SAP Concur

Are your expense processes keeping up with hybrid work?

7 questions for finance.

THE BEST RUN SAP

Hybrid work changed everything. In fact, according to an Oxford Economics report*, 47% of finance and IT leaders agree the move to remote work highlighted inefficient business processes. In response, 53% agree that the pace of digital transformation at their organization is speeding up.

As companies make these changes, they're paying particular attention to spending and expenses because finance is uniquely affected by hybrid work. Not only are spending categories different than before the pandemic, the processes used to manage that spending have typically relied on everyone being in the office.

So how do you know if your business is equipped to manage expenses in a hybrid model? How do you know if your processes will be able to keep spending in check?

Ask yourself these seven questions.

1

Have you automated the process, or is it just semi-digital?

If you're using handwritten records to track, manage, and analyze spend – and people are trying to keep track of all that from home – how accessible and reliable do you think that information is? Automating these processes is key to overcoming the challenges of hybrid work, but remember that scanning and emailing receipts isn't automation – people are still dealing with paper, doing manual work, and personally overseeing approvals via email. The data may be available in digital pictures of the documents, but it's not really digitally transformed. And consolidating data that's gathered manually and from multiple sources is not only time consuming, it leaves blind spots in your spending.

A solution that offers true automation is key to consistently applying policies, controlling costs, understanding where your money is going no matter where it's spent, and managing everything from cash to capital. And because it makes people more productive, it boosts satisfaction across your team.

Are you listening to what remote employees are telling you?

When people aren't in the office, it's harder to hear what they have to say. So you have to ask, and you have to pay attention.

- **Do your employees (in-office *and* remote) have a way of letting you know what's working and what's not?**

- **Have you given them opportunities to provide input into everything from processes to policies to preferred suppliers?**

- **Have you asked them how hybrid work affects their spending?**

Because when you demonstrate that you're listening and that you care about their input, you'll get more engagement from your team and more adoption of your policies.
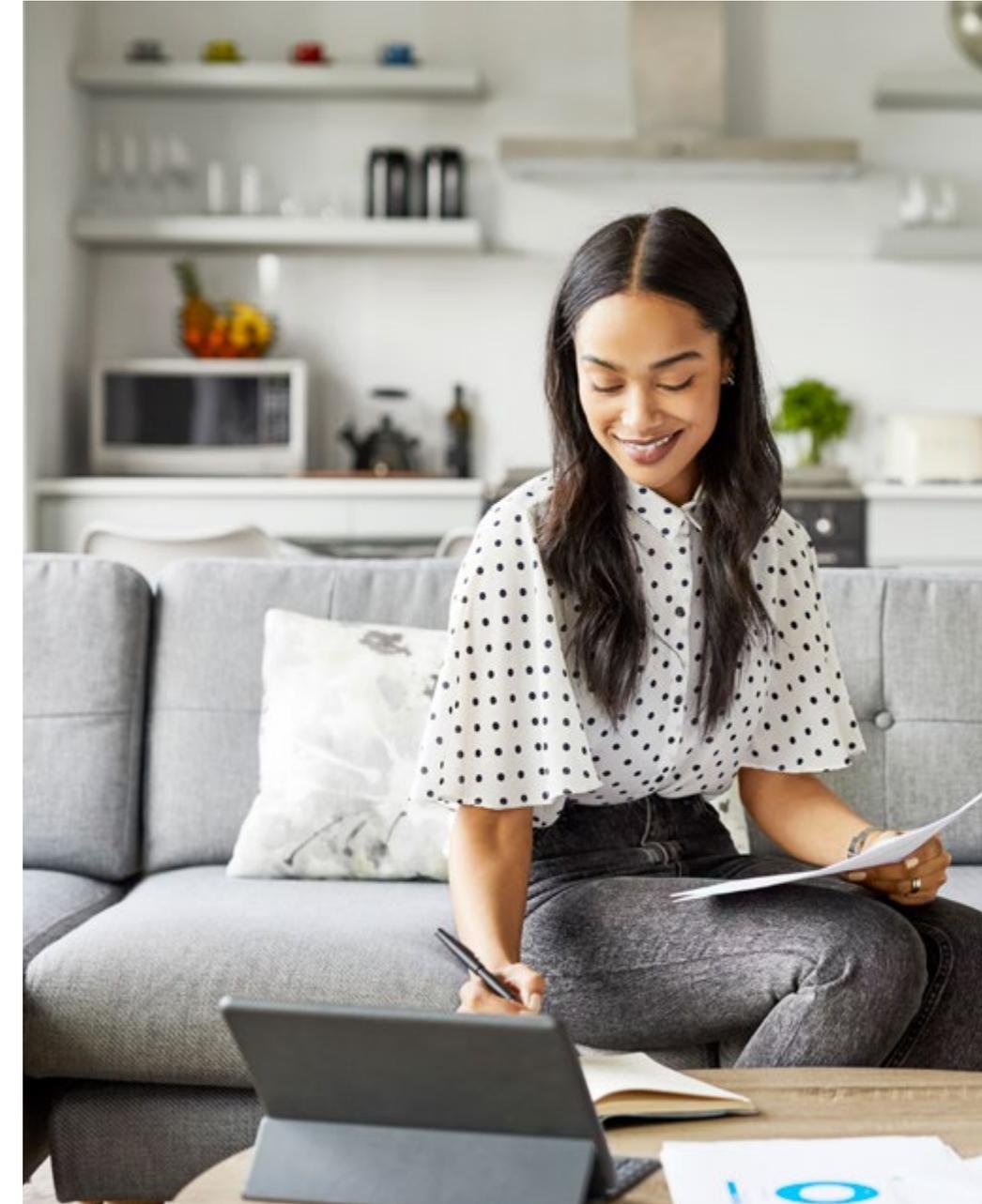
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Are you listening to what your hybrid-based spending is telling you?

