



SAP Concur 

Survey Report | Financial Services

# Business Policies for a Rapidly Changing World

Financial services industry professionals and the evolving attitudes around travel, expense, workplace dynamics, and sustainability

THE BEST RUN



# The world has changed. What does it all mean for your business?

Businesses from all industries have had to adapt almost overnight as events continue to reshape the world. From minor adjustments to organization-wide revamps, this evolution is posing increased risks to travel, expense, remote and flex work, and sustainability programs.

We surveyed more than 100 financial services industry (FSI) professionals from the U.S. and around the globe to find out how their policies and programs have changed. Now, we dive into the data and reveal what these new attitudes may mean for you.

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### Executive summary ●●●

Rapid changes in the global economy are forcing organizations large and small to revisit their policies around:



The use of travel tools



Travel and expense policy and spending



Remote and flex work



Sustainability initiatives

The effects are far reaching and come with some hidden pitfalls. The following pages show you what to watch out for and also provide insight on how you can mitigate risk and fine-tune your policies to help ensure your continued success.



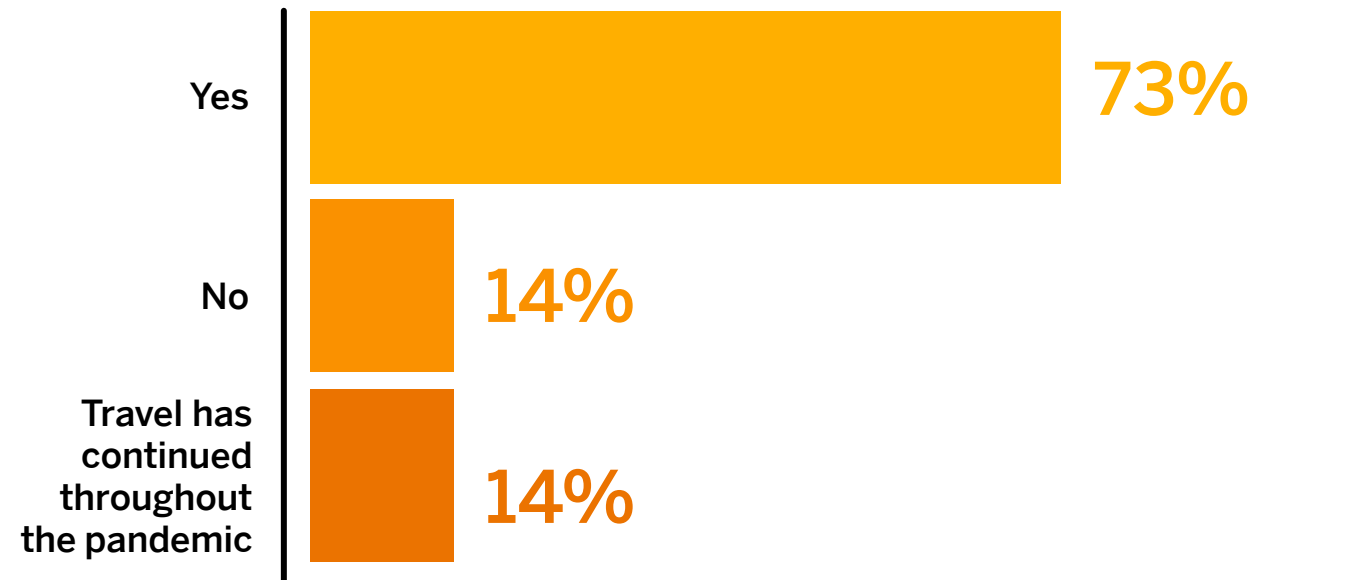
## The emerging travel landscape



Of the organizations surveyed, 73% have a plan in place to restart business travel. While some are preparing a return to pre-pandemic policies, others are imposing more limitations on travel and relying on expanded use of collaboration tools.



## Does your organization have a strategy for return to travel?





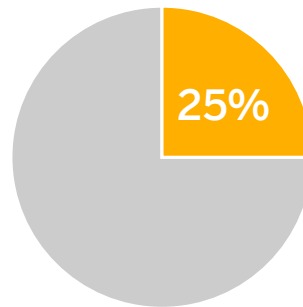
## The emerging travel landscape



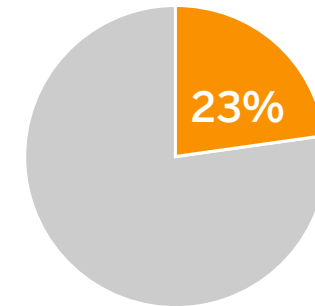
Many organizations require senior management to approve travel, while some leave it up to individual departments to make decisions. Additionally, a little more than a quarter of organizations added pre-trip approvals, with international travel and high-risk destinations being the categories most likely to require preapproval.



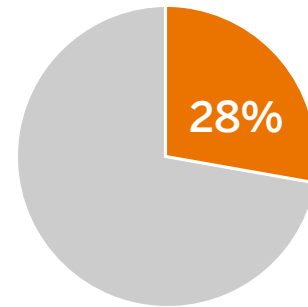
## Does your organization require any preapprovals for travel?



