

Unlock growth and resilience through financial supply chain transformation

How CFOs can transform operations to drive a profitable, resilient, and sustainable future



Global supply chains are facing unprecedented pressure. Talent shortages, cost escalation, geopolitical uncertainties, and maritime disruptions threaten critical operations—slowing growth and draining working capital.



This volatility has revealed a stark reality: Many enterprises lack the resilience and agility to navigate such challenges effectively, primarily due to process inefficiencies, cash flow constraints, and limited visibility impeding proactive decision-making.

Meanwhile, chief financial officers (CFOs) must also navigate the complex landscape of balancing stakeholders' environmental, social, and governance (ESG) expectations while striving for profitability and growth. Failing to address the ESG-profitability nexus effectively can make CFOs susceptible to regulatory compliance hurdles, agility gaps, and competitive disadvantage.

To overcome these challenges, CFOs must re-evaluate their financial agility and adaptability. This necessitates a strategic transformation of the organization's financial supply chain, ensuring efficient allocation of resources and resilient financial workflows.

CFOs as the catalysts for change

Modern CFOs have evolved beyond their traditional financial oversight and forecasting guardian role. Equipped with financial expertise and data analysis skills, CFOs play a vital role in transforming financial supply chain processes into a dynamic and cost-optimized growth engine. Here's how they are leading the charge:



Championing digital and financial transformation

CFOs are driving the adoption of innovative technologies, like cloud computing, automation, and artificial intelligence (AI) within financial operations and other areas such as supply chain. They advocate these investments, demonstrating how they can streamline processes, improve real-time data visibility, and optimize resource allocation.



Fostering collaborative workflows with integrated data

CFOs are bridging the gaps between procurement, finance, and logistics to provide a 360-degree view of the financial supply chain. This creates a collaborative environment where information flows effortlessly, enabling quicker response times, real-time data sharing, and better risk management.

CFOs understand that businesses can achieve unparalleled operational efficiency and transparency by embracing data harmonization through a unified order management platform. Fulfillment and shipping documents are automatically generated directly from order data to guarantee compliance and minimize errors. This real-time data synchronization empowers all stakeholders with immediate visibility into order status and progress, fostering smoother collaboration.



Leveraging supply chain finance for growth and sustainability

CFOs can become critical players in securing materials and finished products by streamlining supplier payments and providing suppliers access to supply chain financing. This approach allows CFOs to work with financial institutions to offer suppliers lower financing rates based on the company's strong creditworthiness. Not only does it help optimize payment terms with suppliers, but it also injects crucial capital into their operations, ensuring smooth production and on-time deliveries.

In addition, CFOs can incentivize responsible sourcing, ethical labor practices, and environmental compliance within their supplier network to make sure the organization's ESG commitments are not compromised.

The multi-faceted benefits of financial supply chain transformation

With global markets constantly evolving, financial supply chain optimization is no longer a luxury; it's a lifeline. However, many enterprises still grapple with siloed financial workflows, manual processes, and limited visibility into their supply chains. These frictions translate into late payments, inventory bottlenecks, and declining margins.

More than just process automation, financial supply chain transformation is a strategic shift that puts financial flows at the heart of business optimization. Think of it as injecting transparency and agility into your financial operations—unlocking new levels of efficiency and fueling sustainable growth.

Here's how a complete overhaul of your financial supply chain can change the way you manage cash flow and working capital.



Enhance operational efficiency

Inefficient documentation and error-riddled data entry are the plague of paper-based processes. Incorporating automation into financial supply chain workflows helps minimize errors and reduce the hours spent on tedious reconciliation tasks, freeing employees to focus on more strategic and impactful tasks.

Standardizing payment terms and procedures across your enterprise resource planning (ERP) systems creates a single source of truth for all payment-related data. This ensures smoother transactions with effortless tracking while improving cash flow management and supplier relationships.

Additionally, digitized procure-to-pay processes speed up invoice approval and reduce supplier payment inquiries, freeing up employees for higher-value strategic work that builds agility in finance operations.



Empower strategic decision-making

Gaining precise insights into your cash flows improves forecasting capabilities, enabling stakeholders to make informed decisions about investments, cash for operational needs, investments, expansions, acquisitions, and other strategic moves.

Of course, financial supply chain transformation is not just about numbers. The embedded analytics and reporting tools convert raw figures into actionable insights like spending patterns, supplier performance predictions, and even previously undiscovered cost-saving prospects. These insights provide clear answers to critical questions, guiding decision-makers toward responsive, data-driven choices.

But it doesn't end there. By offering clear payment visibility and certainty to your suppliers, you build trust and drive the adoption of digital processes. When suppliers know they can consistently rely on timely payments, they are more likely to offer better terms and become long-term business partners. This virtuous cycle strengthens the entire financial ecosystem, laying the groundwork for sustainable growth.



Optimize working capital

For buyers, a transformed financial supply chain empowers them to improve their working capital, a critical aspect of financial health. This transformation often includes the ability to optimize payment terms with suppliers, effectively freeing up cash without negatively impacting supplier finances.

Conventional payment practices leave suppliers stuck waiting for invoice approvals, delaying their access to cash and hindering their business growth. Financial transformation allows the suppliers to receive payment earlier and keep their operations running smoothly.

