Next-generation working capital – the $ multi-trillion opportunity

A value framework for lenders looking to transform their working capital operations

Contents

Introduction

Customers are not at the centre of business lending today.

But there is consensus amongst most lenders that this needs to change:

"An easy-to-use, highly personalised working capital facility – that should be the thing that's replaced the business overdraft."

Conrad Ford,
Chief Product and Strategy Officer, Allica Bank

"Buyers can get 60-90 days' credit at the point of sale, and make a decision there and then. Compare that to [the existing typical application journey of] submitting their historical accounts - that's no use!"

Martin Hyde,
Executive Director, J.P. Morgan

For the last decade lenders have been taking steps to address the changing needs of the market. Progress has been slow and piecemeal. But there is good news. The next generation of working capital is about to offer business borrowers what they want:

On-demand working capital

- **Intuitive pre-qualified product offers**
- **Embedded at the point of interaction**
- **Application-to-cash in just 24 hours**

This report looks at some of the practical steps business lenders can take in their journey to deliver next-generation working capital:

01 | Recap - customers expect more

02 | Before and after: the structural changes lenders are making

03 | Value framework: 4 pillars for driving success

04 | Why now?

01

Recap – customers expect more

Right now, it takes 30 hours for a business to apply for finance and up to 90 days for the money to appear in their account.[1]

No business owner ever woke up in the morning and said that they're excited about applying for working capital finance.

Businesses find gaps in their working capital daily, but many don't even know what product they should be applying for and often need third parties to explain the options. But as lenders embrace next-generation working capital finance, borrowers will get the financing they need without ever hearing about asset-based-lending, invoice discounting or receivables finance.

They will be able to just connect their data to a service from a bank or a third party; the service will analyse the information and match them with the right working capital solutions, then automate the application processes and fulfil within a few hours.

The shift to on-demand working capital is accelerating rapidly

Within three, or certainly five, years, the types of products, and the basis on which lenders compete to offer trade and working capital, will be very different from today. Many blockers have been overcome already or will be gone within three years. That's how fast it's going to happen.[2]

How up to date is your business finance offering?

TODAY **ON-DEMAND**

Intuitive offers embedded at the point of need, quick-click applications, fast decisions and cash within 24 hours

2000s **CLICK & WAIT**

Online applications anytime but application includes multiple manual and time-consuming steps - often offline and behind the scenes, so customers can't see progress

1970s **IN BRANCH**

Set banking hours, queues, personal advisors, wet signatures and lengthy, manual, costly processes

Majority of commercial lenders sit between Click & Wait and In branch

Impatience shows in the numbers

There's never an ideal time to make changes to systems. But business customers have made their impatience clear. They have many banking options available, and the days of sticking with the same financial provider for a decade or more is now the exception rather than the norm:

Convenience = brand loyalty

A striking number of businesses are likely to switch their main financial providers due to their dissatisfaction with the current level of service provided.

36%

of SMEs are likely to switch main financial provider[3]

52%

quote application process as a main reason for dissatisfaction[4]

Quick access to cash is expected

Cashflow is one of the biggest limitations businesses face when aiming for their full potential. Access to capital and strong working capital management are key ingredients for their success.

1 in 2

would like to be funded within 7 days[5]

1 in 3

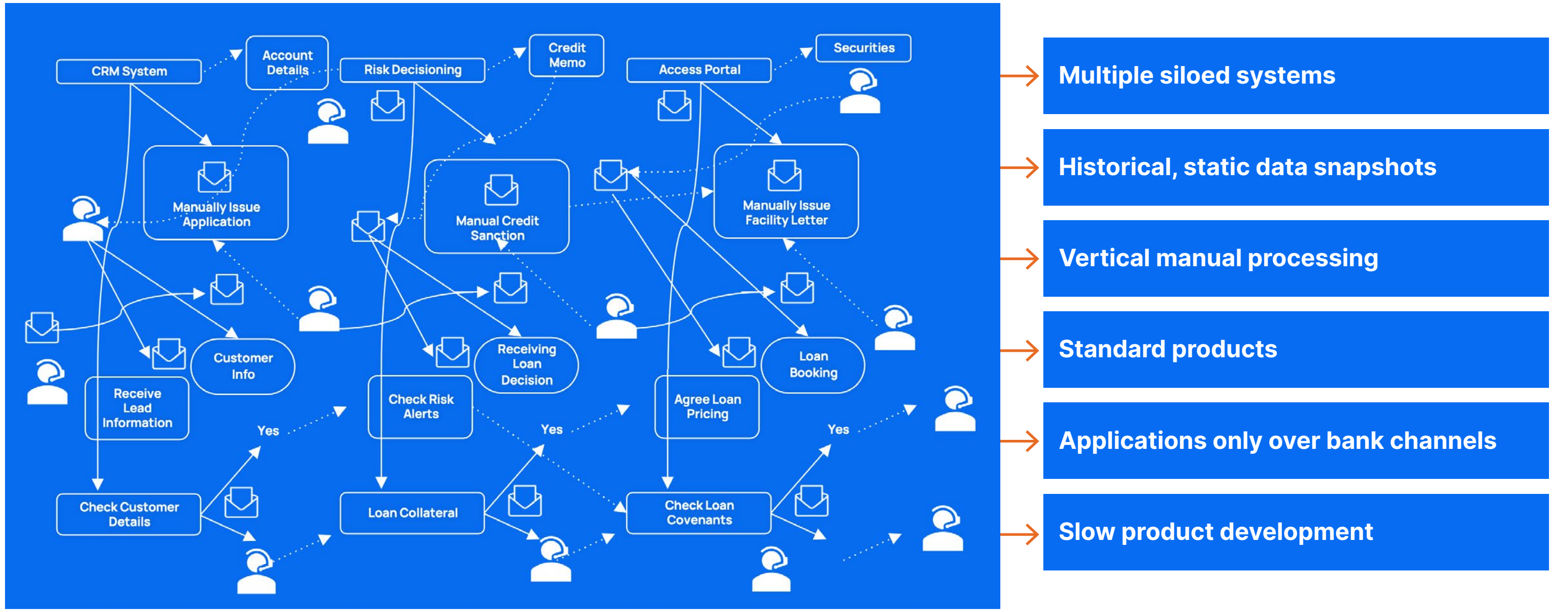
would like to receive funds within 3 days[6]

Newer, more innovative lenders have made customer experience a core metric for success. Their view is that if you put the customer at the centre of the journey, alongside the product and the proposition, then growth and efficiency will come organically.