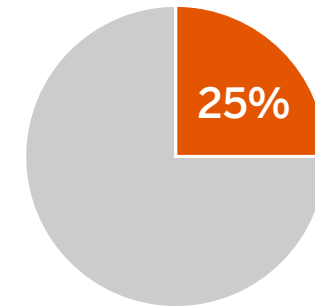
Yes,  
always had  
in place



No



Yes,  
added with  
pandemic



Certain travel  
requires  
preapproval



## The emerging travel landscape

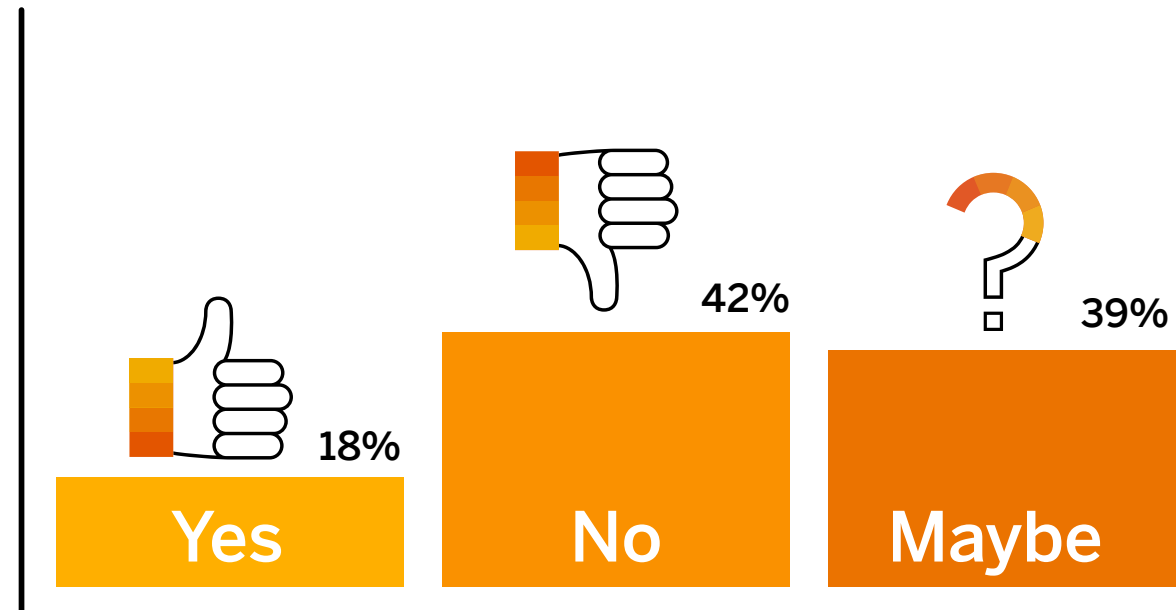


Only 18% of organizations have definite plans to make changes to business travel or related policies, but 39% are in flux with specific policies still in question. For the foreseeable future, many will only allow essential travel and require extra vetting before travel is approved.

Risks to employee retention and travel spending may arise if policies are not reevaluated to reflect new changes and challenges in the travel climate as well as spending patterns and categories. Notably, spending classified as “other” (uncategorized) has recently increased, limiting visibility into spend.



## Does your organization plan to change business travel or travel policy going forward?





## The emerging travel landscape

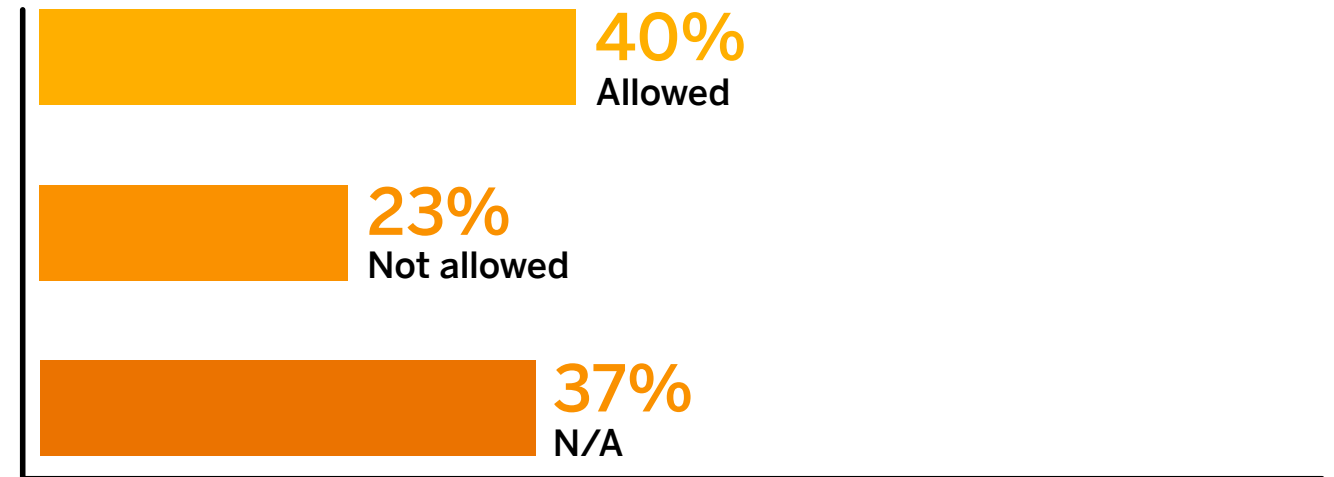


All surveyed organizations allow the expensing of rideshare services like Uber and Lyft, with 40% of respondents allowing surcharges and 23% prohibiting them. Cost is the determining factor for many, with one organization forbidding surge pricing outright and others having specific rules in place to minimize spending.

