

# ENHANCING LIQUIDITY MANAGEMENT WITH THE SUPPORT OF ADVANCED DATA ANALYTICS

In the area of liquidity management, banks could create value for both their own business and that of their corporate clients by passing on insights from advanced data analytics. For example, advanced data analytics could facilitate more accurate cash forecasts that would allow companies to plan their liquidity more accurately which, in turn, would help banks manage their balance sheets more efficiently. Yet, despite the potential benefits, neither banks nor their corporate clients have yet adopted data analytics on a large scale.

## What has prevented broader adoption of advanced data analytics?

Organisational and cultural issues, rather than insufficient data, are preventing the greater use of advanced data analytics in both banks and their corporate clients. On the corporate side, legacy systems, decentralisation within organisations and a lack of data standards lead to the inevitable creation of data silos. On the bank side, legacy systems impede the movement of data between silos and prevent the implementation of the required analytics tools that can generate insights from masses of data. Furthermore, the adoption of new data-driven culture requires the engagement of staff with the necessary expertise to implement and then oversee a new way of managing and analysing data. Without a changed approach to data collation and storage, advanced data analytics will remain out of reach. In other words, investment in technology is required to create an environment in which data analytics can be performed.

## What is the next step in the adoption of data analytics in the corporate liquidity management system?

The road to a broader adoption of advanced data analytics requires technical enhancements such as improving data storage processes and standards and adopting data analytics tools and machine learning processes. It also requires continuous demonstration of how data analytics can support better decision making to win the leadership support necessary for developing investment strategies to enable change. Finally, adopting a data culture requires data-shrewd people. Both sides need to invest in staff who can drive digital growth.

Learn more: [download the report](#)

The report 'ENHANCING LIQUIDITY MANAGEMENT WITH THE SUPPORT OF ADVANCED DATA ANALYTICS' is available for download in the Publications tab on the EBA Member Portal [▶](#)



## Our mission

The mission of the EBA is to foster dialogue and experience exchange amongst payments industry practitioners towards a pan-European vision for payments. We pursue our mission through involving member organisations and relevant stakeholders in thought leadership on innovation, helping our members to understand and implement regulation and by supporting the development of market practices.

## Our activities

The EBA activities cover four core areas:

- ≡ Thought Leadership & Innovation: advancing the understanding of new market trends through working groups, task forces and open fora.
- ≡ Market Practices & Regulatory Guidance: providing guidance on market regulation and implementation through practitioners' panels.
- ≡ Networking & Events: fostering pan-European practitioner exchange through EBAday and other events.
- ≡ Training & Education: providing training & educational services on relevant payments and transaction banking topics to the EBA community through summer and winter schools and e-learning.



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