02

Before and after: the structural changes lenders are making

Before: lending operations are costly, inefficient and unscalable



For many lenders, the picture of traditional lending operations shown above is all too familiar. Data required for quick, accurate application processing is siloed across multiple systems, spreadsheets, email or paper, and may be duplicated, mismatched and out of date. Lenders who offer more than one product usually have completely separate systems, processes and even departments for each product.

This setup prevents lenders from taking full advantage of new digital datasets to make faster, more robust decisions, or easily identify cross-sell opportunities.

To get the full advantage, they also need to fully digitalise their application channels and processing – for example, online applications need to feed automatically into the processing system rather than needing copying or re-keying.

The impact is a frustrating application process

30

It takes 30 hours for a customer to apply – even if they qualify

50%+

More than half of applications are abandoned

80%+

There are 80%+ error rates during processing

90

Borrowers can wait 90 days until initial draw-down

High-potential businesses can't get access to the finance they need

Specialist products like invoice and receivables finance are still hard to find, despite being relevant to the service sectors that make up 80% of many economies. Not having these forms of working capital finance readily and easily accessible from mainstream banks and lenders can significantly limit a firm's potential to manage its cashflow effectively and fund growth.

A massive untapped market opportunity for lenders

The International Finance Corporation estimated that there's a credit gap nearing US$10 trillion.[7]

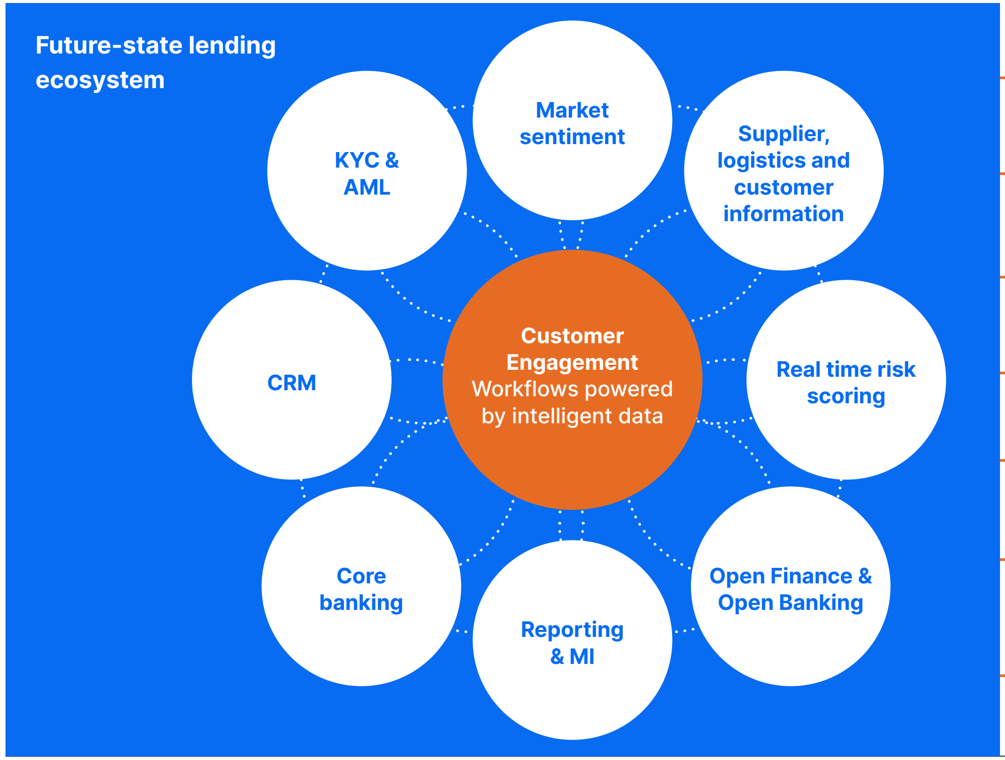
The high-cost nature of traditional lending ecosystems means high-value loans to large corporations, who make up only 1% of the market[8], are often the only profitable segment for lenders. This leaves a massive part of the market underserved - it is widely accepted that SMEs and midcap organisations have a high risk-adjusted return on capital (RAROC) potential.[9]

Roger Vincent, VP of Global Sales, Trade Ledger, challenges the industry to serve businesses better: "Nine times out of ten, SMEs are probably ending up on a personal credit card or business overdraft, but even these are being withdrawn by the major lenders. Banks should see it as a huge opportunity to expand the applicability of other working capital finance solutions like invoice finance and asset-based lending, tweaking the proposition to make it more cost effective and improving the overall customer experience."

After: simple, intuitive and sustainable lending journeys

Lenders looking to deliver a working capital solution, built to meet the needs of an on-demand economy, need to say goodbye to lending operations that are costly, inefficient and unscalable.

Business lending operations of the future will be ecosystems that connect via APIs, which allow for seamless data sharing and straight-through processing. By digitalising the entire ecosystem, lenders can deliver highly automated self-service workflows with intelligent processing and analytics.



- **Predictive, embedded in customer channels**
- **Rich, real-time data via open APIs**
- **Transparent, consistent decisions and reporting**
- **Straight-through processing (STP)**
- **Customisation at scale**
- **Collateralised against tangible and intangible assets**
- **Supply-chain transaction services and distribution**

Connected ecosystems that use best-in-class solution providers allow lenders to bolster the parts of the loan journey that are their key differentiators, with specialist expertise from other providers. For example, an incumbent bank's strengths lie in its scale, brand recognition and teams of highly skilled underwriters and analysts who are able to quickly make a decision on whether to lend money to a business. Enabling these teams with a centralised lending platform to collaborate, real-time data feeds with enriched insights, and access to the best-in-class toolsets, can provide them with a dramatic advantage over their competitors. There's more on this below, under → **Composable banking: building blocks for next-generation working capital.**

> "Incorporating composability into digital business enables the enterprise to change and grow despite persistent uncertainty."
>
> Gartner[10]

Technology players that are driving the future of lending include:

- aws
- codat
- DocuSign
- MAMBU
- Microsoft
- CGI
- EQUIFAX
- nimbla
- experian
- Thought Machine
- Validis
- wiserfunding

Daunting? Yes. Achievable? Absolutely.

