Expense Automation Solutions:
A Buyer's Guide

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Smart, Connected Expense Automation: Why Now?

These days, business moves at one speed – fast. Businesses are preparing for future growth in changing market conditions by modernizing, finding more efficient ways to work, and automating wherever they can. Every small step is an opportunity to identify moments where savings and reduced business risk can be achieved. Financial processes, such as expense management, are common areas to simplify and optimize because the potential payoff is significant.

Automating expense management supports business growth and allows the flexibility to handle whatever comes your way. The events of the past few years have caused employee spending habits to change as the increase in hybrid work generates more employee spending situations. Your expense management solution must be able to adapt.

Managing more employee spending without hiring more staff is possible when software takes over the manual work. Automating expense management makes workflows smoother, reduces the friction of approvals, and ultimately leads to faster employee reimbursement. Fewer errors and lost receipts reduce the risk of non-compliant spending and improves your team's efficiency.

There are also additional advantages beyond the efficiency of day-to-day expense management. Integrating expense data with your ERP or financial system allows you to see employee spending within the context of overall spending. You'll get a better view of your financial position so you can forecast, budget, and plan with confidence. It's possible with a connected, integrated expense management solution.

Common Business Operations and Digital Transformation Goals
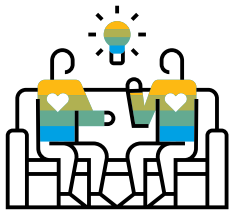
53%

of businesses want to free employees from mundane tasks to focus on strategic work.[1]
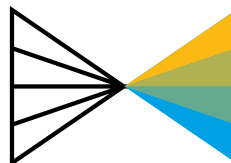
48%

want to digitally transform their overall finance process.[2]

49%

hope to leverage technology to support business continuity to address business climate changes.[3]

The Upside to Automated Expense Management

Manual expense management processes are inherently inefficient and time-consuming. Employees view searching for receipts and filling out forms as non-productive tasks they would rather avoid. Also, busy managers approving expense reports often miss mistakes or fail to recognize incomplete documentation. Finance team members are left to tidy up the mess through tedious audits. As transaction volumes increase, spending spirals out of control and eventually impacts cash flow.

**Automating expense management can improve the experience for everyone.**
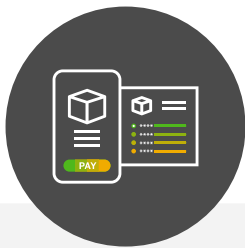
Employees' purchases are captured into reports as they happen, so submitting expense claims is less of a chore.

Managers see more complete and organized information, making it easier to evaluate and approve.

Finance and accounting teams spend less time auditing, chasing down additional information, and dealing with non-compliance.
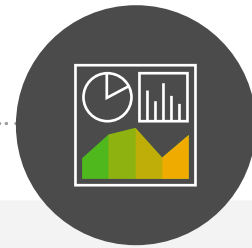
Business leaders get a holistic view of employee spending in the context of the overall financials.

Intelligent expense management solutions use AI and machine learning to pick up the smallest trends and spending patterns. This identifies risks, turning them into opportunities. Each one is a chance to improve your performance, impact your bottom line, and reinvest in your company.

What's Holding Companies Back?

Usually, nothing – once they realize how much manual processes actually cost. From lost time and productivity, lost moments of opportunity, and talent lost to poor employee experiences – the actual costs are significant. Some companies believe they are already 'automated enough'. However, simply snapping photos of receipts or emailing approvals doesn't count when the rest of the steps are manual.
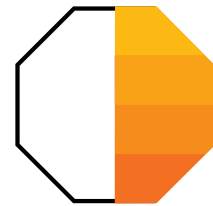
Top pain points for finance leaders prior to automating[4]

Incomplete
documentation

Time taken away from
strategic work

Delayed reporting
of expenses

What Does a Truly Automated Solution Look Like?

Employees snap photos of receipts into an app which uses machine learning-assisted optical character recognition (OCR) technology to record purchases to expense reports. They are prompted to add missing information or justification for out-of-policy purchases.

Corporate card spending is automatically captured and logged into the expense system. Patterns of misuse or fraud are quickly recognized and flagged.

Rules are set to automatically approve certain low-risk transactions, making the job of reviewers easier.

Expense reports automatically route to managers. Approvals happen faster because the information needed to make an informed decision is included.

Auditing is automated with only a handful of expenses needing human attention. People are free to focus their time on projects that make the business run better.
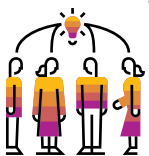
Employee spend data is integrated with the ERP and ecosystem of apps and partners to create a single source for financial data. Reports are readily available, showing an accurate, timely picture of employee spending to use in decision-making.