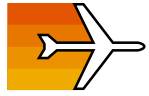
“The use of taxis and rideshare services must be weighed against alternate methods, including the use of rental cars, personal vehicles, trains, buses, and shuttle services – with preference given to the overall most cost-effective method.”



## What is your policy regarding rideshare surcharges?



**37% marked rideshare surcharges as not applicable,** which may indicate a lack of clear policies.



## The emerging travel landscape

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### Key takeaways

- While business travel recovery has been slow, there are positive signs. According to recent research from another study, 96% of employees are willing to travel for business over the next 12 months, including 65% who are very willing.<sup>1</sup>
- Many organizations are imposing extra restrictions on travel and relying more heavily on collaboration tools.
- More than a quarter of organizations now require pre-trip approvals to help keep spending in check and provide increased visibility of traveler whereabouts for duty of care obligations.

<sup>1</sup>SAP Concur, "New Survey Uncovers Travelers' Requirements for Return to Responsible Business Travel," SAP Concur Team, June 17, 2021.





## Controlling costs in a changing business climate



Virtual events continue to grow in popularity, yet 75% of organizations lack formal expense policies concerning them, while 85% don't have policies around conference calls. These policy blind spots may cause confusion. For instance, if employees participate in a virtual event or conference, are they allowed to expense related fees or meals?

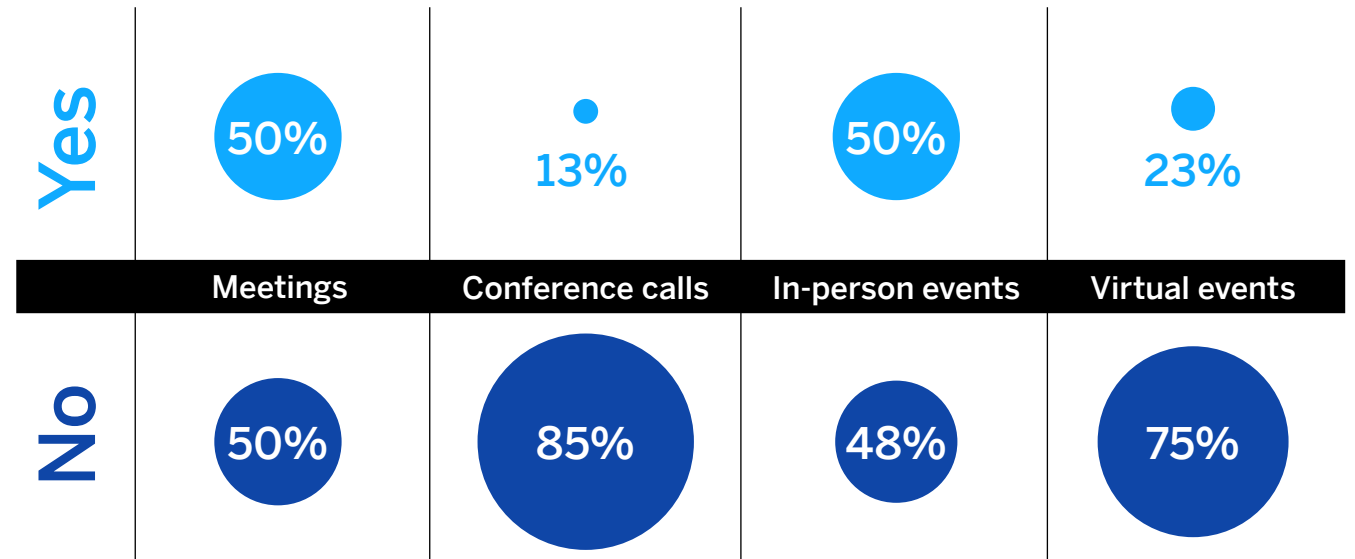
### BEST PRACTICE

#### Keep your policies up to date

It's important to update your policies and communicate with employees as market conditions and trends change.



## Does your organization have a formal expense policy related to conference calls, meetings, or virtual events?







## Controlling costs in a changing business climate



Twenty-three percent of organizations lack approval requirements and spending limits altogether, while many more forego formal policies around different types of cards. Undefined and unclear guidelines like these can lead to increased out-of-policy spending.

