Cash forecasting

Cause	Solutions & benefits
Inaccurate or missing cashflow data A cashflow forecast is only as good as the data used to compile it. To accurately forecast, data is often required from multiple systems across the business, which, for most, is a highly manual process and prone to error.	The implementation of **Application Programming Interfaces (APIs)** to extract data from ERPs, payroll , AP/AR and other systems provides a consistent, reliable and efficient method to obtain valuable forecast data from across the business. Because this data is received automatically rather than extracted manually, it becomes possible to increase the frequency of data collection without additional effort, and the processes are less prone to error. With the increased frequency of forecast data collection, the Treasury function is better equipped with up-to date forecast information to improve the cash management decision making process. Do we know of any companies that are actually using API's for this today?
Unsuitable cashflow forecasting tools Many organizations choose to utilize spreadsheets and proprietary forecast models to consolidate & analyze their forecast data. This choice is often driven by the flexibility that spreadsheets provide and the availability of the software to users across the organization, but in reality, spreadsheet forecasting models are often cumbersome, lack controls, and are also prone to error.	A **treasury management system (TMS)** or **specialized cash forecasting solution (CFS)** can automate most of the forecasting process whilst providing enhanced control over processes and improved accuracy. Data sourcing is improved by using the previously mentioned APIs, whilst variance analysis is simplified using the in-built analytics provided by this dedicated forecasting software: https://zanders.eu/en/latest-insights/corp-ps-youre-wasting-your-time-forecasting/

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