The future-state lending ecosystem (p10 above) and similar models have been making the rounds for a couple of years now, but lenders are still grappling with the change. Digital transformation is hard.

Where do you start? How do you know that this will solve your problems? How can you ensure its success? How do you build a business case that drives buy-in?

That's why we've created this report.

In the next section we provide a framework for delivering real value across the entire loan operation:

- Loan book growth
- Risk mitigation and compliance
- Operational efficiency
- Technology cost of ownership

Trade Ledger is a core service provider to a number of global multinational banks and specialised alternative lenders, and we work alongside other technology providers to help transform our customers' working capital offerings. We've learned many lessons along the way and want to share our framework for other lenders looking to embrace next-generation working capital.

YES in 20min
Virgin Money reduced its business loan 'time to yes' from 5 days to 20 minutes

↑ 300%
ScotPac Business Finance grew its asset finance business by 300%

↓90%
A global Tier 1 bank reduced receivables finance loan 'time to cash' by 90%

03

Value framework: 4 pillars for driving success

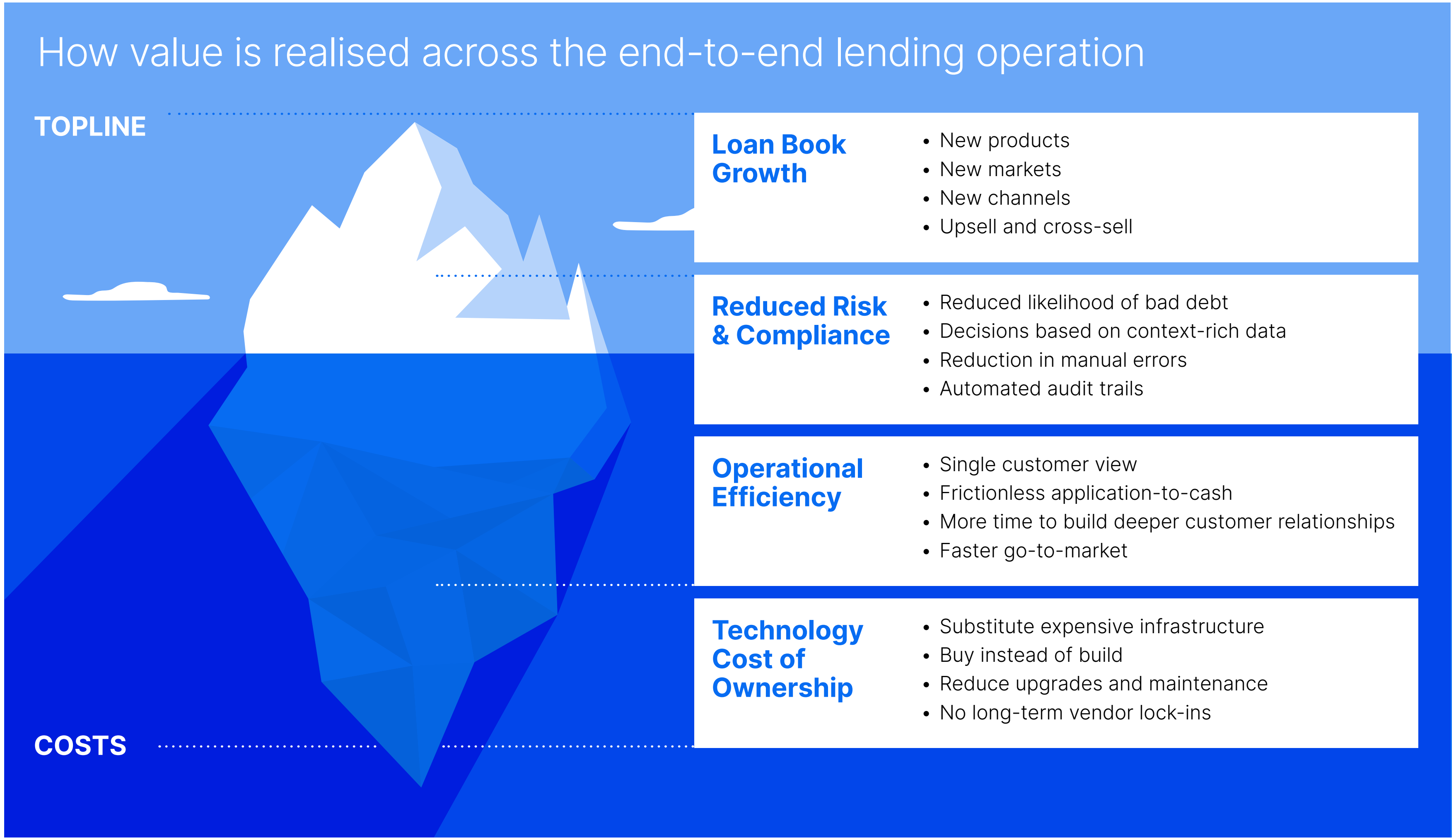
When it comes to implementing a truly customer-centric loan journey, each lender will have their own unique set of priorities and problems to solve.

We know from supplying core services to a number of lenders that there is no 'one-size fits all' solution and that any change requires lenders to show a return on investment (ROI) at every stage.

They need to: offer products that bring in new customers; be able to deliver those products quickly and efficiently in order to monetise this customer growth; and ensure the right products are delivered at a price commensurate with the risk, to satisfy regulators.

This is why we developed our value framework.

Our framework is designed to give lenders a structure that will enable them to identify easily where the biggest improvements can be made, drive value, and enhance the return on capital employed (ROCE), across the entire loan journey - for their customers and their bottom line.



