

5 Ways Manual T&E Reporting Costs Businesses Money



White Paper

Business travel is critical to...

- ... winning new business
- ... maintaining & strengthening customer relationships
- ... building strong employee teams
- ... developing strategic partnerships
- ... training staff

It is no wonder that U.S. businesses spent more than \$327 billion in 2018 on sales meetings, events, incentive programs and other travel, according to research from the U.S. Travel Association.

But businesses could get more for their travel buck if they stopped relying on manual processes for managing their travel and expense (T&E) spend and switched to an automated web-based solution.

This white paper reveals five ways that manual processes for managing T&E spend are costing businesses big money and how automated web-based solutions plug these leaks.

A better approach to T&E reporting

There is a better way to manage T&E reports than pen and paper, spreadsheets and ERP applications:

- A mobile application

Mobile T&E solutions enable business travelers to use their mobile device to effortlessly capture printed and e-mailed receipts on-the-go. Information from key fields such as merchant, expense type, date and location are extracted from the receipt. Over time, the system learns to classify receipt types to deliver better results. What's more, seamless integration with legacy ERPs enable reports to be directly submitted for reimbursement to an ERP. And mobile solutions make it easy to allocate expenses to specific projects, while dashboards help managers analyze and audit T&E spending.

Map services enable travelers to quickly calculate their mileage for reimbursement.

#1: Poor Employee Productivity

At a time when there never seems to be enough hours in the workday to get things done, employees waste a lot of time creating, reviewing, approving and reimbursing traveling expenses.

Business travelers must gather their receipts and online bookings, record non-receipt items such as cash tips, enter and categorize expenses into a spreadsheet, photocopy receipts and affix them to the expense report, print and sign the completed expense report, and present or mail the expense report to a manager. Managers then must review each employee's expense report to ensure that nothing is out of the ordinary, send any reports with errors or irregularities back to the employee for correction, and sign and forward approved expense reports to accounting for review, reconciliation and payment. An accountant then reviews the report for any issues, matches each paper receipt with a line-item expense, and enter the data from the expense report into the company's ERP system for reimbursement.



Employees have better things to do than enter receipt information and shuffle papers.

The Automation Solution:

Mobile T&E solutions free employees to focus on the things that matter.

- ... Business travelers can effortlessly scan receipts on-the-go with their mobile phone
- ... There is less chance that receipts will become lost, forcing employees to get replacements
- ... Users can add notes to further describe expenses
- ... Receipts are automatically matched to credit card expenses
- ... Expense reports can be created with just a few clicks
- ... Map services help travelers calculate mileage expense reimbursement
- ... Submitted reports are digitally routed for approval based on pre-set business rules
- ... Employees and managers are automatically updated on the status of a report



With automation, employees no longer need to waste time tracking down, photocopying and filing receipts or printing, signing and mailing reports. There is no chance of errors from faulty formulas in spreadsheets. Managers aren't burdened by reconciling reports or tracking spend against budget. And accounting doesn't have to input data into an ERP or manually create spending reports.

#2: Wasted Money

Manual T&E reporting consumes a lot of paper, envelopes, printer ink, staples and other office supplies. While the unit cost of these items is small, the total cost adds up fast. And that's money that could be better spent on things that drive revenue growth and help the business stand out.

What's more, many businesses pay a third party a significant annual fee to store their expense reports, receipts and other documents related to business travel, to comply with regulations.



And many businesses are losing lots of money each year to duplicate receipt submissions – instances where travelers intentionally or unintentionally submit a receipt more than once for reimbursement. Unfortunately, there is no foolproof way for businesses that manually manage expense reports to identify duplicate (or old) receipts without carefully inspecting every receipt and report.

Duplicate receipt submission is not the only form of T&E fraud that costs businesses money. Unscrupulous travelers also inflate expenses such as cash tips that do not require a paper receipt. Businesses that manually process T&E reports are less likely to uncover patterns that may indicate fraud. To save time, some businesses never match individual expenses to the reimbursement total.

The Automation Solution:

Mobile T&E solutions reduce costs at every step of the way in managing T&E reports ...

- ... Creating and presenting reports
- ... Reviewing and approving reports
- ... Reimbursing expenses

Here's how a mobile T&E solution saves businesses big money:

- ... Mobile T&E solutions eliminate the need to print, deliver and file expense reports
- ... Expense reports are electronically routed for approval based on pre-configured rules
- ... Duplicate receipts are automatically flagged for review
- ... Pending reports are digitally stored online for ready access by approvers
- ... Previous expense reports can be instantly retrieved for review and approval

If your business is looking for ways to improve profitability, consider a mobile T&E solution.

#3: Inadequate Visibility and Reporting

Across the corporate enterprise, decision-makers are looking for ways to better leverage data to ...