Manual invoice approvals are time-consuming, often leading to payment delays and potentially straining supplier relationships. Organizations can unlock the power of automated reconciliation and approval by digitizing the procure-to-pay process, including orders, invoices, advanced shipping notices (ASNs), and shipment documentation.

Not only does it expedite the entire process, but it also flags discrepancies in the invoices early on, enabling earlier resolution. In short, quicker approvals mean even earlier payment visibility and greater opportunities to take advantage of supply chain finance programs.



Balance profitability and sustainability

Championing sustainability alongside growth isn't just a feel-good tagline; it's a strategic advantage. Encourage your suppliers to embrace sustainability by incentivizing their ESG efforts through supply chain financing. Offer preferential financing rates in exchange for demonstrable improvements in ESG practices.

Digitizing supply chain transactions is another effective way to drive sustainability without sacrificing profit. By replacing paper-based workflows with digital processes, you can significantly reduce paper consumption and waste generation while streamlining operations.

A robust supply chain is the foundation of any thriving business. Supply chain financing provides much-needed capital for your suppliers' operations, ensuring they have the resources to keep pace with customer demands. This translates to smoother production lines, on-time deliveries, and a more resilient partnership that fuels mutual success.

Procure-to-Pay (P2P) optimization in financial supply chain

Procure-to-payment (P2P) transactions are critical in managing cash flow, reducing costs, and ensuring compliance with regulations within the financial supply chain. By streamlining and integrating the process with various financial systems, the following benefits can be achieved:

- **Reduced costs:** Automation and increased efficiency lead to cost reductions in areas like order status tracking, invoice processing, payment errors, and supplier management.
- **Improved visibility and control:** P2P offers real-time insights into cash flow, product availability, and supplier performance.
- **Enhanced compliance:** Clear audit trails and adherence to pre-defined approvals and authorization processes ensure compliance with internal and external regulations.



Supply chain finance (SCF) in financial supply chain

Within the financial supply chain landscape, supply chain finance (SCF) is a strategic tool that frees up working capital, streamlines cash flow, reduces supplier risk, and enhances relationships between buyers and suppliers.

SCF provides a dynamic solution by introducing a third-party financial institution (FI), typically a bank or factoring company, into the equation. Buyers can optimize supplier payment terms by providing earlier access to capital at preferential rates.



Financial supply chain transformation: Why a global supply chain network platform is indispensable

A robust global supply chain network platform serves as the cornerstone of financial supply chain transformation. This digital platform acts as a vital link between enterprises and their trading partners, enabling seamless connectivity, collaboration, and implementation of crucial supply chain processes.

Key capabilities of a global supply chain network platform:



Connectivity

The platform acts as a central hub that connects all stakeholders in the supply chain ecosystem, including buyers, suppliers, logistics providers, and financial institutions. This promotes seamless communication and eliminates siloed information.



Shared visibility and collaboration

Real-time data sharing across the network provides transparency into all supply chain activities. This enables collaborative planning, risk mitigation, and proactive problem-solving.



Digitalization

By digitizing purchase orders, invoices, packing lists, and other essential documents, manual processes and paper waste are eliminated. This streamlines workflows and minimizes human errors.

Notably, footwear company Crocs witnessed significant improvements in its financial supply chain after embracing digitalization, with [payment approval cycle times significantly reduced from 26 days to half a day.](#)



Flexible financing

A global supply chain platform that offers flexible financing supports the buyer and supplier's evolving needs and strategies. Buyers can toggle between offering supply chain financing and self-funded programs to free up capital, reduce the cost of goods sold, or create a strategic mix across their supplier base. Either way, suppliers benefit from earlier payment access.

Additionally, suppliers gain flexibility with access to capital at various points throughout the order fulfillment journey. Purchase order (PO) financing injects immediate funds upon order confirmation, boosting liquidity and preventing disruptions. The platform also integrates green financing solutions to align businesses with responsible practices and attract ESG-conscious investors.



Analytics insights

Insightful dashboards provide real-time visibility into cash flow, risk management, and carbon emissions data. This empowers data-driven decision-making and boosts supply chain performance.



ERP Integration

Seamless integration with multiple enterprise resource planning (ERP) systems eliminates manual data entry and streamlines processes, reducing administrative burdens and improving efficiency.



Modern CFOs play a critical role in financial supply chain transformation. This next evolution for the financial supply chain is essential as it empowers enterprises to navigate the unpredictable economic climate with agility. In addition to addressing root causes such as process inefficiencies, cash flow constraints, and limited visibility, it fortifies the value chain by unlocking the following benefits:

- **Profitable growth:** Increased operational efficiency and improved cash flow fuel sustainable and profitable expansion.
- **Enhanced competitiveness:** A dynamic and resilient supply chain provides a distinct advantage in a competitive market.
- **Long-term sustainability:** Businesses contribute to a more sustainable future by improving resource utilization and mitigating risks.



About Infor Nexus

Infor Nexus™ (formerly GT Nexus) is the leading global supply chain management platform that helps organizations disrupt supply chain inefficiency. It connects over 85,000 brands, retailers, manufacturers, suppliers, logistics providers and banks on a single, digital supply chain network to seamlessly orchestrate global processes from source to delivery and payment. With Infor Nexus, companies streamline their operations to eliminate inefficiencies and waste while gaining data-driven insights and optimizing flow of capital for an improved agile, sustainable, and resilient supply chain.

Achieve sustainable
success and growth
through a transformed
financial supply chain

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