Working out of the office doesn't simply mean working in a different building, it can mean different rules and regulations altogether. For example, employees who work remotely may have different taxable and non-taxable expense benefits, and if they're not handled correctly, it can cost you. So, do you have a clear picture of where your money is going? Or who you're spending it with? Or what payment methods you're using? Better yet, do you know how each of those factors have changed, and do you see the difference between how in-office and remote workers spend?

The answer to more efficient spending in a hybrid-working world lies in your very own data – be sure you can dive in and see the story in your spending.

4

Are you fine-tuning your remote work expense categories?

As you've no doubt already seen, spending changes when people aren't in the office. They need home office equipment, software subscriptions, etc., and if you don't provide clear direction as to what's allowable and what's not – or what the company will purchase versus what the employee will buy – you're in for a barrage of costs and confusion. With that in mind:

- **Have you re-examined expense categories to include what hybrid workers need?**

- **Are you seeing your "other" category get bigger and bigger?**

- **Have you added categories for home office supplies or PPE?**

With the right categories, you'll not only get a better picture of what's being spent, you'll understand the difference between one-time expenses and expenses you need to account for in the future. You'll be able to build better budgets, forecast more accurately, and create a healthier financial footing for the business.
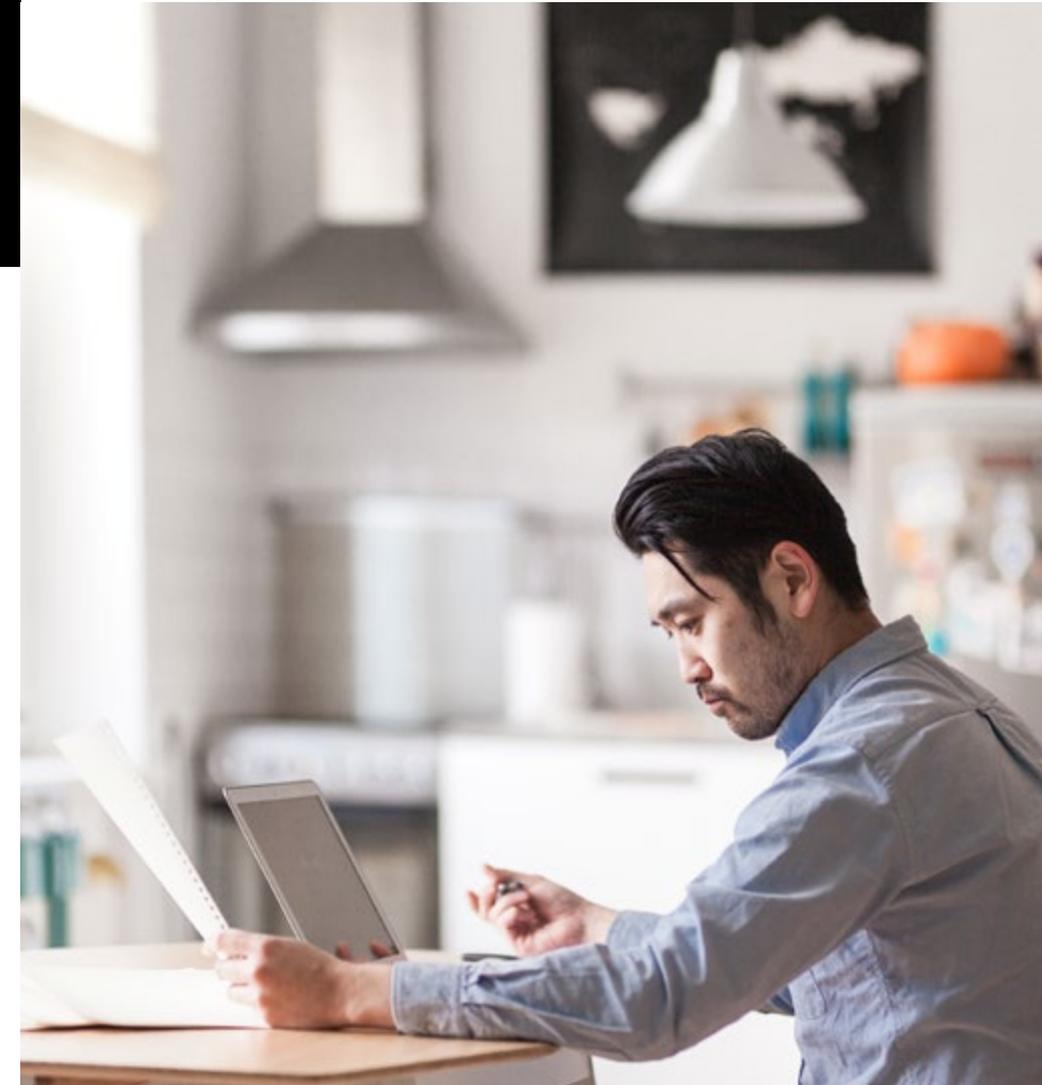
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Are you fine with missing receipts?

Sometimes it seems as if business runs on receipts, but if you're not getting the data they're designed to give, you're running blind.

- **Are you seeing receipts submitted whenever they're required?**
- **Are receipts routinely being missed by certain employees or for certain types of transactions?**
- **Are the process and systems you've given your team helping or hurting?**

If you're not getting all the information, you could be opening yourself up to tremendous risk, especially with new and harder-to-follow hybrid-based spending. Identify the root cause of missing receipts – whether that's employee behavior, policy confusion, process gaps, technology problems – and address it to help keep your spending on track.

6

Are you auditing and verifying expenses and charges?

With more expenses come more risks. And with more *types* of expenses, well, the problem only grows. Audits are essential, but they can be expensive in terms of both time and money.

- **So how are your managers/approvers reviewing each charge and receipt?**

- **Do you have a system for double-checking charges?**

- **If so, are you reviewing a portion of expense reports or all of them?**

Often, even well-intended approvers don't have the time or training to do a thorough review of charges, and even if they do, you should have another layer of review – especially with new spending categories popping up.

