

Cash Management Survey 2006

1. Which, in your opinion, is the BEST bank in DOMESTIC cash management services (whether or not you use them)?

Company Revenue

Under \$500 Mil

Bank of America	24%
JPMorgan	19%
Wells Fargo	12%
Wachovia	9%
ABN Amro/LaSalle	4%
PNC	4%
SunTrust	4%

Over \$500 Mil

Bank of America	30%
JPMorgan	20%
Wells Fargo	11%
Citibank	8%
Wachovia	7%
Mellon	7%
ABN Amro/LaSalle	5%

2. Which, in your opinion, is the BEST bank in INTERNATIONAL cash management services (whether or not you use them)?

Company Revenue

Under \$500 Mil

Bank of America	24%
Citibank	23%
JPMorgan	17%
HSBC	10%
ABN Amro	8%
Deutsche Bank	6%

Over \$500 Mil

Citibank	43%
HSBC	15%
Bank of America	12%
JPMorgan	12%
ABN Amro	8%
Bank of New York	3%

3. Name your principal cash management bank for U.S. operations:

Company Revenue

Under \$500 Mil

Bank of America	21%
Wells Fargo	14%
JPMorgan	12%
Wachovia	9%
ABN Amro/LaSalle	6%
Harris/HSBC/SunTrust	5%

Over \$500 Mil

JPMorgan	25%
Bank of America	23%
Wells Fargo	9%
Wachovia	9%
Citibank	5%
U.S. Bank	5%

4. Which bank is No. 2?

Company Revenue

Under \$500 Mil

Bank of America	22%
JPMorgan	16%
Wells Fargo	15%
Wachovia	10%
U.S. Bank	5%

Over \$500 Mil

Bank of America	23%
JPMorgan	16%
Wells Fargo	13%
Citibank	10%
Wachovia	9%

5. Name your principal cash management bank for INTERNATIONAL operations, if you have one:

Company Revenue

Under \$500 Mil

Bank of America	17%
ABN Amro	7%
HSBC	7%
JPMorgan	7%
Citibank	6%
Barclays	2%
Deutsche Bank	2%

Over \$500 Mil

Citibank	17%
Bank of America	15%
HSBC	10%
JPMorgan	8%
ABN Amro	6%
Barclays	6%
Royal Bank of Scotland	3%

6. Which bank is No. 2?

Company Revenue

Under \$500 Mil

JPMorgan	9%
Bank of America	7%
Deutsche Bank	5%
Bank of New York	4%
HSBC	4%

Over \$500 Mil

Citibank	11%
ABN Amro	8%
Bank of America	8%
Barclays	6%
HSBC	6%

7. Do you expect to consolidate your DOMESTIC and/or INTERNATIONAL cash management needs among fewer banks in the next 12 months?

Company Revenue

Under \$500 Mil

Yes, by choice	15%
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Over \$500 Mil

Yes, by choice	29%
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Yes, by force (e.g., mergers)	1%	Yes, by force (e.g., mergers)	4%
No	84%	No	67%
	100%		100%

8. What percentage of your total cash management services (in terms of fees paid) do you expect to rebid this year?

Company Revenue

Under \$500 Mil

Over \$500 Mil

100%	10%	100%	3%
80% to 99%	2%	80% to 99%	3%
50% to 79%	10%	50% to 79%	10%
25% to 49%	6%	25% to 49%	11%
Less than 24%	27%	Less than 24%	41%
Zero	45%	Zero	32%
	100%		100%

**9. How important are each of the following items in choosing a primary cash management bank?
(Rank the items from 1 (most important) to 9 (least important), using each number only once.)**

Accuracy

Company Revenue

Under \$500 Mil

Over \$500 Mil

1	64%	1	52%
2	14%	2	14%
3	7%	3	10%
4	3%	4	6%
5	3%	5	5%
6	2%	6	5%
7	2%	7	2%
8	3%	8	4%
9	2%	9	2%
	100%		100%