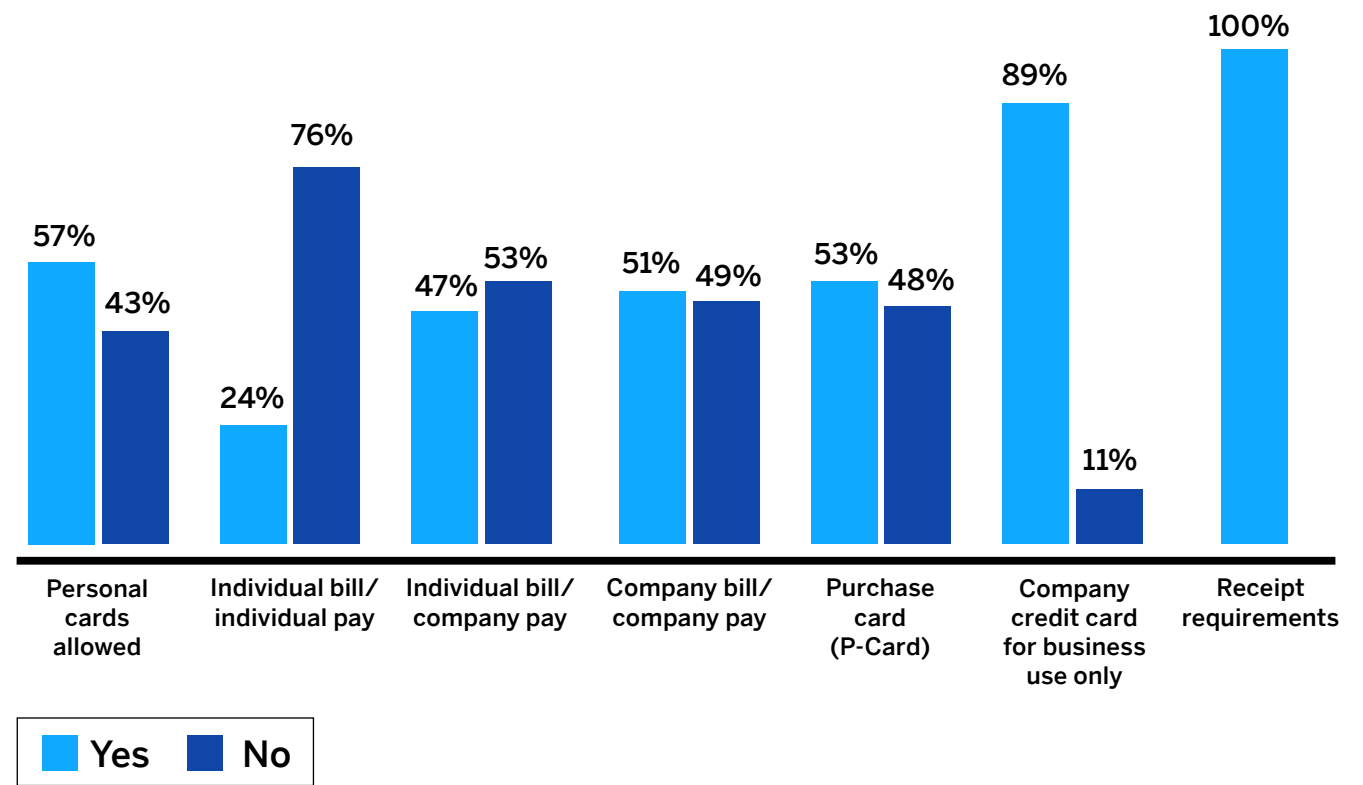
### BEST PRACTICE

#### Build your card program the right way

- Identify your goals and stay focused.
- Customize your program to fit your organization's needs.
- Drive adoption by communicating to employees how the program benefits them.
- Leverage an automated data feed to reduce risk, accounting inaccuracies, and compliance issues.
- Review and refine your program often to continuously improve.



## Does your organization have a formal policy related to cards?





## Controlling costs in a changing business climate



Organizations are about as likely to audit before or after expense reports are paid, with all relying on a mix of third-party, outsourced, and internal audits.

### BEST PRACTICE

#### How much time do manual audits take?

Use the Time to Audit formula to calculate the amount of effort your organization expends on time-consuming manual auditing.

