

TIP SHEET

How Do You Cultivate Compliance to Protect Your Business?

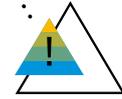
SAP Concur 

THE BEST RUN



Regardless of your organization's industry, size, or location, travel and expense spend mistakes or fraud can have significant financial consequences. However, by establishing checks and balances to put you in control of employee spend, and making it easy for employees to comply with policies, you can mitigate, detect, and prevent losses due to accidental errors or fraudulent activities.





What's the impact?

5%

Of annual revenues are lost to fraud each year by the typical organization.¹

14%

Of asset misappropriation schemes are related to expense reimbursements.²

50%

Of fraud is due to internal control weaknesses.³

\$130,000

Median loss for cases of organizational fraud across all types of industries⁴

\$200,000

Median loss for cases of organizational fraud across small businesses⁵

\$258,000

Median loss from organizational fraud in the professional services sector⁶

1. "Spend Analysis Report 2017," Oversight Systems Inc.
2.-6. "Global Study on Occupational Fraud and Abuse," ACFE, 2018.



Who's involved?

Whether committed by mistake or on purpose, fraudulent activity is more common than you may think. For example:

37%

Of travelers have been involved with at least one incident of expense waste or misuse.⁷

10%

Of travelers have submitted at least one duplicate expense, and that error averages more than \$50.⁸

10%

Of travelers generate the majority of instances of high-risk fraud.⁹

How can you foster compliance and reduce financial risk?

Here are **six ways** to get control over compliance, effectively manage travel and expense spend, and cultivate a culture of compliance.

1. Introduce robust policies for travel and expenses

Establish clear travel and expense spend guidelines for what is and isn't acceptable, and communicate these rules to your employees.

2. Provide tools that make it easier to be compliant

- Make it simpler and more convenient to report expenses by offering mobile apps that allow employees to submit, review, and approve spend quickly and accurately using their smartphones.
- Guide travel booking decisions with visual cues to what's in or out of policy, set daily or weekly spending limits, and flag duplicate expenses by comparing booked and expensed costs.



3. Catch spend anomalies before they happen

Enable employees to submit expenses for preapproval to identify and resolve potential issues before money is spent.

4. Reduce mileage padding

Use automated mileage-capture solutions to make it easier for employees to accurately document distances driven, reducing the risk of overexaggerated expense claims.

5. Carry out audits to check adherence to your policies

Set up comprehensive audit processes, using effective spend reports to identify trends and help you pinpoint anomalies. Alternatively, save manual review time by tapping into third-party auditing expertise to identify errors and compliance issues and reduce risk.

6. Monitor expense claim data automatically

Aggregate spend data across multiple channels, and use custom reports and dashboards to spot issues, as well as identify trends, and prioritize auditing resources.



How can **SAP® Concur®** solutions help?

SAP® Concur® solutions enable you to unlock powerful insights that help you reduce complexity, control costs, and see spending clearly. As a result, you can effectively manage employee spend, proactively pinpoint problem areas early, and establish easy-to-follow processes that increase employee compliance.



Companies without robust monitoring of travel and expenses in place saw overall spend rise to 14%¹⁰

10. "Spend Analysis Report 2017," Oversight Systems Inc.



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