1st pillar: technology cost of ownership

Traditionally, managing technology costs would entail 'sweating the assets'. However, if you take into account the high costs associated with ongoing maintenance and bolt-on technology needed to keep legacy systems running, as well as the costs associated with productivity loss and missed opportunities, it's clear that this is no longer an option.

So, how do you manage costs while replacing an entire lending ecosystem?

The good news is that the lendtech marketplace has really matured over the last few years. In an ecosystem transformed by cloud technology, APIs and software-as-a-service (SaaS) providers, lenders have more options than ever before.

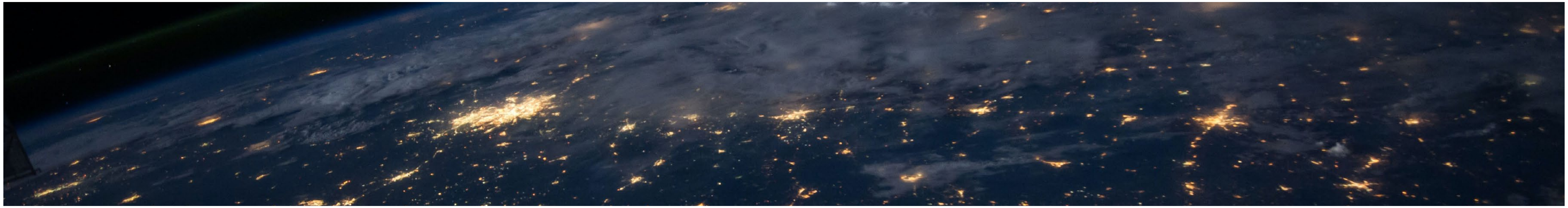
Composable banking: building blocks for next-generation working capital

Lenders looking to embrace a future-state lending ecosystem (as described in the →Future-state lending ecosystem diagram on page 10) need to move towards a composable model.

A composable lending ecosystem is made up of manageable individual parts that are integrated together via APIs to deliver processes or features. Each part can be improved or upgraded independently, and – crucially – can be rearranged to create new functionality.

It's becoming accepted that no single provider is able to offer the best for all the components of a loan journey - whether it's in-house or using external technology. This approach allows lenders to mix and match best-in-class providers to build their market-leading products and experiences.

Composable banking and lending are all about flexibility, so lenders can respond quickly to shifting markets, new opportunities, and new banking technology.



Three considerations for reducing your technology cost of ownership

As lenders work with their engineering teams to develop a transformation strategy they will face a number of key considerations:

1. Build vs buy? It depends on your differentiator

The question of build vs buy is older than software itself, and has always been an emotive one for engineering teams. After all, it's what they do - build.

There needs to be a culture shift in engineering. An engineer's ability to choose what software to buy, and when, is as important as their ability to build.

In almost all cases, when you build software you own it, you may keep it in house, you may open source it - but to some extent whatever you build will always be with you. It's very difficult to predict the cost of ownership, which is frequently underestimated, and continues to rise due to factors such as security threats, dependency management, regulatory change and so on. Therefore, the decision to build vs. buy needs to be value driven:

- **Is your use case unique?** – The saying "there is nothing new under the sun" is almost always true, and we need reasonable proof for whether our use case is unique and absolutely necessary. If it isn't, then sharing the cost by buying or partnering is likely the right call. But if the use case is unique, we are in essence adding value by inventing – see the next question.
- **Can you add value?** – We must be inventing, improving or reducing the cost of a service. The bar is high, but if we are sure that we really can invent, improve or reduce, we go ahead and build.
- **Is this core to your mission?** What do you want our company to be known for? – Check whether this is a good use of our energy and that it will advance our core mission rather than distract from it.

If lenders get it right they can integrate faster, manage their costs more effectively and focus more intensely on adding value to their core mission.[11]

2. Choose partners based on their ability to evolve with you

It takes time and effort to integrate vendor software and it's previously been difficult to estimate whether it will make the desired impact.

However, just as cloud providers have done for infrastructure, SaaS providers have transformed the cost of ownership considerations for software.

With open API standards and industry-standard messaging protocols, SaaS providers recognise that ease of integration is paramount. Many vendors have opened up their API documentation to expose their platform workflows and data models, as well as offer sandbox functionality for engineering teams to test and play before deployment.

What about the cost of ownership? Say goodbye to hidden or unpredictable costs. SaaS vendors figure out patches and upgrades, and they're almost always included in the cost and applied automatically. You can now get a fully baked-in cost of ownership and get on with your core business.

Tap into innovation through co-creation

If lenders can start to see fintech and tech vendors as enablers and strategic partners, they can really tap into the fact that the product offering has been evolved based on extensive user feedback and input from multiple different areas. This can expand what historically might have been quite siloed at project specification stage, or just creating a custom development solution.

At Trade Ledger we're seeing more and more that prospects and clients see us as a strategic vendor, mapping out what the future state could look like in terms of next-generation working capital. For us specifically that's where the future is – innovation and co-creation.[12]

3. Tackle transformation in bite-size chunks

Conrad Ford of Allica Bank says that digital transformation is easier than some believe. "When traditional financial institutions try to do digital, they see it as a binary. The reality is that you can move forward digitally in days or weeks. It's the small steps that have the biggest impact."[13]

At Trade Ledger we've increasingly avoided big bang transformations, making sure that we're delivering incremental value.

That may be starting with a proof of value or initial pilot phase where lenders can drive confidence and prove adoption with the technology – that's something we've had real success with. Or it could form part of your business as usual:.The process can be new to banks, but they quickly see the benefits.

> "We want to be adding incremental value through new features and functionality, on a continuous basis, and that is quite contradictory to the more traditional release management, testing, governance and signoff processes, but banks can see that they get more value than just the product – they get access to new innovation."

Emily Lloyd-Penny,
VP of Solutions Consulting, Trade Ledger[14]

2nd pillar: operational efficiency

In a lending ecosystem that is digital-first, cloud-native, API driven and composable, data flows effortlessly between systems, in real time. For example, the data captured in CRM can be pushed to other systems as and when it's needed - thus eliminating rekeying, manual imports and inconsistent formatting. Also, customer details that are captured in other systems can sync with CRM.