$$t * (x/60) = h$$

**t** = Time (in minutes) to audit an expense report, document findings, and follow up with employee

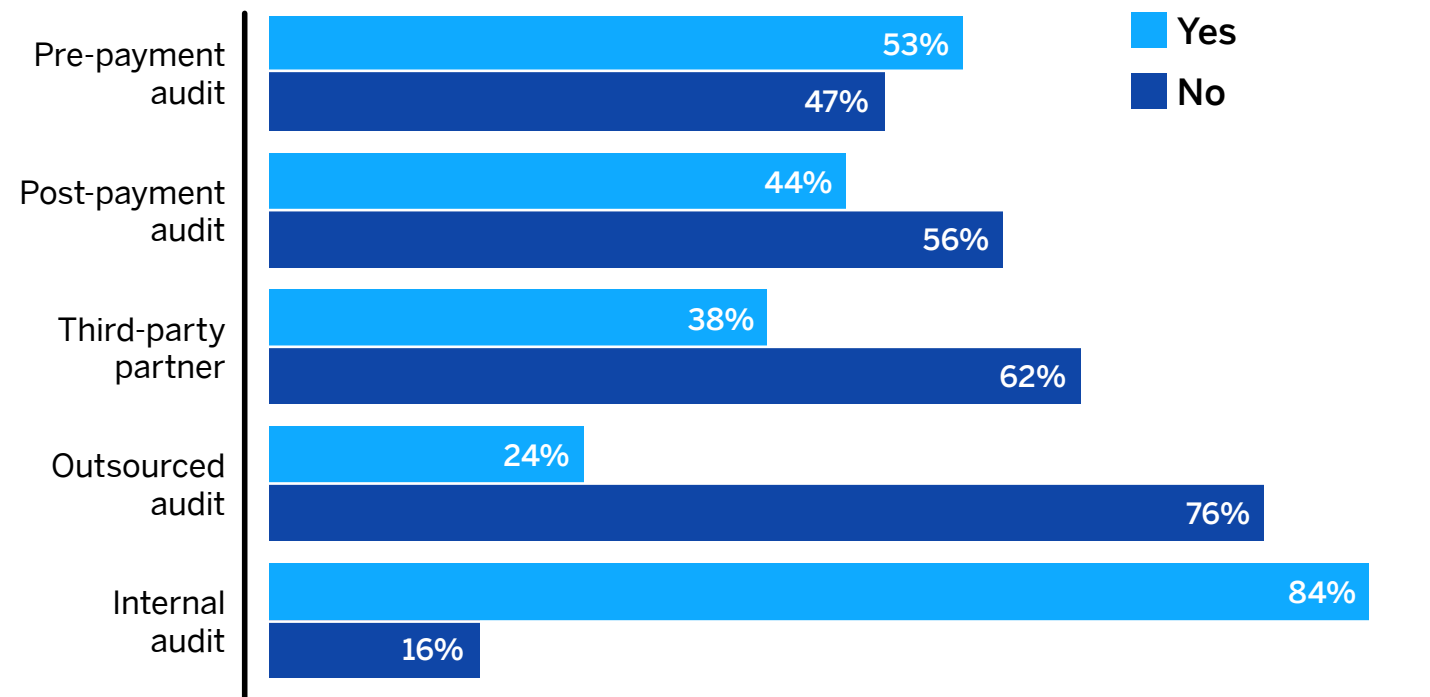
**x** = Number of expense reports

**h** = Number of hours spent auditing

Note: One FTE employee works about 2,000 hours per year.



## How does your organization handle the auditing of expense reports?





## Controlling costs in a changing business climate

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### Key takeaways

- Virtual events and conferences continue to grow in popularity, but many organizations have not yet revised their policies to account for related expenses.
- Incomplete or lacking policies may leave organizations open to unsanctioned spending or employee confusion around what spending is allowed.
- Time-consuming, error-prone manual audits may affect the bottom line.



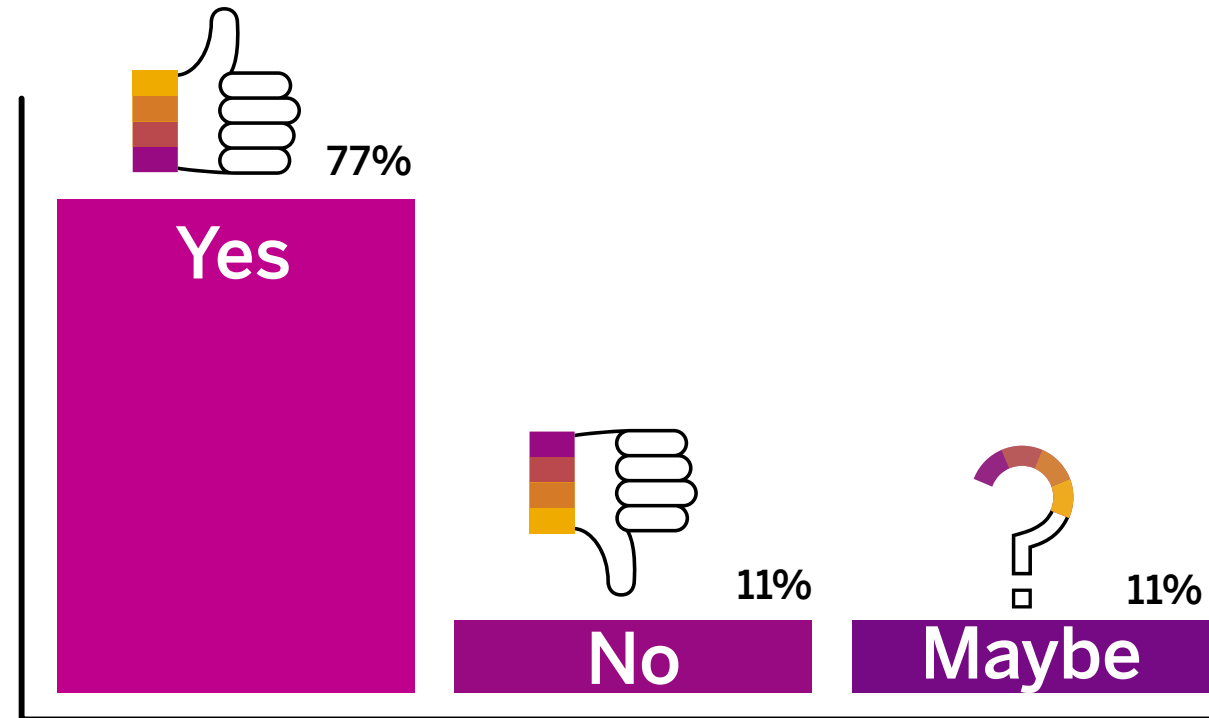
## The future of work



With at least 77% of organizations reexamining their remote-work policies, the dynamics around in-office, remote, and flex work may look quite different going forward. Those organizations not willing to examine and embrace more flexible working models may be put at a competitive disadvantage when it comes to attracting and retaining talent.