Advice and/or analytics

Company Revenue

Under \$500 Mil

1	6%
2	12%
3	14%
4	12%
5	14%
6	14%
7	10%
8	12%
9	6%
	100%

Over \$500 Mil

1	4%
2	11%
3	14%
4	8%
5	15%
6	12%
7	9%
8	14%
9	13%
	100%

Bank's commitment to business

Company Revenue

Under \$500 Mil

1	21%
2	20%
3	13%
4	6%
5	13%
6	6%
7	13%
8	3%
9	5%
	100%

Over \$500 Mil

1	18%
2	21%
3	19%
4	9%
5	7%
6	7%
7	9%
8	6%
9	4%
	100%

Credit commitment

Company Revenue

Under \$500 Mil

1	22%
2	10%
3	10%
4	6%
5	15%
6	13%
7	4%
8	10%
9	10%
	100%

Over \$500 Mil

1	28%
2	11%
3	11%
4	11%
5	9%
6	5%
7	5%
8	6%
9	14%
	100%

Customer service

Company Revenue

Under \$500 Mil

1	27%
2	25%
3	14%
4	11%
5	11%
6	4%
7	2%
8	4%
9	2%
	100%

Over \$500 Mil

1	32%
2	22%
3	15%
4	14%
5	6%
6	2%
7	6%
8	2%
9	1%
	100%

Customized services

Company Revenue

Under \$500 Mil

1	6%
2	9%
3	11%
4	10%
5	17%
6	5%
7	10%
8	11%
9	21%
	100%

Over \$500 Mil

1	5%
2	11%
3	10%
4	8%
5	10%
6	10%
7	13%
8	17%
9	16%
	100%

Personnel

Company Revenue

Under \$500 Mil

1	8%
2	19%
3	10%
4	12%
5	14%
6	7%
7	12%
8	11%
9	7%
	100%

Over \$500 Mil

1	8%
2	17%
3	9%
4	10%
5	10%
6	14%
7	9%
8	13%
9	10%
	100%

Pricing

Company Revenue

Under \$500 Mil

1	15%
2	19%
3	23%
4	13%
5	6%
6	7%
7	10%
8	4%
9	3%
	100%

Over \$500 Mil

1	7	13%
2		22%
3		22%
4		13%
5		11%
6		8%
7		4%
8		5%
9		2%
		100%

Technology

Company Revenue

Under \$500 Mil

1	14%
2	24%
3	10%
4	9%
5	10%
6	9%
7	9%
8	9%
9	6%
	100%

Over \$500 Mil

1	21%
2	24%
3	11%
4	10%
5	7%
6	10%
7	9%
8	4%
9	4%
	100%

10. How well does your primary domestic cash management bank perform the following services?
(Rate performance of each on a scale of 1 to 9, with 1 being "Outstanding" and 9 being "Very Poor."
If your bank does not provide the service or you choose not to use it, mark it as NA.)