This not only provides lenders with a single customer view but also unlocks the opportunity for true automation and smart decisions across the entire loan journey.

We call this data-driven lending.

James Binns, Global Head of Trade and Working Capital at Barclays Bank, says that the big banks are now willing to put their transaction engines and platforms onto externally hosted cloud lending platforms, with API gateways off them.

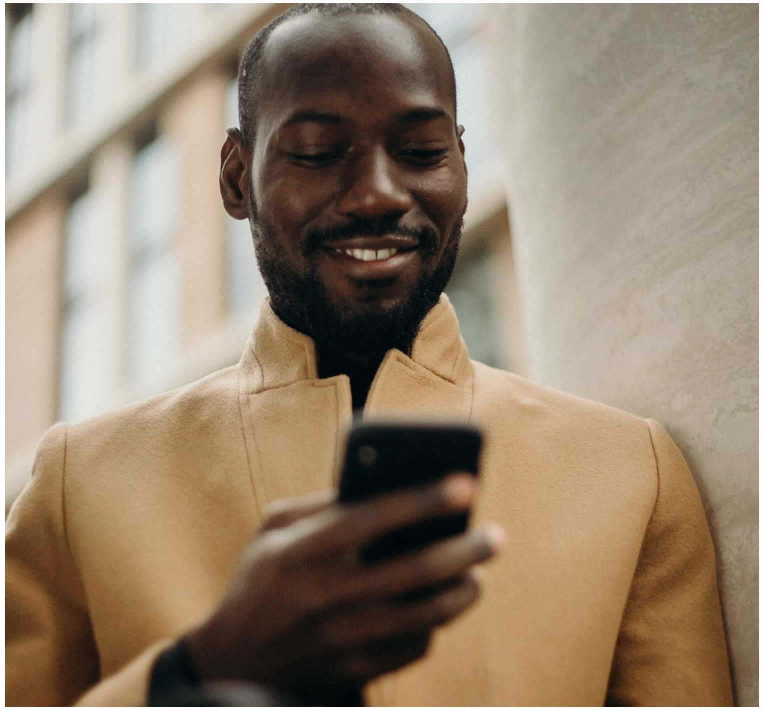
"Once you've got the connectivity, then you can start adding different data feeds over a period of time, layering on the data you need to make more decisions."[15]

Modern lending technology automation checklist:

- ☑ Data collection
- ☑ Workflows and task management
- ☑ Credit scoring
- ☑ Fraud detection
- ☑ Pre-assessment
- ☑ Deal structuring
- ☑ Credit memo creation
- ☑ Document generation
- ☑ Credit agreement
- ☑ Facility monitoring

Lenders who embrace modern technology can expect to accelerate their application-to-cash time by 80%

Use cases: operational efficiencies that will delight your customers and your teams



Borrowers:

Borrowers can pre-populate their application form by instantly and securely sharing their business information from other systems such as their accounting software. Lenders can bring in credit bureau information for the applicant as well as their customers and suppliers.

This change to the process can reduce the typical 30 hour application and 90 day wait for funds down to:

- 4 minute application journey
- 1 hour to a credit decision
- 12 hours to onboard
- 24 hours to cash in the bank

In our current environment, lenders who are able to offer quick access to working capital will stand out from the rest.

Relationship managers:

By removing the manual rekeying of information your relationship manager (RM) teams can focus on building deep relationships with more customers.

An integrated lending ecosystem provides RMs with easy access to up-to-date customer and application information allowing them to simply track the progress of their pipeline and identify which deals need their attention. Ultimately this reduces drop-outs and increases renewal rates.

"The efficiencies the Trade Ledger platform will deliver mean our relationship managers will be able to focus more on supporting customers where it's most needed, rather than being involved in time-consuming manual processes."

Graeme Sands,
Head of Business Lending and Products, Virgin Money

Read more from Graeme

Credit risk and underwriting:

Risk professionals don't need to fear technology. Technology isn't going to replace risk managers anytime soon, but it will enable risk assessments to be quicker and vastly more sophisticated, enabling lending in a much wider set of circumstances.

By automating the collection of newer, more context-rich data, technology can deliver decisions where there is an obvious 'Yes' or 'No' answer. This frees a risk manager to focus their time on more nuanced deals or to think and support the businesses they serve in a more strategic matter. There's more on this in the third pillar, risk mitigation and compliance.

> "Businesses don't want a lender that's a 'one size fits all' sausage factory. Trade Ledger allows us to make nimble decisions to quickly understand each business and make an accurate call on funding."

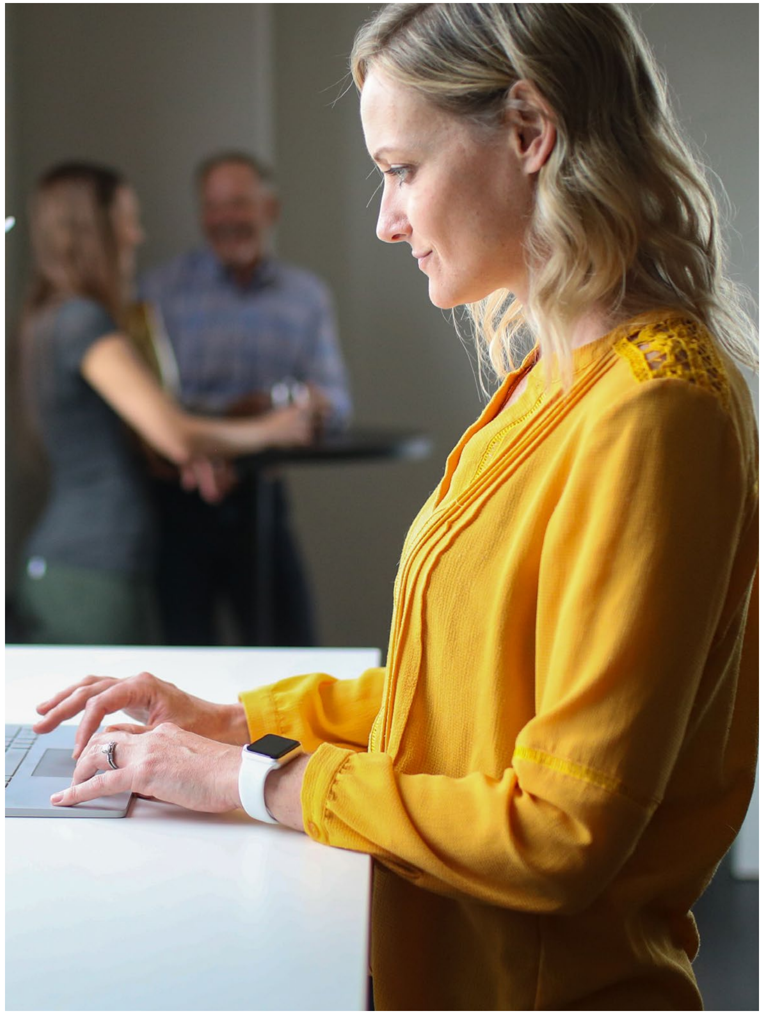
Jon Sutton,
CEO, ScotPac (Australia and New Zealand's largest non-bank SME lender)