## Is your organization changing policy regarding employee work locations? (i.e., remote, in-office, etc.)





## The future of work

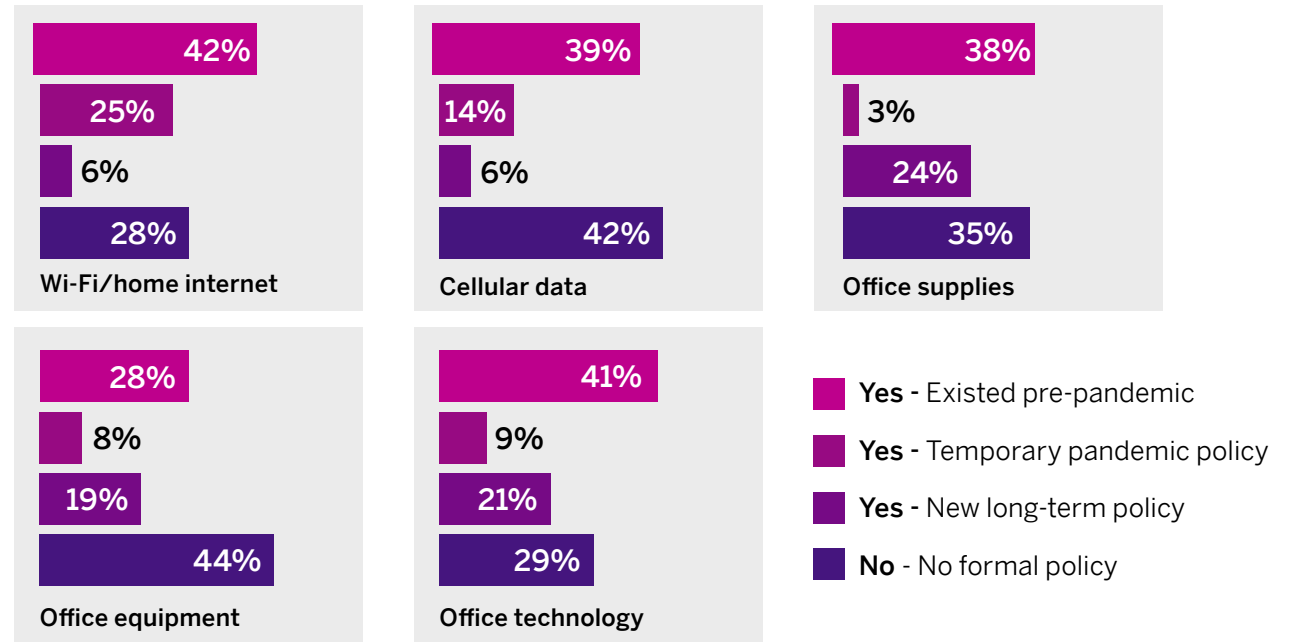


Policies surrounding reimbursement for remote-work expenses have largely expanded, with the most common temporary and long-term allowances being connectivity-related (home internet and cellular data) at a monthly reimbursement of US\$15 to US\$150 per month.

Notably, all surveyed organizations lack policies for at least some remote-work spending, including reimbursement for meeting expenses (79%), meal expenses (74%), supplies (41%), and ergonomic assessments (50%). With more people working remotely and in home offices, these policy omissions may cause confusion and jeopardize employee satisfaction and well-being.



## Does your organization have a formal policy around virtual and work-from-home expenses?



For organizations offering reimbursement for office supplies, equipment, and technology, most offer a **one-time payment ranging from US\$150 to US\$500.**



## The future of work



When it comes to in-office working environments, 67% of organizations are definitely making modifications, while 25% are considering adjustments. Changes are largely being made in order to:

- Enable remote and hybrid schedules.
- Improve air circulation and office sanitization.
- Reduce overall office footprints.
- Encourage social distancing.
- Shift to shared or non-assigned desks.
- Drive the use of collaboration software.

## Here's what respondents had to say about changes at their offices:

"Flex arrangements and facilities cleaning schedules have been modified. Desk and workspace configurations are pending reentry surveys."

"We have a reduced office footprint in leases, and masks are now required on property. The majority of employees will be either totally hybrid or part-hybrid and part in-office. The cafeteria will no longer be on-site."

"On alternating weeks, every other cubicle is filled, with no two people sitting next to each other. Masks are still required any time you're not sitting at your desk."

"We have adopted a hybrid work approach where employees have the option to work remote a specific number of days per week. Previously, employees were 100% in the office."