Intelligent technology and audit services can do that work for you, so you can add oversight without adding overhead.
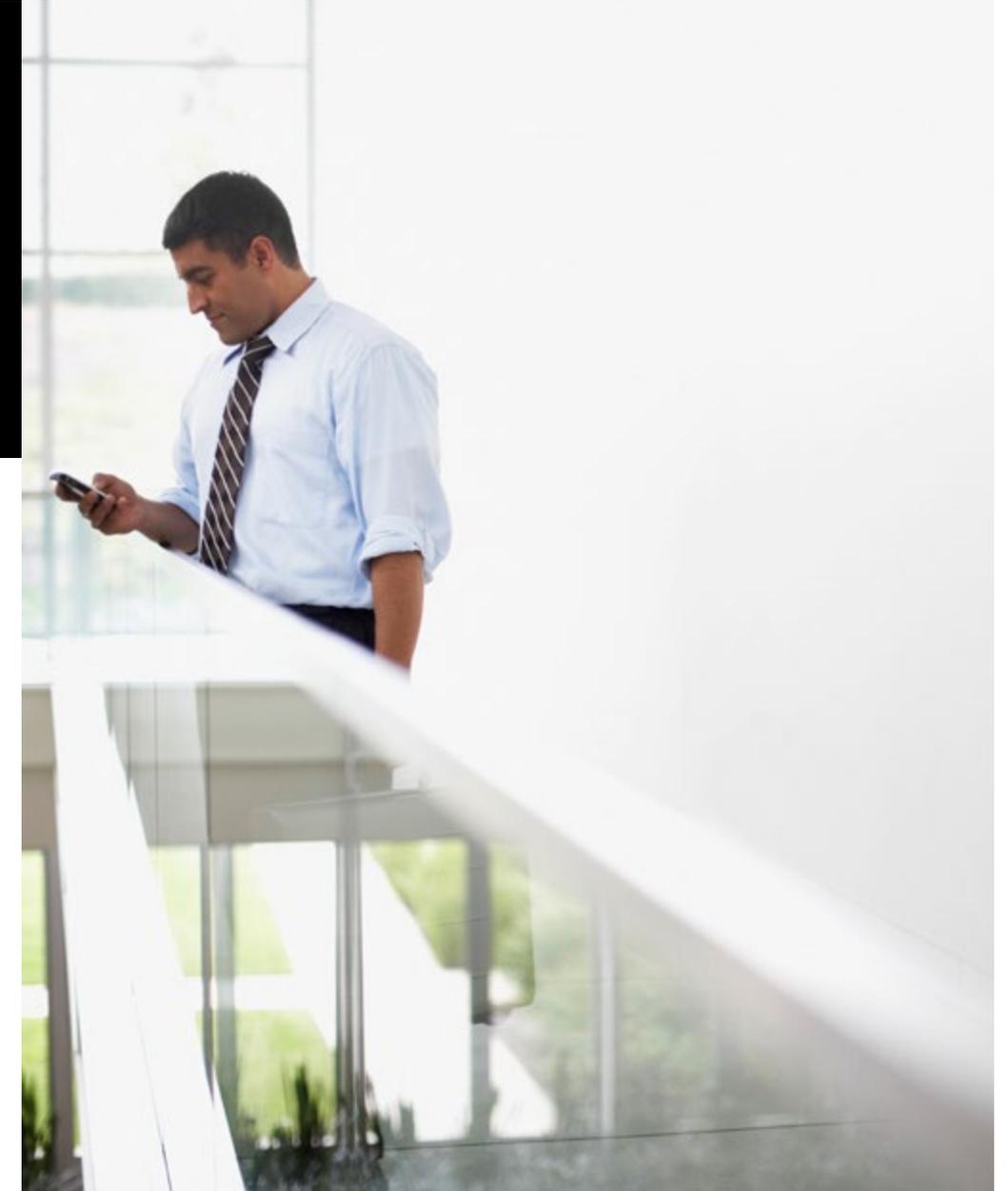
Are you tracking approval times?

Working from home adds layers and lag time to the expense reporting process – and when you don't know what was spent last month, knowing what you can spend this month is guesswork.

- **So, are your expense reports getting completed on time?**

- **Are you getting them routed through approvals efficiently?**

- **If there are delays, do you know what's causing them and what the impact might be?**

If not, your aging expense reports are likely dragging down cashflow and employee morale. And if your processes and polices aren't designed for efficient submission and approval in a hybrid-working world, it can further damage worker satisfaction and add another layer of uncertainty to cash and forecasts.

If you want help with the answers, take a look at what end-to-end expense automation could do in your company. View the Demo or Request a Free Trial.

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