

Cost-benefit of moving to an SME to eBanking:

Electronic Banking is now well established yet many SME's have been slow to adopt it fully. Some have made individual payments via Internet banking or collected monthly bank Statements online, but few have fully automated the process.

There are substantial savings for an SME in both actual transaction costs and productivity gains from moving to process all payments electronically. The following illustrations give a comparison between the cost from an SME of making 100 payments per month as follows:

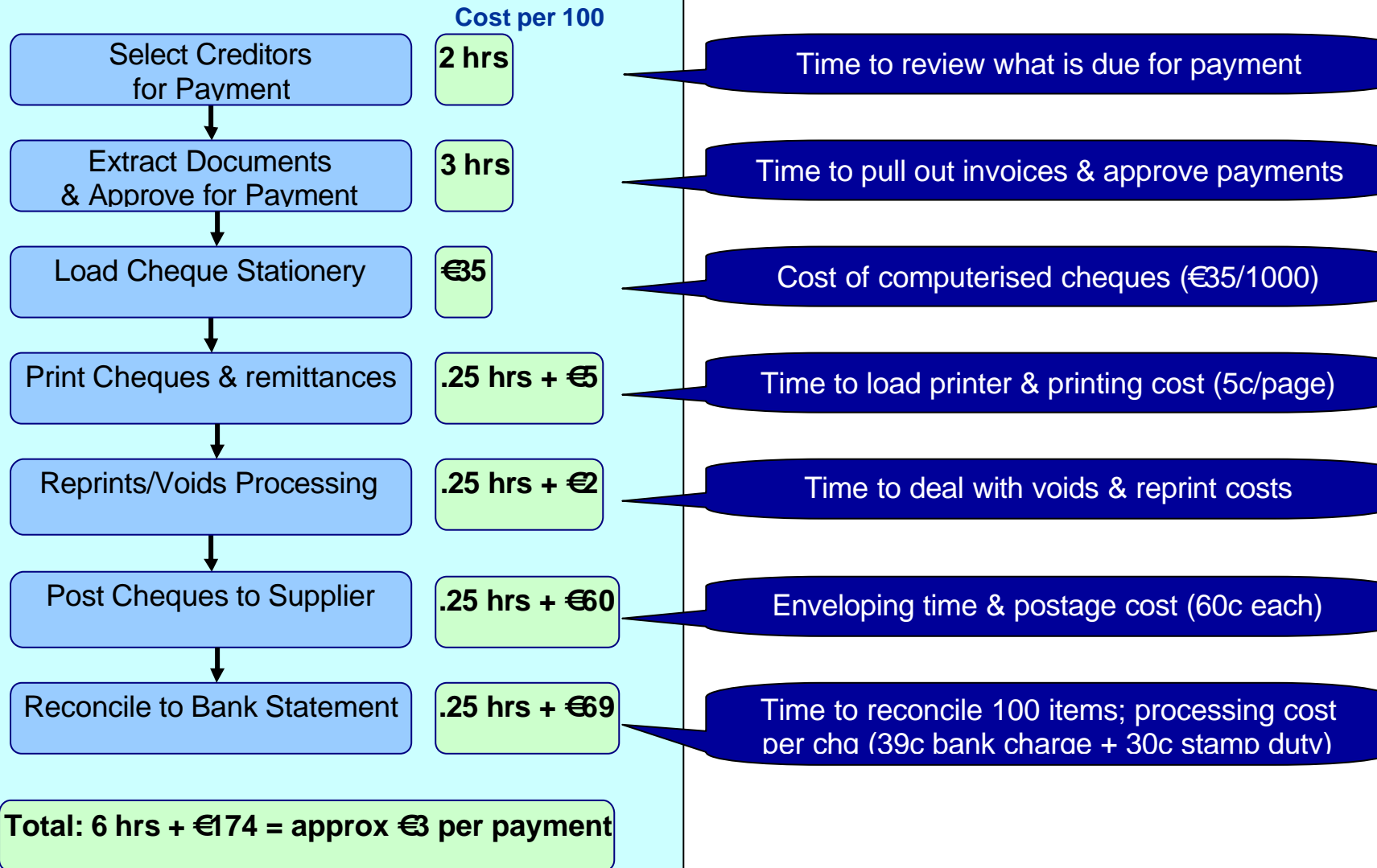
- Via traditional means - printing cheques and sending them by post through to manually reconciling the Bank statements
- Via Internet Banking - all the way from allowing the accounting system to suggest what needs to be paid, though approving the payments to generating an EMTS (Electronic Money Transfer File) file for submission via Internet Banking and collection of electronic Bank Statement for auto reconciling to the accounting system

This shows that the direct cost for 100 payments per month under traditional means is €174 per month with approx 6 hours of work involved per month. This compares to €21 per month using electronic banking with only 1 hour of work involved.

Conclusion: An SME doing approximately 100 payments per month would save €153 per month in real cost and 5 hours accounting staff effort per month - overall a saving of over €3,000 per annum - substantially more than the annual cost of accountsIQ, which provides full integration with Internet Banking to facilitate this approach.