BEFORE AND AFTER TRAVEL & EXPENSE (T&E) AUTOMATION

Businesses Before

44%

find it difficult to track spending trends and behaviors.[5]

43%

lack well defined and easy to follow expense and invoice policies.[6]

14 hours

is the approximate time spent weekly processing expenses per finance or accounting staff member.[7]

Businesses After

31%

reduction in misplaced receipts.[8]

$52K

is the approximate annual cost savings after implementing a T&E management solution.[9]

13 hours

is the approximate time saved weekly per finance or accounting staff member through increased efficiency.[10]

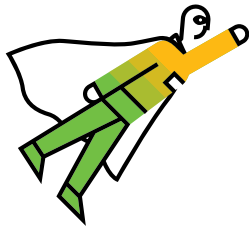"Not only have we saved time, I would say that the time that we are still spending is **value adding**."

Michael Tinney, Finance Manager, FBD Insurance.[11]

Steps to Successful Automation

When you're ready to explore expense management solutions, take advice from experts and follow best practices. Whether you are planning to start by automating employee spending or are looking to complement other financial management capabilities, there are several steps to consider.
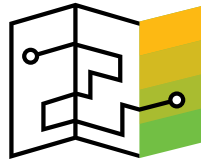
3

Step 3 – Identify challenges
Change rarely comes without challenges. Be prepared to meet them head-on by anticipating what could go wrong and finding ways to right the ship. Working with a solution provider or consultant with experience can help you feel more confident in preventing disruption as new workflows are implemented, onboarding new users, growing adoption, and managing change.

2

Step 2 – Decide where you want to go
Start with ensuring you have a detailed understanding of your existing expense management workflows, such as how you receive, process, and reimburse expenses. Also, consider processing volumes and follow-up response times. Map your current processes to the new ones you would like to develop. Ask yourself what challenges are associated with each of your existing processes. The new automated process should easily address them to deliver more value. Working with an experienced solution provider or consultant can help you set expectations and focus on realistic goals.
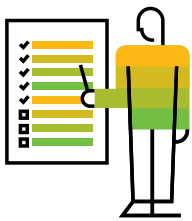
1

Step 1 – Involve the right people
The decision to automate expense management is rarely made by one person. Get ideas and perspectives from everyone who will be impacted. That includes the CFO, IT, and Procurement - even line of business managers and employees. However, make your first stop with your Finance or Accounting team. They are the most likely to have a wealth of insights and ideas on improving the processes they use every day.

4

Step 4 – Get up to speed on requirements

Gathering the right technology and business requirements is essential to a successful initiative, as it ensures that the most appropriate solution is ultimately selected. Choose an expense management solution that complements your existing technology. Implementation should be frictionless, and your IT team should be able to easily integrate it with other financial systems and your ERP. The solution should be flexible enough to expand with you as you continue to automate and as the business grows.

5

Step 5 – Manage the change

Automating expense management can lead to greater productivity, insights, employee satisfaction, and overall growth. You don't want disruption in your processes to put you off course. Setting up people for success with adequate training and support will help ensure that your automation project gets off to a running start.

6

Step 6 – Feedback and repeat

One of the benefits of a connected, integrated solution is seeing results quickly. Use that data, along with feedback from your stakeholders, to continuously build and improve your processes over time.

"Things are changing daily. There's always new technology and new ways of doing things. Do you take a taxi or an Uber? Stay in a hotel or an Airbnb? **SAP Concur is always meeting us where we're at**."

Mariah Hantis, Payroll and Benefits Manager at Madison Logic, Inc.[12]

Choosing the Right Solution

There are many expense management solutions available in the marketplace. Your challenge is finding the one that best fits your business now and is ready to expand when you are. Look for a solution that allows you to get started with minimal lift for your team and a simple workflow for users. The solution should adapt as needed and provide company spending insights necessary to make real-time strategic decisions with more confidence.

Connect the dots across all employee spending for better visibility and more control over budgets, compliance, and cash flow.

Maintain control over employee spending and identify patterns that can lead to additional savings and greater profitability.
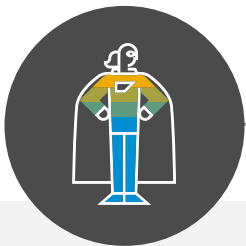
Empower people in your organization to make proactive and informed decisions based on near real-time spend insights.
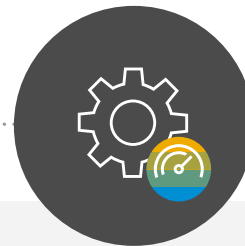
Gain operational efficiency, reduce errors, improve employee satisfaction by reducing manual tasks, and increase the focus on strategic work.

Automated Expense Capture

In a truly automated solution, all employee spending, including out-of-pocket and corporate card purchases, enter the system electronically using optical character recognition (OCR). Look for a solution that pairs OCR with AI and machine learning capabilities and human auditors to bring accuracy rates closer to 100%. This helps ensure approvers are working with accurate information to make informed decisions.
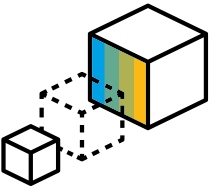
Scalability

You want your expense management solution to adapt as your business grows. Therefore, your solution should automate the entire expense management process, from expense capture to review and reimbursement. It should also provide full visibility and control at every step in the process. Automation should extend to auditing and keeping employees up to speed on the status of their reimbursement.