Account reconciliation

Company Revenue

Under \$500 Mil

1	15%
2	30%
3	15%
4	5%

Over \$500 Mil

1	15%
2	30%
3	24%
4	9%

5	9%	5	5%
6	4%	6	2%
7	4%	7	5%
8	0%	8	2%
9	3%	9	0%
NA	5%	NA	8%
	100%		100%

Balance reporting

Company Revenue

Under \$500 Mil

1	37%
2	32%
3	12%
4	4%
5	5%
6	1%
7	2%
8	2%
9	2%
NA	3%
	100%

Over \$500 Mil

1	36%
2	34%
3	13%
4	7%
5	1%
6	3%
7	2%
8	2%
9	2%
NA	0%
	100%

Remote deposit

Company Revenue

Under \$500 Mil

1	12%
2	12%
3	7%
4	6%
5	3%
6	3%
7	2%
8	0%
9	3%
NA	52%
	100%

Over \$500 Mil

1	10%
2	11%
3	10%
4	5%
5	5%
6	4%
7	4%
8	1%
9	3%
NA	47%
	100%

ACH payments

Company Revenue

Under \$500 Mil

Over \$500 Mil

1	36%	1	28%
2	20%	2	30%
3	18%	3	18%
4	7%	4	4%
5	3%	5	3%
6	3%	6	2%
7	2%	7	3%
8	2%	8	1%
9	2%	9	2%
NA	7%	NA	9%
	100%		100%

Controlled disbursement

Company Revenue

Under \$500 Mil

1	21%
2	31%
3	10%
4	8%
5	5%
6	1%
7	1%
8	1%
9	1%
NA	21%
	100%

Over \$500 Mil

1	26%
2	31%
3	15%
4	6%
5	3%
6	0%
7	2%
8	3%
9	2%
NA	12%
	100%

Electronic bill presentment

Company Revenue

Under \$500 Mil

1	7%
2	17%
3	8%
4	4%
5	12%
6	0%
7	1%
8	3%
9	0%
NA	48%
	100%

Over \$500 Mil

1	4%
2	8%
3	8%
4	5%
5	5%
6	3%
7	3%
8	1%
9	0%
NA	63%
	100%

Investments

Company Revenue

Under \$500 Mil

1	12%
2	21%
3	19%
4	8%
5	7%
6	5%
7	2%
8	4%
9	2%
NA	20%
	100%

Over \$500 Mil

1	11%
2	15%
3	15%
4	10%
5	10%
6	4%
7	4%
8	2%
9	3%
NA	26%
	100%

Multicurrency accounts

Company Revenue

Under \$500 Mil

1	4%
2	8%
3	7%
4	7%
5	3%
6	1%
7	2%
8	2%
9	2%
NA	64%
	100%

Over \$500 Mil

1	4%
2	8%
3	4%
4	6%
5	6%
6	2%
7	5%
8	1%
9	2%
NA	62%
	100%

Positive pay

Company Revenue

Under \$500 Mil

1	27%
2	18%
3	10%
4	3%
5	8%
6	0%
7	1%
8	1%

Over \$500 Mil

1	29%
2	30%
3	12%
4	6%
5	2%
6	3%
7	3%
8	1%

9	2%	9	1%
NA	30%	NA	13%
	100%		100%

Lockbox

Company Revenue

Under \$500 Mil

1	14%
2	20%
3	11%
4	7%
5	5%
6	3%
7	3%
8	1%
9	1%
NA	35%
	100%

Over \$500 Mil

1	14%
2	20%
3	10%
4	9%
5	6%
6	3%
7	3%
8	2%
9	2%
NA	31%
	100%

Online access

Company Revenue

Under \$500 Mil

1	39%
2	28%
3	10%
4	4%
5	6%
6	1%
7	3%
8	4%
9	3%
NA	2%
	100%

Over \$500 Mil

1	32%
2	32%
3	11%
4	11%
5	2%
6	1%
7	5%
8	1%
9	2%
NA	3%
	100%

Domestic wires

Company Revenue

Under \$500 Mil

1	39%
2	26%
3	15%
4	8%
5	2%

Over \$500 Mil

1	34%
2	36%
3	12%
4	4%
5	3%

6	1%	6	3%
7	2%	7	3%
8	1%	8	1%
9	3%	9	1%
NA	3%	NA	3%
	100%		100%

International wires

Company Revenue

Under \$500 Mil

1	21%
2	23%
3	10%
4	6%
5	4%
6	1%
7	2%
8	3%
9	4%
NA	26%
	100%

Over \$500 Mil

1	17%
2	21%
3	17%
4	9%
5	3%
6	2%
7	2%
8	4%
9	2%
NA	23%
	100%

Communication between bank Web site and treasury workstation

Company Revenue

Under \$500 Mil

1	9%
2	20%
3	11%
4	5%
5	6%
6	2%
7	2%
8	0%
9	1%
NA	44%
	100%

Over \$500 Mil

1	8%
2	15%
3	8%
4	5%
5	6%
6	3%
7	3%
8	2%
9	3%
NA	47%
	100%

11. How many staff members at your company handle cash management today?

Company Revenue

Under \$500 Mil

Over \$500 Mil

1 to 2	75%	1 to 2	44%
3 to 4	19%	3 to 4	38%
5 to 6	4%	5 to 6	10%
More than 7	2%	More than 7	8%
	100%		100%

12. Would you allocate more business to a bank that linked cash management reporting to your company's ERP system or other business software applications?

Company Revenue

Under \$500 Mil

Over \$500 Mil

Yes	42%	Yes	50%
No	31%	No	19%
No opinion	27%	No opinion	31%
	100%		100%

13. How satisfied are you with the Web/online cash management services offered by your primary domestic operating bank?

Company Revenue

Under \$500 Mil

Over \$500 Mil

Very satisfied	65%	Very satisfied	48%
Somewhat satisfied	43%	Somewhat satisfied	47%
Dissatisfied	2%	Dissatisfied	5%
Very dissatisfied	2%	Very dissatisfied	0%
	100%		100%

14. What percentage of your cash management operations is handled online?

Company Revenue

Under \$500 Mil

Over \$500 Mil

100%	18%	100%	10%
80% to 99%	38%	80% to 99%	52%
50% to 79%	27%	50% to 79%	27%
25% to 49%	6%	25% to 49%	8%
Less than 24%	10%	Less than 24%	3%
Zero	1%	Zero	0%
	100%		100%

15. What is the biggest issue you face with your cash management bank/banks?

Company Revenue

Under \$500 Mil

Decline in service due to increased automation and cost-cutting 21%

Increased pressure to award cash management business to credit providers 12%

Shifting appetites for various lines of business as banks refine their business plans 10%

Getting new technology to work 17%

Outsourcing financial activities to bank and nonbank providers 6%

Linking treasury to broader financial initiatives (A/P, A/R, EIPP, e-business) where banks offer solutions 22%

