

The Risk of Improper Cash Management and How to Fix It



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Cash management can mean different things to different people. It can also have different faces depending on what sector your business operates in. However, at its heart, cash management is the process of overseeing and controlling the inflow and outflow of money through your business—and that can lead to problems.

Read on to discover some of the risks associated with improper cash management and how your company can overcome them.

Three Common Risks of Improper Cash Management

- 1. Manual Processes:** Too many of today's modern businesses are still managing their cash flow manually. Whether this means your employees are counting cash by hand, or your CFO is manually entering data into a spreadsheet to track cash flow, these processes can lead to multiple issues—including human error and theft. While we would like to believe that our employees and associates are too-well trained and honorable to make mistakes or act dishonestly, manually tracking and managing your business's cash is asking for trouble.
- 2. Increased Labor Costs:** Receiving incoming cash and managing its flow can be an expensive proposition. It's time-consuming and requires a lot of man-hours and personnel. Your company may even be employing too many people to do this job effectively. Having too many hands in the proverbial pot not only increases the risk of error, but it also results in high labor costs and cuts into your bottom line.
- 3. Outdated Information:** If your company is operating and making decisions based on last month's—or even last week's—data, you're relying on out-dated information. The future of cash management requires real-time figures and data. Relying on old information puts your company at risk and hampers your ability to properly predict future growth.

How to Address These Issues

The good news is that there is a simple, cost-effective way to address each of these risks. By employing best-in-class financial management software, your company can mitigate, or even eliminate, these issues. Your company needs a comprehensive accounting and financial management software solution with superb cash management capabilities. A best-in-breed option, [like Sage Intacct](#), will replace manual procedures with automated processes, reduce labor costs, and provide real-time reports and statistics.

[Sage Intacct's cash management](#) enables companies of all sizes to see transactions across all checking and savings accounts, as well as credit cards—providing a complete, real-time picture of the company's money flows. Finance teams can easily import statements from all their financial institutions and automatically reconcile checking, savings,

and credit card accounts to spot exceptions, manage bank errors, monitor for fraud, and maintain accurate cash balances. By streamlining payment processing and employing customizable dashboards, Intacct enables the finance team to save time that can then be put toward more value-added tasks.

Defuse The Legacy Software Minefield By Turning To Dean Dorton

Switching to best-in-class financial management software, such as [Sage Intacct](#) can not only help you navigate the minefield of legacy software, it can disarm it completely. Streamline your resources, lower IT costs, improve confidence, and save time as you move from outdated systems and into your future.

Contact our experienced value-added reseller (VAR) for a [free consultation](#) today.

Learn more about Dean Dorton's Accounting Software services and products:

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