## The future of work

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### Key takeaways

- The future is still unclear, with most organizations examining or embracing new ways to adapt.
- Hybrid and remote-work schedules are becoming and will remain more common, but remote-work expense policies need reexamining.
- Most organizations either already had policies in place to allow for commonly used office items and services or have broadened their policies, but the lack of expense policies for work-from-home supplies and ergonomic assessments may pose a risk to employee job satisfaction and health.
- Organizations are prioritizing employee safety by instituting a range of new policies and processes.





## A focus on sustainability



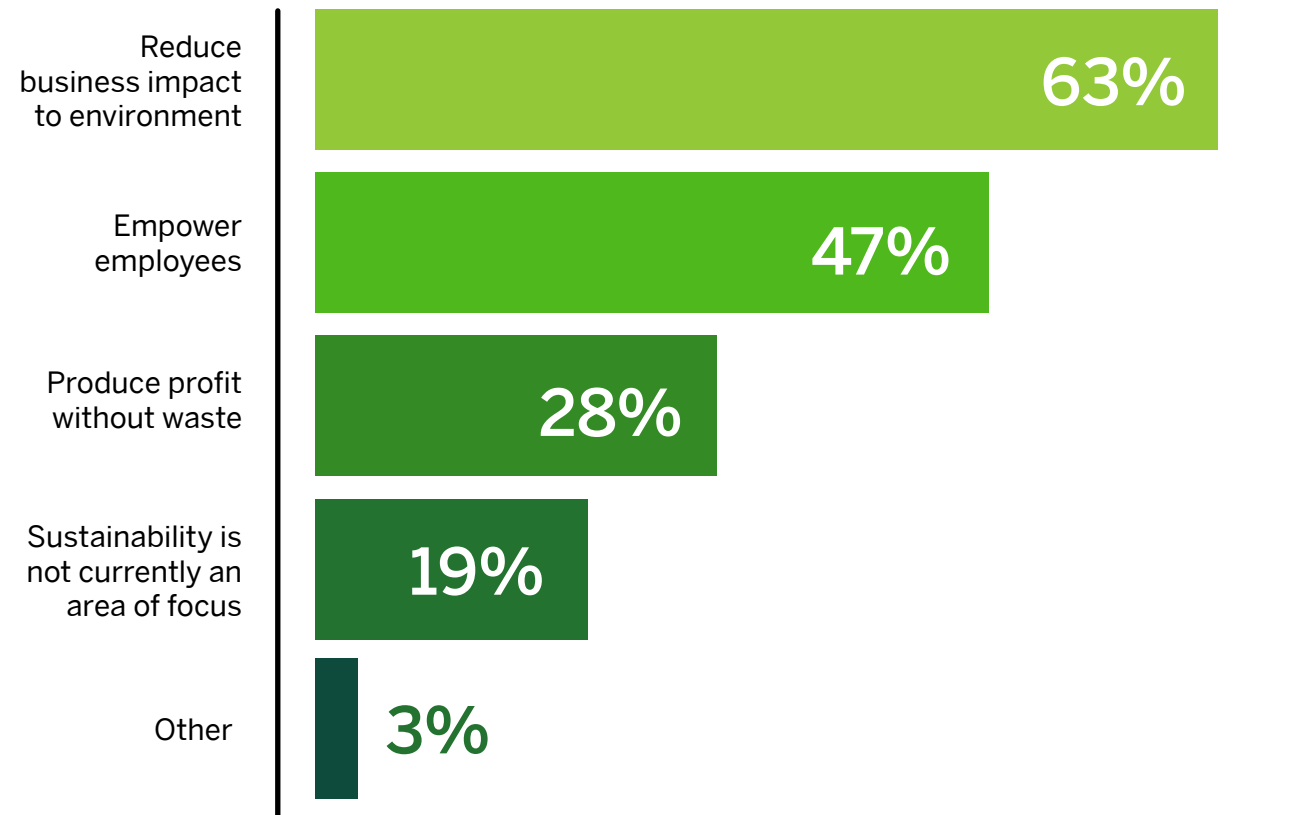
The definition of sustainability may vary, but it is a topic of interest to the majority of organizations, with only 19% of respondents indicating that it was not an area of focus.



**38% of respondents say sustainability has increased in priority over the past year,** while 42% say priority was specifically heightened as a result of the pandemic.



