



Ready Consultancy

SWIFT for corporates - 2009

The Society for Worldwide Interbank Financial Telecommunication (SWIFT) enables banks to communicate with each other in one language and via one network, SWIFTNet. For several years

companies have also been able to access the network. The result for corporates is significantly fewer bank connections and a crystal-clear overview of their global cash positions. As a SWIFT-accredited treasury specialist, Zanders advises companies that are considering connecting to SWIFT. Additionally, Zanders can prepare and oversee a SWIFT implementation from A to Z. The two parties have now entered into a long-term partnership.

Zanders and SWIFT enter long-term partnership

# One channel for all banks

It was back in 1973 that SWIFT started out with a handful of people at a tiny Brussels office of barely 40 m<sup>2</sup>. In those days SWIFT was a collaborative venture of 239 banks from 15 countries. The company was established with a clear goal: to set up an infrastructure and a language for exchanging financial transactions between banks.

easily use anything between 50 and 200 banks. They could be using 20 or 30 different systems in order to communicate with all of those banks. Each system has been implemented differently and has a different control procedure. Thanks to SWIFT, an organisation gets access to all 8,300 SWIFT member banks using just one channel.”

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SWIFT succeeded in doing just that. Today, more than 8,300 banks from 208 countries use SWIFT. They all use standardised protocols to exchange financial transactions. And they all have access to SWIFTNet, SWIFT’s global messaging IP-based platform, enabling them to communicate with all other connected members. Each day an average of 14 million messages are exchanged over SWIFT. “It’s quite a responsibility,” admits Bernard De Groeve, who is member of the strategic business development team at SWIFT. “That is why our systems satisfy stringent security requirements. Literally every transaction reaches its destination. In all these years not one transaction has ever been lost at SWIFT.”

#### Access to all banks via a single channel

Almost 10 years ago SWIFT also opened up access to the system for multinational corporations. The benefits obtainable by companies connected to SWIFT are considerable. According to De Groeve: “Corporates communicate with banks in many ways. To do so, they use different IT systems and technologies. Some corporates even still use the telex. Large multinationals can

#### Cash becomes visible

One of the biggest advantages of SWIFT for Corporates is the visibility of their cash. Bernard De De Groeve adds, “SWIFT helps companies to get a fast picture of their global cash position. As the organisation receives account information from all its banks via one channel, it’s become a lot easier to download all that information into their applications. They are able to make reconciliations daily. This has greatly simplified the managing and optimising of working capital.” De Groeve adds: “Thanks to SWIFT, treasurers have one less headache.”

There are other advantages, too. SWIFT makes it easier for them to standardise their financial processes worldwide, for example. Similarly, SWIFT helps companies to standardise and harmonise their auditing processes. Together, all of these advantages can produce cost savings and a robust increase in security and compliance. Another important advantage is that SWIFT makes its member organisations less dependent on individual banks. After all, if you are connected to SWIFT, you can communicate with all connected members, thus reducing the upheaval and cost involved in switching banks.

SWIFT for Corporates does not pose a threat to banks. SWIFT actually opens countless new doors. Firstly, SWIFT is a good alternative to bank-specific IT systems that often obstruct a streamlined treasury operation at the client’s organisation. What’s more, banks use SWIFT to offer greater added value in cash management and treasury services. SWIFT also offers banks a possibility to reach new customers or segments in the



From left to right: Bernard De Groeve – Global Manager Strategic Business Development - SWIFT, Laurens Tijdhof – partner Zanders, Richard Delvaux – Corporate Solution Manager - SWIFT, Mark Taylor – director Zanders, Judith van Paassen – partner Zanders, Aydin Erol – Head of Global Partner Programme - SWIFT, Peter Geurts – senior consultant Zanders, Wim Raymaekers – Senior Market Manager - SWIFT, Bas Rebel – executive consultant Zanders

business market. It's not only big companies that benefit fully from the possibilities that SWIFT offers. Smaller companies can also join. The offering varies from a minor quick-fix to complete end-to-end solutions. And it doesn't need to be expensive, either. A connection to SWIFT costs from as little as €200 per month.

Zanders has already been accredited by SWIFT. De Groeve adds: "We are very selective when it comes to choosing our partners. The degree of sensitivity on this subject is high. To be able to advise optimally about SWIFT, the consultants need to have a good understanding of all the processes and systems. They must be able to talk intelligently about SWIFT. And they must

### Lasting cooperation

Zanders and SWIFT have now built on their relationship, with both parties committed to a long-term partnership. There is a clear division of tasks, with Zanders responsible for the 'front office' of the collaboration. It will offer support for organisations considering connecting to SWIFT by providing expert advice and transparent business cases. If a company opts for SWIFT, Zanders ensures thorough preparation of the implementation. The 'back office' - i.e. the actual implementation - is handled by SWIFT consultants, if necessary assisted by Zanders.

SWIFT does not approach corporates directly. According to De Groeve, "We serve that market through major banks and partners who we know operate at the forefront of the market. Zanders is very important to us. After all, we are not an expert in corporate treasury, but Zanders is." De Groeve says: "Zanders is a specialist in the treasury sector, a company with a leading position in that field. They know the corporate-to-bank market and they know how to assist their clients in the right way. We complement each other well in this setting."

**"Thanks to SWIFT, treasurers have one less headache."**

thoroughly understand what the impact can be on an organisation. Zanders is proficient in all of these matters. With the help of this partnership we are able to offer our clients a complete end-to-end solution." <



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### Success stories

SWIFT has notched up terrific successes in recent years. The multinational GE (with 4,000 business units and more than 20,000 bank accounts) was able to reduce its bank connections from 38 to one, thanks to SWIFT. What's more, GE reduced the number of communication errors from an average of 50 per year to zero. It achieved a financial return on investment (ROI) of 406 per cent in five years. Spanish airline Iberia is another satisfied SWIFT customer. Within two years the airline disposed of 60 bank systems and marked up an ROI of 276% within five years.

For more success stories visit [www.swift.com/corporates](http://www.swift.com/corporates)