

IACT Treasury Workshops...reaching out with a helping hand

The difficulties of the downturn in the past number of years have thrown up some interesting developments. One could argue for instance that the challenges posed by the banking crisis/ property crash and subsequent recession have led to an increase in volunteerism and community spirit with groups like the “Men’s Sheds Association” sprouting up in order to address the social difficulties presented by the experience of recession and loss. This sense of community and common purpose can be seen to reach back something that was an intrinsic part of Irish life, up until the recent boom at least, with the ancient Irish word “Meitheal” used to describe this trait.

Another distinct development has been the focus on fostering an enterprise spirit with individuals and groups looking to their own initiative in very difficult economic circumstances to grow ideas and develop businesses. In a sense this invokes the entrepreneurial credo of not looking for employment but creating it. This is something that certainly didn’t receive the same attention during the boom times when job’s created by large companies in the dominant sectors of Construction and Finance were flourishing. However, the circumstances of a global financial crisis and the ensuing economic crash coupled combined with the enforced austerity of the troika created a strange mix of it being both the best and worst time to start a business. The best in the sense that many people simply had nothing left to lose by taking such a chance – the worst in the sense that the conventional credit environment and explicit government support would be relatively thin on the ground –something many of our members would be keenly aware of as treasurers.

It is the view of many commentators in order to ensure a sustainable recovery in this country that the small and medium enterprise sector (both start ups and established businesses) should and ultimately will form the backbone of the recovery. There has been much talk of the “Smart Economy” in political and academic circles based on knowledge and enterprise. Promotion of the “Smart Economy” is not helped by the conditions imposed by the Troika – but this needs to be accepted as a consequence of the circumstances in which the country found itself in 2008 something which can’t be changed at this point. In addition the availability of credit in normal circumstances is aligned with the prevailing economic conditions....(I am not sure we can call the economic conditions normal as yet but hopefully things are heading in the right direction). So, how can the enterprise sector be helped and how can a smart economy begin to grow? There are a number of factors other than credit that can play a part....Shared knowledge, Supportive Networks and Experience.

Now the question you may ask at this point is: what has any of this got to do with the IACT? Well all of the above is closely related to an initiative that has been developed by the IACT and rolled out to very positive feedback from those that participated in this initiative. The initiative is that of Treasury Management Workshops that are targeted at start up enterprises and entrepreneurs, particularly those that have no finance or treasury back ground. The rationale of this initiative is that one of the primary root causes of business failure – particular of start ups in the early growth phase - is mismanagement of cashflow. The workshops offer the IACT an opportunity support the growth of the new enterprise sector

by providing pointers in cash and treasury management that will hopefully encourage these burgeoning entrepreneurs to incorporate good cash management habits into their business operations.

Some of the key objectives of the Treasury Management Workshop are as follows:

- Provide an introduction fundamental treasury and cash management practices that have proven useful in successful businesses of all sizes.
- Encourage an interest in further developing Treasury knowledge among entrepreneurs.
- Promote the concept of “Business Experience Networking” among entrepreneurs in terms of sharing varied experiences in tackling the challenges of growing and sustaining a successful business. This supports the simple credo that “Advice has a price...Experience is priceless”
- Encourage those entrepreneurs to see the IACT as part of that network of professionals and peers that can add value in terms of growing their business...back to that positive concept of Meitheal.
- Encourage the spirit of enterprise out of respect for those with the courage to build these new businesses.

The approach taken in the last year has been to reach out to a variety of enterprise hubs and business incubator academies in the universities with a view to identifying groups that would benefit from the workshop. To date two very successful workshops have been held, the first in August at the Trinity College Launchbox program with a group of undergraduates developing new commercial and social enterprises. The second workshop was in October at the DCU Invent Hub to a group of 30 IT start ups. The key to the success of these workshops has been that the participants have seen the relevance of the presentations in terms of their businesses and there has been active engagement and interest from the audience in both cases by way of asking questions and sharing experiences.

The aim for this year is to continue to develop this concept by reaching out a range of business networks that might see the benefit of what the workshop can offer. To paraphrase a sometimes bitterly remembered political slogan..Much done, more to follow..

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