## What does sustainability mean to your organization?







## A focus on sustainability

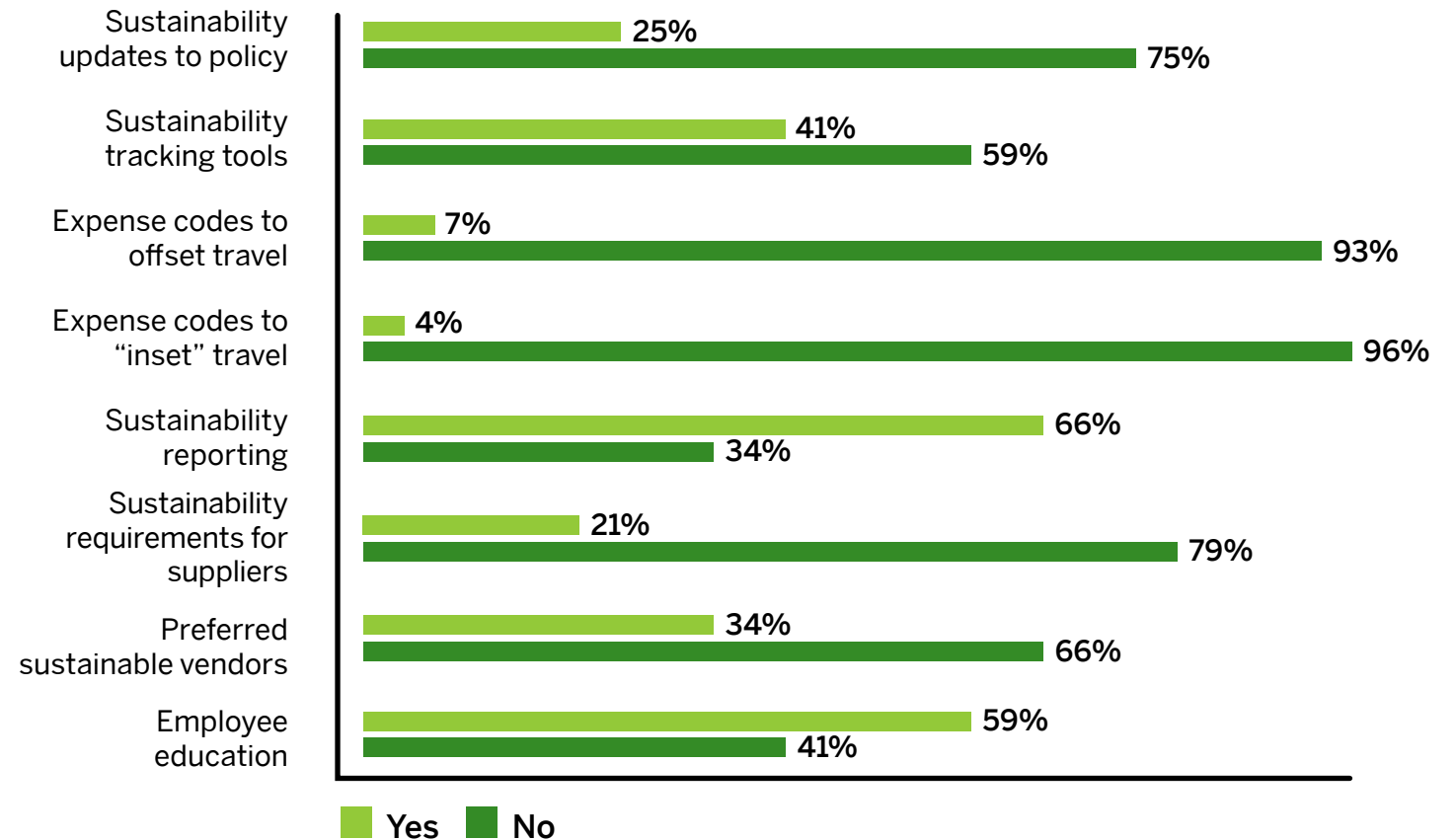


Many organizations deepened their commitments to sustainability – most notably by updating policies, adopting tracking tools, increasing reporting, providing employee education, and choosing preferred sustainable vendors.

“We will publish an annual sustainability report and purchase carbon offsets.”



## Is your organization making changes in the following areas?



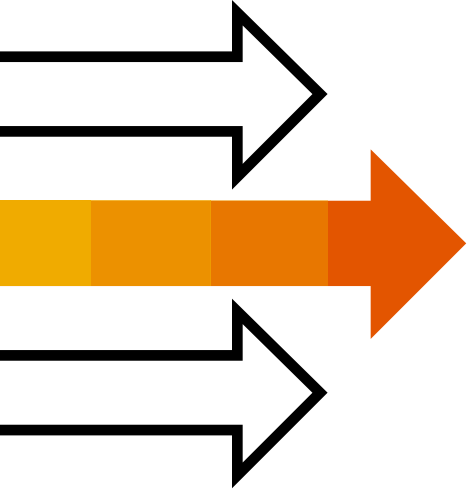


A focus on sustainability

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## Key takeaways

- The definition of sustainability varies by organization and encompasses a range of social and environmental concerns.
- Organizations are making an array of changes to place a larger focus on sustainability.



## The path forward ...

Travel, expense, remote and flex work, and sustainability policies and processes have changed and will continue to evolve going forward. Knowing what to look out for can help you proactively address any challenges and adapt to an uncertain future. Current trends include:



Expanded use of collaboration tools, increased scrutiny around what constitutes essential business travel, and broadened employee choice around travel.



A lack of reimbursement for employee ergonomic assessments as well as inconsistent policies around different types of cards.



Evolving policies around remote-work expense reimbursement, a drive to improve employee office safety, and a rise in hybrid and remote-work schedules.



A larger focus on sustainability across social and environmental categories.

# We're here to help.

As the world continues to evolve, your policies will undoubtedly change along the way – and SAP® Concur® solutions can help you adapt and track every element of your program. By automating spending processes, your business can run more efficiently, and you can confidently face whatever comes next.



**Contact us today or [visit us online](#) to learn more about our solutions.**