Read more from Jon

Engineers and systems integrators:

As mentioned above modern lending technology is built for seamless integrations. In the world of open APIs your team can launch new features and products without needing to stitch together disparate systems or spend months integrating.

Lenders working with Trade Ledger have launched digital invoice finance in just 90 days.



3rd pillar: risk mitigation and compliance

In the business lending industry, 'technology' is all about information and using it for better decision making, such as faster loan approvals, reduced likelihood of bad debt and enhanced return on capital employed.

Risk assessment processes – as well as many others – are deeply embedded into lenders' operations. They may not have changed, but the data available certainly has.

Risk assessments that draw heavily on historical indicators, such as previous trading performance, have become less useful since the start of the pandemic: some businesses have traded throughout, some were put on ice but are now bouncing back, and some continued trading thanks to government-backed loans but won't return to their former glory. To manage risk effectively in the post pandemic era, lenders need to consider different sources of data and the insight they get from it – particularly near-term and forward-looking indicators such as real-time cashflow positions, which show what companies are doing right now.

Far more data is available, and much of it is real time. This means risk assessments can be vastly more sophisticated, enabling lending in a much wider set of circumstances, as well as much faster.

Sophisticated data-driven lending

Accounting Data
- Financial Analysis
- Forecasts
- Trading History
- Ledger and Invoice Data

Bureau Data
- Company Details
- Credit Rating & Notifications
- Financial Analysis
- Company Directors

Government Data
- Company Details
- Financial Analysis (Statutory Accounts)
- VAT activity

Payables Networks
- Company Details
- POS Activity
- Trading History
- Trend Analysis

Behavioural Data
- Application Behaviour

Bank Data
- Company Details
- Risk Rating
- Capital Data RWA / RAROC
- Facility Data & Limits
- Financial Analysis
- Covenants
- CRM

Social Media
- Reviews and Ratings
- General Web Activity

Company and Industry Market Data
- Company Details
- Financial Analysis
- Industry Analysis
- Forecasts
- Ownership
- Directors
- News
- Corporate Structure

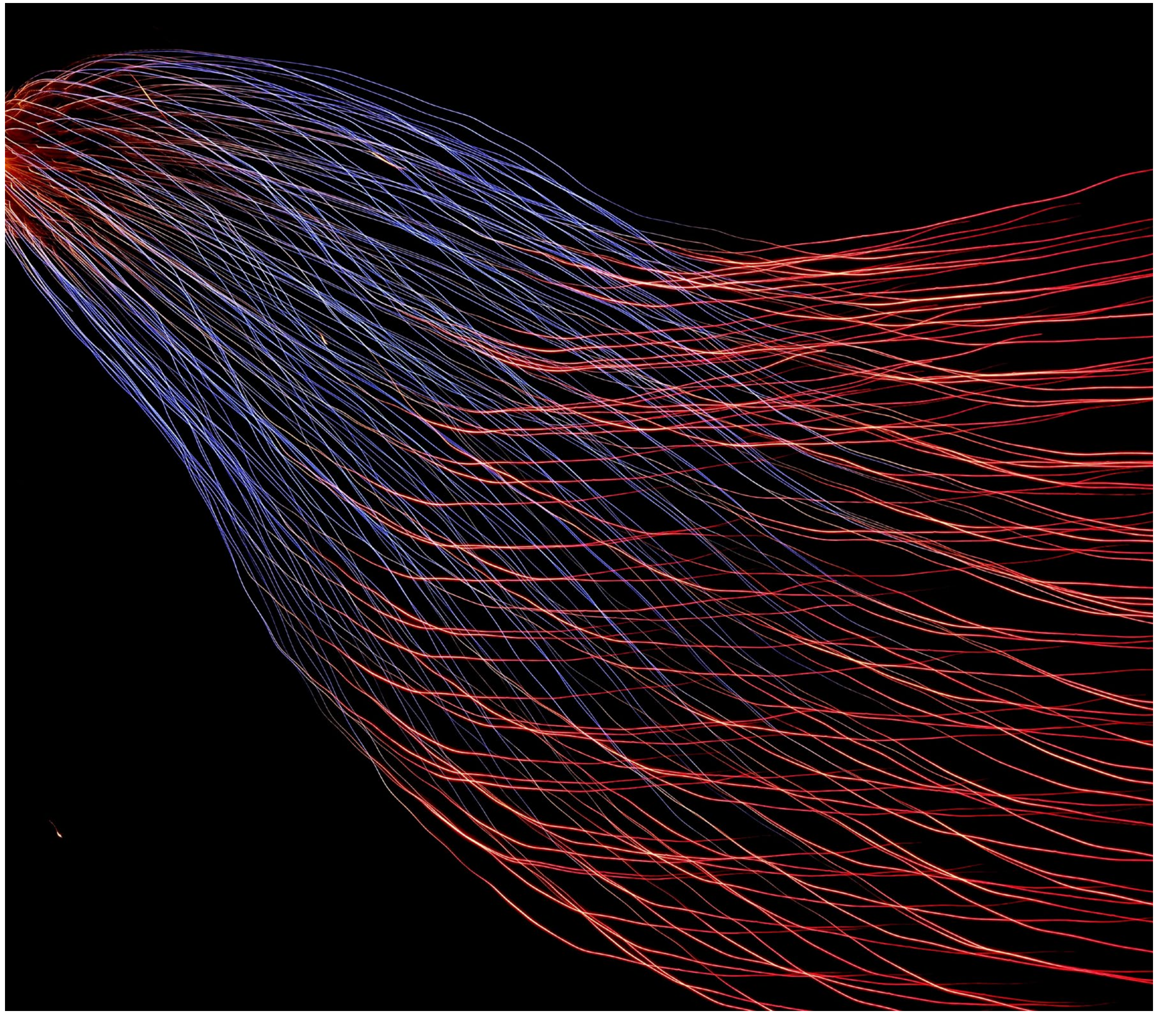
Open Banking Data
- Company Details
- Transactions Trends
- Liquidity Analysis (EOD)
- Utility Cost, HR Costs

