

Cash flow management in an app-fatigued world

By Jaco Veldsman*

Australian businesses have had a tough time since 2020, with a global pandemic, bushfires, and the war in Ukraine impacting fuel prices, all contributing to soaring inflation. It's now more important than ever for businesses to evaluate their tech stack and trim the app fat to save costs. Paytron co-founder, Jaco Veldsman, talks about starting the SME payments platform at the beginning of COVID and how it shaped the foundations for them to become one of Australia's leading FinTech's.

App fatigue it's real.

Between business payments, accounts payable, receivable, international payments, payroll and employee business spending, it's not uncommon for SMEs to have at least six different apps to plug into their accounting system. There are many costs involved, not only for app subscriptions but also with time lost to repetitive manual work just to get data across every app up to date. Additionally, businesses must

remember every separate login or share login details with colleagues, leaving them vulnerable to a potential security breach.

Starting Paytron at the beginning of COVID made us focused on solving the problem of businesses using too many apps. COVID also highlighted the disconnect in how teams work on the same task. When Australia went into lockdown, traditional workplaces were thrust into remote working, highlighting the incapability of systems that weren't built for remote work. For instance, businesses are always sharing highly confidential payment information in Excel attachments via email, which should be integrated via APIs to minimise data breach risk. So, our whole approach at Paytron has been to integrate via APIs with built-in approvals workflows powering clear team communication.

As Australian businesses grapple with the current economic environment, cash flow



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management is the biggest issue for SMEs for the next 12 months. Companies struggle to make ends meet, and inflation is rampant worldwide, so people hang on to their cash longer. It's going to be increasingly important to understand and control cash flow even better.

One major cash flow problem faced by businesses is the lack of visibility over the expected forecast of payments coming and going out. The reason businesses don't have this because finance teams are making payments either weekly, fortnightly, or monthly. It's therefore an enormous effort to get a holistic view of your business spending. Even if everything is dutifully compiled via spreadsheets or bank statements, you're working with post spend cash flow position and not real-time information. We're seeing a massive influx of businesses and accountants joining Paytron because their

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clients can schedule all their future payments for subsequent pay runs weeks or even months in advance, and still be able to get a real-time view of their expected cash flow. You suddenly get greater insight by connecting Paytron to your ERP or accounting system, like Xero or NetSuite. Another key feature we've rolled out to help businesses better manage their cash flow is offering the ability to pay any bill with a credit card, regardless of the supplier's stipulated payment method.

As an extension of cash flow management, businesses need control over employee expense management. It's impossible to have effective cash flow management

if your employee expense system is not connected to your overall finance function, which is why Paytron launched virtual corporate cards. This gives the finance function ultimate control of employee budgets and spending, with a real-time overview of exactly where they are spending into. What's exciting is piecing together all the different components of a business' finance function to simplify the process for businesses, nipping app fatigue in the bud.” ♦

*Jaco Veldsman
Co-Founder
Paytron
www.paytron.com