SME Cheque Payments

Traditional Cheque Payments approach



SME Electronic Payments

AccountsIQ Electronic Payments

Cost per 100

System suggests what is due

30 mins

Approve on line (incl view scanned invoices)

30 mins

iBB charge for processing EMTS file

€6.35

Charges for electronic payments (15c each)

€15

Remittances emailed directly (no post req'd)

€0

Collect Statement & auto reconcile (1 item)

€0

Run Suggested Payments

Approval on-line

Generate EMTS File

Submit EMTS file to iBB

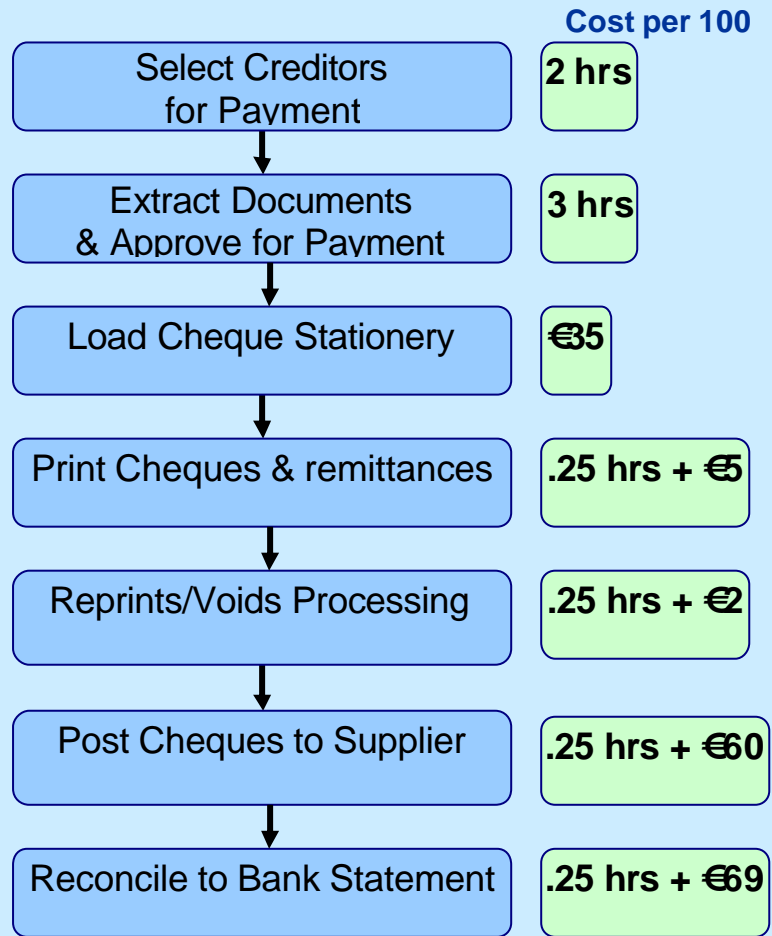
Email Remittances

Auto Reconcile to Statement

Total: 1 hr + €21 = approx €0.41 per payment

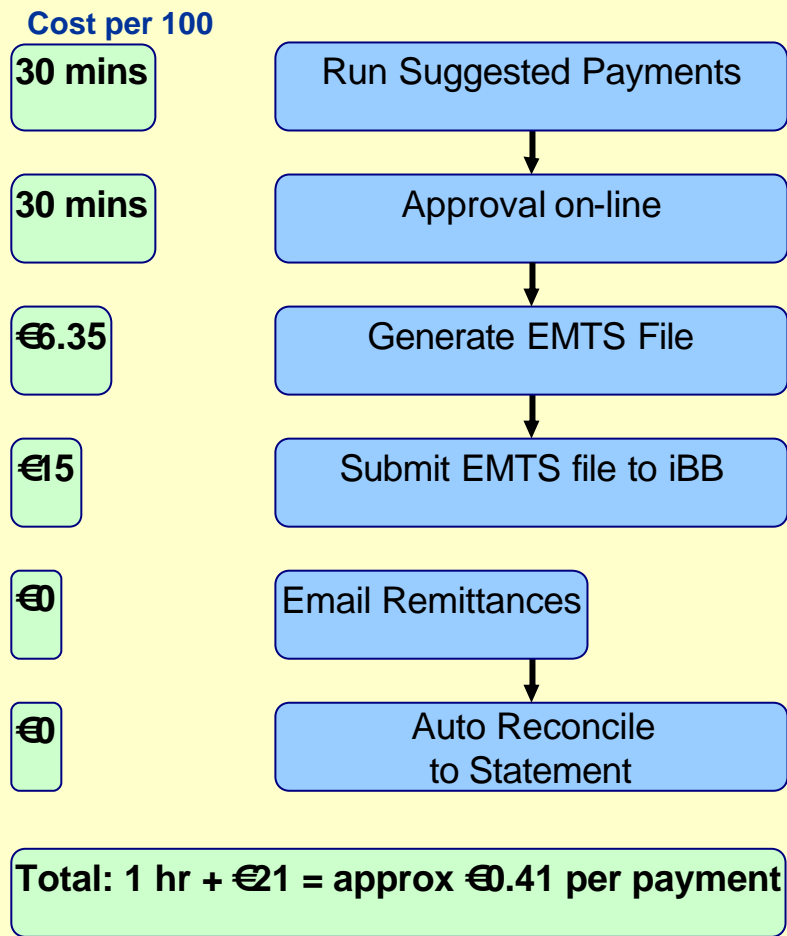
Savings using Electronic Payments

Traditional Cheque Payments approach



Total: 6 hrs + €174 = approx € per payment

AccountsIQ Electronic Payments



Savings (100 payments p.m.) = €3,108 p.a.