Other 12%
100%

Over \$500 Mil

Decline in service due to increased automation and cost-cutting 22%

Increased pressure to award cash management business to credit providers 17%

Shifting appetites for various lines of business as banks refine their business plans 10%

Getting new technology to work 20%

Outsourcing financial activities to bank and nonbank providers 2%

Linking treasury to broader financial initiatives (A/P, A/R, EIPP, e-business) where banks offer solutions 23%

Other 6%
100%

16. Do you use a treasury workstation?

Company Revenue

Under \$500 Mil

Yes 18%
No 82%
100%

Over \$500 Mil

Yes 40%
No 60%
100%

17. Have you noticed any change in the price you pay for cash management services?

Company Revenue

Under \$500 Mil

Yes, increase less than 10% 29%

Over \$500 Mil

Yes, increase less than 10% 33%

Yes, increase greater than 10%	6%	Yes, increase greater than 10%	6%
No significant change	60%	No significant change	54%
Yes, decrease less than 10%	2%	Yes, decrease less than 10%	4%
Yes, decrease greater than 10%	3%	Yes, decrease greater than 10%	3%
	100%		100%

18. If you're paying more, do you feel you are getting more or better service for the money?

Company Revenue

Under \$500 Mil

Over \$500 Mil

Yes	10%	Yes	18%
No	90%	No	82%
	100%		100%

19. Do you have a p-card program?

Company Revenue

Under \$500 Mil

Over \$500 Mil

Yes	32%	Yes	63%
No	68%	No	37%
	100%		100%

20. What is the maximum transaction size you permit on p-cards?

Average: \$ 71,965.81

21. What is the biggest benefit of p-cards? (Pick one)

Company Revenue

Under \$500 Mil

Over \$500 Mil

Empower end-users to buy what they need quicker	20%	Empower end-users to buy what they need quicker	15%
Reduce administrative costs and time	59%	Reduce administrative costs and time	57%
Document spending in order to negotiate volume discounts	3%	Document spending in order to negotiate volume discounts	11%
Reduce cost of items purchased by steering buyers to preferred suppliers	2%	Reduce cost of items purchased by steering buyers to preferred suppliers	6%

Prevent rogue buying	5%	Prevent rogue buying	3%
Collect rebates	11%	Collect rebates	8%
	100%		100%

22. Has your investible cash increased or decreased in the past year?

Company Revenue

Under \$500 Mil

Over \$500 Mil

Increased	56%	Increased	63%
Decreased	44%	Decreased	37%
	100%		100%

23. With rates rising, how are you trying to maximize net investment return? (check all that apply)

Company Revenue

Under \$500 Mil

Over \$500 Mil

Greater use of outside managers	13%	Greater use of outside managers	10%
Greater use of inside managers	8%	Greater use of inside managers	4%
Greater use of money funds	20%	Greater use of money funds	32%
Greater use of CDs	11%	Greater use of CDs	4%
Greater use of BAs	2%	Greater use of BAs	3%
Greater use of offshore deposits	6%	Greater use of offshore deposits	6%
Greater use of Treasury paper	7%	Greater use of Treasury paper	7%
Greater use of repos	6%	Greater use of repos	8%
Greater use of commercial paper	19%	Greater use of commercial paper	16%
Greater use of other investments (please specify)	8%	Greater use of other investments (please specify)	10%
	100%		100%

24. Do you currently use a bank's remote deposit service?

Company Revenue

Under \$500 Mil

Over \$500 Mil

Yes	15%	Yes	21%
No	85%	No	79%
	100%		100%

25. If yes, how many depository accounts have you been able to close?

Average: **19**

26. How much have you saved in banking fees?

Average: **\$30,808.40**

27. As a result of Check 21 and advances in bank check imaging services, what changes in collection float have you found?

Company Revenue

Under \$500 Mil

Over \$500 Mil

Gained more than two days on digitized checks	3%	Gained more than two days on digitized checks	5%
Gained 1-2 days on digitized checks	38%	Gained 1-2 days on digitized checks	38%
Gained less than one day on digitized checks	59%	Gained less than one day on digitized checks	57%
	100%		100%

28. As a result of Check 21 and advances in bank check imaging, what changes in disbursement float have you found?

Company Revenue

Under \$500 Mil

Over \$500 Mil

Lost more than two days on digitized checks	5%	Lost more than two days on digitized checks	4%
Lost 1-2 days on digitized checks	43%	Lost 1-2 days on digitized checks	36%
Lost less than one day on digitized checks	52%	Lost less than one day on digitized checks	60%
	100%		100%