Unified data intelligence

Insurance Data
- Insurance Rating
- Financial Analysis
- Limits & Terms

Utilities
- Electricity, Water & Gas

Sustainability data
- Environmental impact
- Social impact
- Governance risks



Risk models within a modern lending platform are built for the digital age, based on new datasets and a richer context around the borrower's situation.

Risk managers can now process a much wider set of circumstances, and make the shift from "Who am I lending to?" to "What am I lending against?".[16]

In addition to this, the automation we've discussed already ensures that the most up-to-date information is being used to underwrite and process loans, massively reducing the number of manual errors.

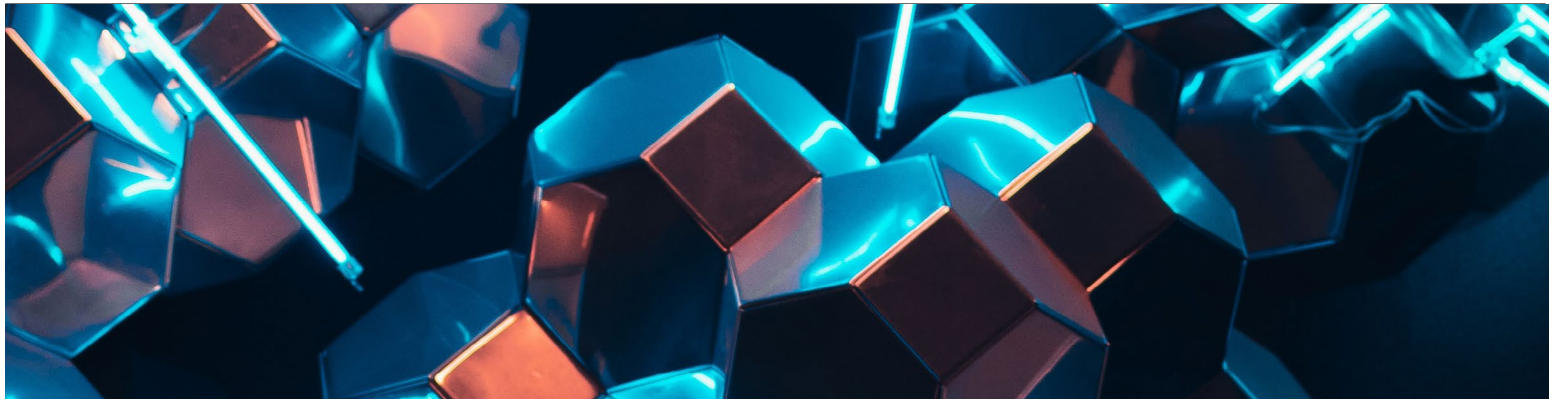
Lenders who have partnered with Trade Ledger have seen a 90% reduction in errors, on average.

Automated audit trails

The added bonus of a data-driven business model is that all decisions, events and webhooks are automatically tracked - a level of due diligence that'll reassure regulators.

Redesigning internal processes around the capabilities of lending technology is the cornerstone of a powerful change that brings risk models up to speed with what both lenders and borrowers need - all the while keeping regulators happy.

4th pillar: loan book growth



When lenders take steps to modernise their technology and the way they share and process data, they see a significant impact on their bottom line.

This impact goes far beyond a drop in abandonment rates and the cost to serve. In this section we explore multiple ways lenders can unleash the full potential of their loan book:

- New products
- New markets
- New channels
- Upsell and cross-sell

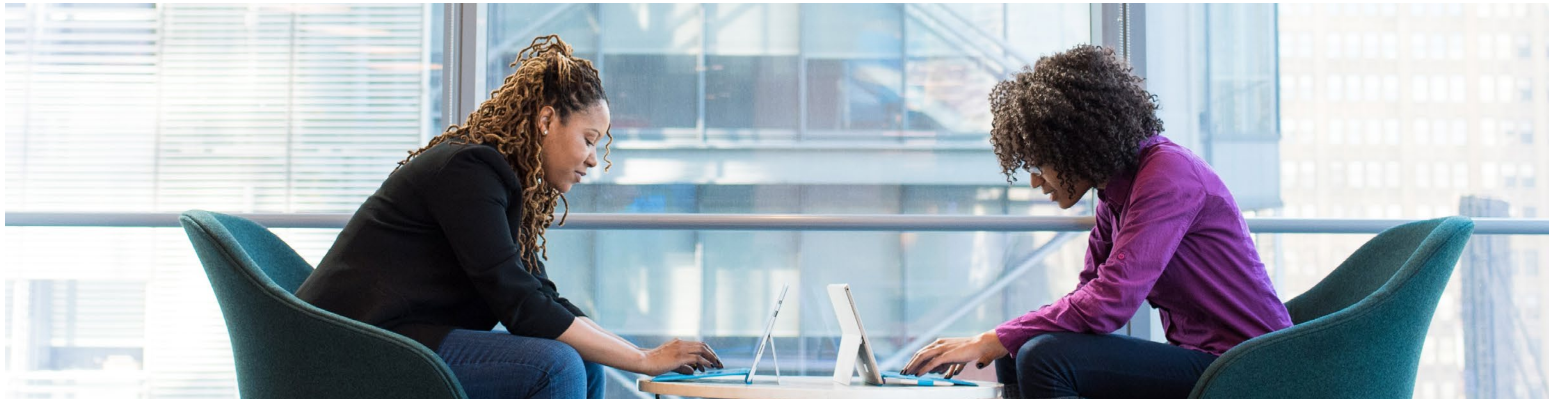
> "API-first infrastructure, coherent data schemas, regulatory parameters on messaging and data ownership [that enable embedded finance]… may not be visible to customers, but the benefits are. It enhances security, stability and identity protection. It enables scalability, hyper-personalisation and reduces cost. It's good for the customer, it's good for the bank (once the journey of getting there is completed), and good for the ecosystem."

