of how our solutions work, take a look at our interactive demos:

<https://taulia.com/product-tours/>

Try a demo