29. In the past three years, have you moved certain treasury activities to a shared service center?

Company Revenue

Under \$500 Mil

Over \$500 Mil

Yes	3%	Yes	22%
No	97%	No	78%
	100%		100%

30. If yes, who owns and operates the center?

Company Revenue

Under \$500 Mil

Over \$500 Mil

My company	80%	My company	91%
A bank	20%	A bank	0%
A nonbank third party	0%	A nonbank third party	9%
	100%		100%

31. Where is that center located?

Company Revenue

Under \$500 Mil

Over \$500 Mil

North America	83%	North America	75%
Latin America	0%	Latin America	7%
Europe	17%	Europe	7%
Asia	0%	Asia	9%
Other	0%	Other	2%
	100%		100%

32. By how much has your company improved the efficiency of its order-to-cash cycle in the past three years?

Company Revenue

Under \$500 Mil

Over \$500 Mil

No gain	30%	No gain	34%
Gain of less than 5%	31%	Gain of less than 5%	23%
Gain of 5-10%	25%	Gain of 5-10%	33%
Gain of 10-20%	8%	Gain of 10-20%	9%
Gain of more than 20%	6%	Gain of more than 20%	1%
	100%		100%

33. What factors have been primary reasons for that gain? (check all that apply)

Company Revenue

Under \$500 Mil

Better internal software	15%
Better internal organization	51%
Outsourcing to cash management bank	4%
Outsourcing to nonbank third-party	0%
Better use of telecommunications, including e-mail	25%
Other (please specify)	5%
	100%

Over \$500 Mil

Better internal software	23%
Better internal organization	46%
Outsourcing to cash management bank	3%
Outsourcing to nonbank third-party	3%
Better use of telecommunications, including e-mail	20%
Other (please specify)	5%
	100%

34. By how much has your company improved the efficiency of its procure-to-pay cycle in the past three years?

Company Revenue

Under \$500 Mil

No gain	45%
Gain of less than 5%	30%
Gain of 5-10%	12%
Gain of 10-20%	9%
Gain of more than 20%	4%
	100%

Over \$500 Mil

No gain	37%
Gain of less than 5%	33%
Gain of 5-10%	23%
Gain of 10-20%	6%
Gain of more than 20%	1%
	100%

35. What factors have been primary reasons for that gain? (check all that apply)

Company Revenue

Under \$500 Mil

Better internal software	24%
Better internal organization	43%

Over \$500 Mil

Better internal software	21%
Better internal organization	38%

Outsourcing to cash management bank	3%	Outsourcing to cash management bank	2%				
Outsourcing to nonbank third-party	0%	Outsourcing to nonbank third-party	2%				
Greater use of p-cards	9%	Greater use of p-cards	19%				
Better use of telecommunications, including e-mail	17%	Better use of telecommunications, including e-mail	16%				
Other (please specify)	8	3% Other (please specify)	4	4%	Other (please specify)	4	2%
		100%		100%			100%

36. If you use a wholesale lockbox service with data capture and transmission, what has happened to your hit-rate (percentage of payments that post automatically to A/R) in the past three years?

Company Revenue

Under \$500 Mil

Over \$500 Mil

No change	74%	No change	48%
Improvement of less than 5%	10%	Improvement of less than 5%	22%
Improvement of 5-10%	6%	Improvement of 5-10%	17%
Improvement of 10-20%	4%	Improvement of 10-20%	6%
Improvement of more than 20%	6%	Improvement of more than 20%	7%
	100%		100%

37. What factors have been the primary reasons for that gain? (check all that apply)

Company Revenue

Under \$500 Mil

Over \$500 Mil

Better data capture in the lockbox operation	62%	Better data capture in the lockbox operation	44%
More cooperation from customers in returning machine-readable remittance documents	17%	More cooperation from customers in returning machine-readable remittance documents	22%
Greater use of EIPP solutions	0%	Greater use of EIPP solutions	5%
Greater use of EDI	17%	Greater use of EDI	20%
Greater use of supply-chain	0%	Greater use of supply-chain	3%

management systems

management systems

Other (please specify)

4%

Other (please specify)

6%

100%

100%

38. What is your company's annual revenue?

Under \$500 million

38%

\$500 million to \$1 billion

16%

\$1 billion to \$5 billion

30%

Over \$5 billion

16%

100%

39. What is your title?

Treasurer

22%

Assistant treasurer

20%

Vice president of finance

1%

CFO

18%

Other:

39%

100%

September 2006 Issue