- ... Improve operational efficiency ... Better manage cash flow
- ... More tightly control spending ... Mitigate compliance and fraud risks

But businesses that rely on manual T&E processes can never be sure where they stand ...

- ... Finance cannot get accurate report on expenses
- ... Senior management cannot accurately forecast cash needs
- ... Business unit managers can't easily know where they stand against budget
- ... Senior management cannot easily create budgets
- ... CFOs cannot benchmark their company's travel expenses
- ... Managers cannot easily identify non-compliant or potentially fraudulent expenses
- ... Travel managers cannot easily know which brands travelers are using

The lack of reporting provided by manual approaches to T&E reporting also makes it difficult for businesses to identify opportunities to consolidate travel suppliers or to reduce T&E spending.

Businesses have too much money riding on their T&E to be flying blind.

The Automation Solution:

Mobile T&E solutions provide businesses with the visibility they need into their spending ...

- ... Expense data is aggregated onto a single platform
- ... Managers can instantly see where their department's T&E spending stands against budget
- ... Business units can better understand their spending by category or employee
- ... Senior management can more accurately forecast spending and budget future T&E expenses
- ... Accounting can spot the source of delinquent payments and late fees related to business spending
- ... Authorized users can access T&E information from anywhere, at any time
- ... CFOs can more quickly reign in spending based on trend reports
- ... Sourcing teams can gain leverage with travel brands during contract negotiations



With a mobile T&E solution, users can instantly access reports detailing actionable data such as pending and processed reports and T&E spend by employee, expense category and business unit.

None of this is possible if a business relies on spreadsheets and other manual T&E processes.

#4: Little Control Over T&E Spend

Businesses want better control over their spending.

But that's nearly impossible when businesses manually process their T&E reports ...

- ... Systems and processes are not well-integrated
- ... Employees must manually input data from their credit card statement
- ... Credit card purchases must be manually matched with paper receipts
- ... Employees must enter the right general ledger code and/or cost center for each transaction
- ... Businesses must rely on managers or accountants to identify erroneous or irregular expenses

Without automation, there's no way for businesses to be sure how their travel budget is being spent.

The Automation Solution:

Automation puts businesses in control of their T&E spending.

- ... All T&E expenses are aggregated onto a single platform
- ... Expenses can be allocated to a specific project
- ... Managers can instantly view the receipt images associated with an expense line-item
- ... Decision-makers have real-time access to T&E expense data
- ... Corporate card data can be integrated into the T&E platform
- ... Expense data can be seamlessly uploaded to an ERP application
- ... T&E expenses can be automatically allocated to categories or business units



The control provided by a mobile T&E solution takes the guesswork out of managing spending.

#5: Poor Compliance with T&E Policies

A large enterprise may spend millions of dollars annually to send employees on the road.

Yet many of these businesses depend on their employees to use good judgement in their spending.

T&E policies may forbid the purchase of ...

- ... First-class airfare upgrades
- ... Priority seating on flights
- ... Luxury hotel stays or rental cars
- ... Appetizers or alcohol at meals
- ... Golf club and country club memberships
- ... Tickets to concerts or sporting events
- ... Purchases from electronics stores



While most businesses have formal policies governing travel – many that hold the threat of job termination over the heads of business travelers – manual processes make enforcement hard ...

- ... Spreadsheets and other manual processes cannot automatically flag policy violations.
- ... Because it's so burdensome to manually inspect T&E reports for potential policy violations, many businesses only review a sample of reports (e.g., high-dollar reports, randomly selected reports, reports from employees that have previously submitted erroneous or irregular expenses).
- ... Documenting approvals becomes more difficult as reports are passed along for review.
- ... It's hard to report on T&E expenses in a manual environment.

As a result, employees can easily circumvent corporate travel policies without being detected.

The Automation Solution:

Enforcing compliance with T&E policies is easier with a mobile solution.

- ... All expense line-items submitted by employees are automatically audited
- ... Potentially non-compliant expenses are flagged for review
- ... All expense reports are digitally aggregated and stored for review by auditors
- ... Auditors can easily access archived expense reports to ensure that they were appropriately reviewed and approved and that employees were reimbursed correctly

The reporting and visibility provided by a mobile T&E solution enables businesses to ...

- ... identify non-compliant spending
- ... flag potentially fraudulent expenses
- ... proactively curb bad behavior by business travelers
- ... ensure compliance with tax requirements

All this helps businesses stop wasteful spending that runs afoul of corporate policies.

Ready to escape the high costs of T&E reporting?

T&E reporting doesn't have to be a drain on your company's financial resources.

Mobile T&E solutions enable businesses to improve employee productivity, reduce costs, enhance reporting, better control T&E spending and enforce T&E policies.

Best of all, this can all be accomplished in the palm of a business traveler's hand.

**Intelligently capture, extract, and submit receipts.
Let the business traveler focus on business!**



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