Leda Glyptis,
Chief Client Officer, 10x Banking[2]

New products

Although some lenders offer a form of invoice or receivables finance, they have rarely been openly promoted. Now that these products can be delivered digitally and more cost-effectively, lenders can actively offer these newer forms of working capital to borrowers.

We explore this in detail in **'A golden age for invoice finance', a guest blog from Conrad Ford of Allica Bank.**



Lenders can also begin to offer more niche types of finance by plugging in data from specialist providers. For example, lenders can offer green finance by bringing in sustainability data from vendors like Doconomy, which analyses transactional and financial data to assess the carbon impact of corporations.

New markets

As mentioned above, there is a global multi-trillion dollar funding gap experienced by SME and midcap organisations. With a drop in the cost to serve, it is now sustainable to offer financing to this segment that makes up almost 50% of the market. Further, as all banks and other financial institutions look to grow market share and gain new customers, it is imperative that appropriate and timely lending offerings are made available to business customers. This not only monetises the new relationship - it enhances and broadens it with the new business.

New channels

Embedded finance is key to delivering on-demand working capital.[17] There is an opportunity for lenders to partner with other businesses, and use cloud and API technology to supply working capital via the partners' channels. For example, a bank could partner with an accounting platform to offer finance when a gap in cashflow is identified - with the click of a button. But this use case only scratches the surface. Finance can now be embedded everywhere money changes hands.

Upsell and cross-sell

By moving towards a single customer view, it's much easier to identify upsell and cross-sell opportunities - whether it's across departments or new products, or even products offered by a third-party e.g. bad debt protection.

> "Banks can use these [new] credit models not only for instant decisioning but also for cross-selling opportunities"
>
> McKinsey & Company[18]

But this is just the first step. Modern lending ecosystems will allow you to reach across the supply chain to access new customers - offering financing solutions to the suppliers and customers of your customers, and beyond.

04

Why now?

Change is accelerating. Lenders that aren't already acting are getting left behind.

Backward-looking risk assessments are no longer viable.

The pandemic has disrupted business finances to such an extent that in some cases the only option for finance for many is based on forward-looking risk models. We are entering **a golden age of invoice and receivables finance**.

Competition is ramping up.

From Big Tech to alternative finance, business borrowers have more choice through better use of data, technology and business models.

The economy and society demand greater support for SMEs.

SMEs are crucial to any economy: for jobs, growth and innovation. For an economy to grow and for a society to benefit, SMEs need lending products to support their ambitions and to protect them during tougher times

Technology adoption is now mainstream.

Open finance, mobile banking, APIs and cloud-native ecosystems are now the norm across all banking segments - apart from commercial and corporate lending, as we've seen.

Obsolete tech is more expensive.

'Sweating the assets' is no longer more affordable than replacing the technology. Why take the risk of building when you can licence best-in-class technology?

New products and channels are quickly winning the popularity contest.

Embedded finance, B2B Buy-Now-Pay-Later and green lending solutions will dominate over the coming years.

Matthew Perry, Business Design Lead with Lloyds Banking Group, says it's essential for banks to achieve digital transformation.

"It isn't a case of can you or can't you – it's the case that you absolutely have to do it."

Read more from Matthew

Let's talk.

Trade Ledger helps global multinational banks and niche alternative lenders build great lending experiences - fast. Our platform specialises in delivering next-generation working capital solutions.

We're a team who love problem solving, so get in touch if you want to chat more about how you too can implement a value framework to your transformation project or to discuss any of the issues raised in this report.

- Speak to a human
- Test-drive our tech
- Case studies from our happy customers
- Join the conversation on LinkedIn

Sources

1 Trade Ledger (2022) **How banks can survive the creative destruction of the finance industry**

2 Trade Ledger (2022) **Business Finance Predictions 2022**

3 EY (2021) **The five-step journey to SME banking transformation**

4 EY (2021) **The five-step journey to SME banking transformation**

5 EY (2021) **The five-step journey to SME banking transformation**

6 EY (2021) **The five-step journey to SME banking transformation**

7 International Finance Corporation (2021) **Podcast: $5 trillion and counting – the MSME finance gap**

8 McKinsey & Company (2022) **Beyond financials: Helping small and medium-size enterprises thrive**

9 Moody's Analytics (2016) **How banks can raise their game in small business lending**

10 Gartner (2021) **Becoming composable: a Gartner trend insight**

11 Trade Ledger (2022) **Build vs buy – 3 things CTOs should know**

12 Trade Ledger (2022) **Integration not disintegration – delivering effective transformation with FinTechs - KPMG panel**

13 Trade Ledger (2022) **Where will next-generation working capital take us? - ICC panel**

14 Trade Ledger (2022) **Integration not disintegration – delivering effective transformation with FinTechs - KPMG panel**

15 Trade Ledger (2022) **Tech is driving down the cost of funding in supply chains**

16 Trade Ledger (2022) **Augmented, not Artificial Intelligence: How lending tech makes underwriters' jobs easier, not obsolete**

17 Trade Ledger (2022) **How embedded finance actually works**

18 McKinsey & Company (2022) **How banks can reimagine lending to small and medium-size enterprises**