

Lowe's Uses Bank Fee Analysis to do it Right, for Less

KYRIBA SUCCESS STORY

The scale of Lowe's bank account environment is extremely large, with over 2000 bank accounts with 33 banking partners. Prior to Kyriba, the treasury department used a third party application for bank fee analysis, and the process was extremely cumbersome, taking 2 full days to complete, resulting in just a summary of numbers with no analytical work.

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Before Kyriba, the goal of the process was just to simply get through it. No analytics... just 2 full days of pulling the data together.”

— Jon Korpala
Senior Treasury Analyst, Lowe's

With Kyriba's Bank Fee Analysis, Lowe's is able to pull reports on a macro scale to immediately identify any outliers. They now produce a complete analysis of their volumes, unit fees and total fees by account, all on a month-over-month and year-over-year breakdown. They can immediately compare services across banks and drill down to a micro-level for any out-of-policy store activity.

“With Kyriba we are more easily able to zero-in on store activities. I can quickly see the stores that are generating excess fees simply because they are doing things outside of our standard policies and procedures.”

— Jon Korpala
Senior Treasury Analyst, Lowe's



Client: Lowe's Companies, Inc.
Founded: 1921
Headquarters: Mooresville, NC
Employees: ~300,000
Sales: \$96.3B
Number Of Stores: ~1800

Lowe's grew from one small-town hardware store in North Carolina to one of the largest home improvement retailers in the world, with stores in US and Canada.

Lowe's Treasury Functions



Cash Management



Short Term Investing/
Borrowing



Capital Markets



Bank Relationship
Management



Financial Risk Management

High Turnover Requires Quick Identification of Out-of-Scope Fees

The ability to quickly identify stores garnering excess bank fees is crucial in the retail environment, where employee turnover can be high. For example, a store that deposits loose change in their nightly deposit will get charged fees for doing so. If this practice is not detected and corrected right away, it is possible the employee in need of training will have moved to a different position or company by the time other software would have caught the mistake.

Keeping the Banks Honest

Roughly 95% of Lowe's accounts are with 3 main banks, and every year Lowe's performs an annual peer bank study with a third party that compiles and compares fees that Lowe's is being charged against other companies in their peer group. Using Kyriba's Bank Fee Analysis allows Lowe's to feel confident in their numbers and can determine if any anomalies are a one-off issue or a more concerning trend.

With all the rates going up in today's environment, having Bank Fee Analysis, and the banks knowing we have access to the data, allows us to confidently challenge banks on fees and rates with success.

Scorecard System Helps Treasury Demonstrate Kyriba's Value to Management

Lowe's employs a scorecard system to review and analyze technology, and in evaluating Kyriba, Bank Relationship Management scored as the most valuable to Lowe's. Treasury was able to use the efficiency and cost savings made possible through the module to demonstrate the need to management and get funding for adding Bank Fee Analysis to their Kyriba instance.



"I'm able to get the data out of Kyriba using Bank Fee Analysis, so I'm able to spend my time focusing on the analysis side and not just trying to compile the data. I feel very confident I have visibility into everything I need to see, and it really keeps the banks honest."

— Jon Korpall
Senior Treasury Analyst, Lowe's

OTHER AREAS LOWE'S HAS HARNESSSED KYRIBA'S EFFICIENCY INCLUDE:



Automated integrations and connections



Straight-through processing to Cash Accounting



Balance and Transactional Reporting to identify the needs of internal/external clients



Payments – 5800+ payments initiated through Kyriba annually