Workflow Optimization and Customization

Your new expense management solution should standardize and automate the workflow, making it more streamlined, efficient, and intelligent, so it can scale with your business. At the same time, it should have the flexibility for your finance or accounting team to change the workflow by customizing spending policies, routing rules, and approval processes should circumstances change.

Reporting Capabilities

Look for solutions that include standard, predefined reports and built-in tools for monitoring key metrics. Ready-to-use, instant reporting capabilities deliver a near real-time, accurate view of company spend to continuously monitor costs and make more informed decisions around spending to optimize cash flow.
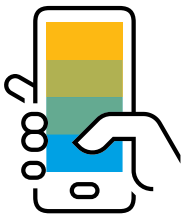
Mobile Apps

Make sure your solution offers a mobile app that allows employees to snap a picture of a receipt to start the expense process. The app should also allow managers to review and approve expense reports on the go. This helps improve expense processing times and increases overall efficiency.
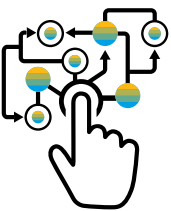
"**We reduced the time spent processing expense reports by more than 65%**. Time-savings was our goal, and Concur has exceeded our expectations."

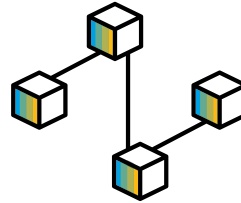Christine French, Administration and Coordinator Applied Medical.[13]

Flexible Options

The past few years highlighted the need for expense management solutions to quickly adapt to new expense types and purchases made from outside the approved vendor system. Your automated expense solution should be able to handle these new expense types and vendors without a lot of extra work for reviewers, or risk from non-compliance. Your solution should allow spending policies to be easily customized and automatically guide employees towards purchases that fall within the new rules.

Extended Capabilities

Make sure the solution meets your business needs today and can grow with you in the future. It must be ready to integrate with the systems you already have in place, such as your ERP, CRM, and financial and accounting solutions – as well as those you may use in the future. Work with your internal IT resources or a solution consultant to determine your needs.

Ease of Use

Your expense management solution must be accessible on the go so your people can use it in the office or remotely. The best solution has an intuitive workflow that guides employees through exactly what they need to do to create and submit expense reports. The improved user experience should also extend to managers, making reviewing faster and easier, with the ability to provide approvals from anywhere.

"Concur Expense has been transformational in both how we service clients, giving additional flexibility when deploying solutions, and **allowing us to focus on service as opposed to back-office administration**."

Simon Gleeson, partner at Blick Rothenberg.[14]

Top 10 Questions to Ask Solution Providers

1. How do you capture receipts and turn them into expense items?

2. Is optical character recognition (OCR) supplemented with AI and machine learning technology and human validation?

3. What preconfigured reporting and dashboards are available?

4. How can your solution help reduce non-compliant or out-of-policy spending?

5. What level of support do you provide for implementation and onboarding of users?

6. How does my finance team, or an employee submitting expenses get help when needed?

7. Do you have a mobile app? Can users submit, review, and approve expenses from the app?

8. Do you have a partner ecosystem that offers flexibility in working with my current expense processes?

9. Can I integrate the solution with my ERP or financial system?

10. How is my expense data protected and secured?

Empower Your Business with Expense Automation

Every moment of change in today's business environment is an opportunity to do things better. Each aspect of your financial processes has the potential to give insight into decisions and provide certainty to your actions. With SAP® Concur® solutions, you'll move beyond yesterday's tedious tasks to keep your business running at its best every day. Whether you are new to travel, expense, and invoice management, or extending your existing SAP Concur solution to include AP automation, an SAP Concur representative can show you what's possible. Learn more on the **SAP Concur Community** or at **concur.com**.

ABOUT SAP CONCUR

SAP® Concur® is the world's leading brand for integrated travel, expense, and invoice management solutions, driven by a relentless pursuit to simplify and automate these everyday processes. Our highly-rated SAP® Concur® mobile app guides employees through business trips, charges are directly populated into expense reports, and invoice approvals are automated. By integrating near real-time data and using AI to analyze transactions, businesses can see what they're spending, improve compliance, and avoid potential blind spots in the budget. SAP Concur solutions help eliminate yesterday's tedious tasks, make today's work easier, and support businesses to run at their best. Learn more at **concur.com** or the **SAP Concur blog**.

Sources:

1.–10. "Travel, Expense, and Vendor Invoice Management Study," Analysys Mason, 2022.

11. "SAP Concur Saves Time, Boosts Compliance and Gives Visibility to FBD Insurance," SAP Concur, 2018.

12. "Madison Logic Technology Fueling Growth," SAP Concur, 2019.

13. "Applied Medical is a Leading Manufacturer and Provider of Medical Devices," SAP Concur, 2019.

14. "Blick Rothenberg: Simplifying Spend Management Through SAP Integration Global Clients Use Automated Mobile App Expense System to Increase Business Productivity," SAP Concur, 2019.

To get started, explore the following:

Self-guided demo for Concur® Expense® to get a sense of how our automated expense management solution works.

Learn more

ROI calculator for Concur Expense to find out how much your company can save with our solution.

Discover now