



SAP Concur 

# Centralize Spend Data for Greater Visibility

THE BEST RUN 

## A Better way to **Manage Spend**

For Professional Services organizations, time is money. Their reputation depends on the transparency and timeliness of information shared with customers. They must account for every cost on behalf of their client, and bill it back promptly. They can't afford the inefficiency, inaccuracy, and lack of transparency complex spreadsheets and paper receipts create.

Most large organizations have made improvements to some or all of their expense, travel, and invoice processes in the last few years. While this helps improve the process, there still are some areas for improvement like – moving the spend trail from disconnected to connected systems and adopting user friendly applications which drive higher adoption. Without adopting solutions to fill this gap, it is difficult for organizations to make insightful business decisions.



# Spend Management Overview and Challenges

Spend management refers to the effective control and visibility of costs associated with company travel, employee expense, and supplier invoice processes.

Organizations providing professional services have larger workforces working on billable projects, and face problems tagging spend into appropriate spend type (billable/ non-billable), and to the right client or project. These organizations also need to keep a track of opportunity account to check the profitability of clients- which is not possible without near real time visibility into spend. Some of the challenges faced by these organizations are:



**Expense Management:** This process is time-consuming, costly, and mostly manual which leads to:

- Errors and mistakes due to manual, paper-based processes
- Time-consuming data capture
- Payment delays due to long approval/ processing times

Issues with compliance and audit are costing many businesses time and money. The responsibility lies mainly with approvers to carefully check expense claims for inaccuracies, fraud, and duplication which unfortunately is not their expertise. Missed opportunities on tax reclaim/ offset (VAT, GST) leave a considerable amount of money unclaimed.

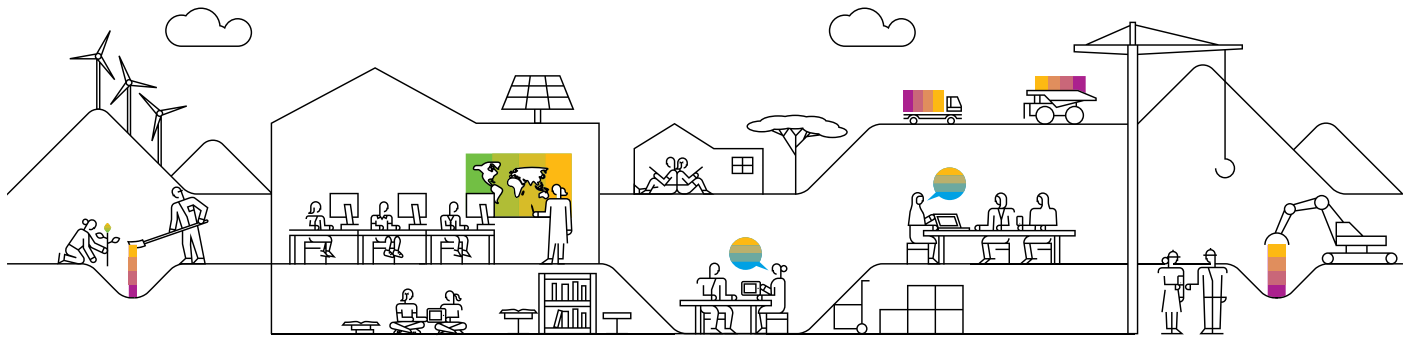


**Invoice Management:** One of the core business objectives is to ensure that the invoices are being paid on time and are compliant. To do this, an invoice must be subject to the same scrutiny as an expense claim. But most invoices aren't checked for duplication, errors, and fraud. With a paper-based or manual system, duplicate invoices and errors are common. Such systems also take a long time to process invoices, which could lead to late payments, fines, low power to negotiate with vendors, and loss of recoverable taxes like GST Input Tax Credit leading to loss of working capital.



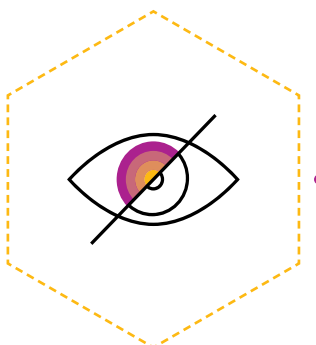
**Travel Management:** Direct booking is an iterative process which leads to increased airfare and hotel costs, and hampers an organization's ability to report all travel spend. Both contribute to incomplete visibility of travel bookings, and compromised supplier rate compliance (negotiated vs actual rates). Direct bookings (booked outside managed travel program) makes it nearly impossible to support employees in case of an emergency.

# The Benefits of a **Connected Solution** from SAP Concur



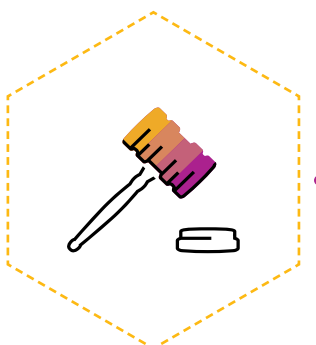
## **Improve business efficiency**

The Professional Services industry links efficiency to profitability. Transforming expense, travel, and invoice management can save time and allow organizations to focus their resources on profit-generating activities.



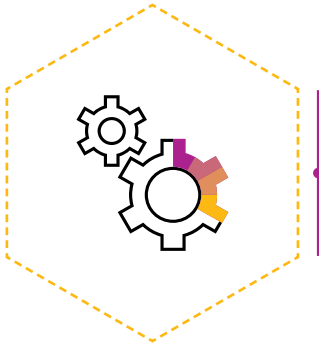
## **Gain visibility and control**

Company spend needs to be predictable and accurately forecasted. A connected solution delivers greater visibility and control over spend.



## **Manage compliance**

With multiple legal and regulatory demands in the professional services sector, compliance is essential. A connected solution provides digital and tamper-free e-receipts, ensuring that only legitimate expenses are processed, and the organization doesn't lose money due to inefficiencies or non-compliance.



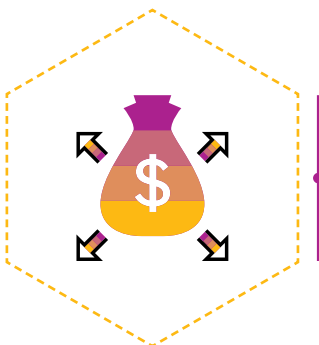
### **Increase Satisfaction and Productivity**

This industry is known for its highly skilled millennial workforce, and retention is key. Streamlining and reducing labour-intensive manual processes can boost both job satisfaction and employee morale.



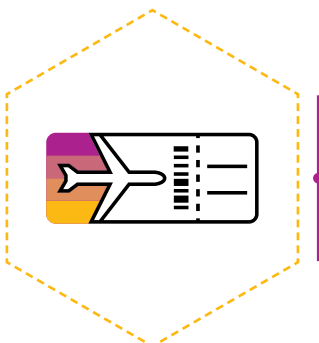
### **Make informed decisions**

With a connected expense, travel, and invoice management solution leaders have greater visibility into employee spend and can make informed business decisions, particularly on budgeting and forecasting.



### **Improve working capital**

A connected solution helps drive corporate card adoption among employees by auto-populating expense reports from corporate cards. This helps organizations negotiate rebates, avoid late payment charges, earn early payment discounts, and capture VAT and GST.



### **Meet Duty of Care Requirements**

All travel bookings and near real time spend captured from company credit cards and e-receipts can help locate employees. This information, combined with employee communication services, ensures employees are safe while travelling.

# Savings from SAP Concur Solutions

Estimated Savings* by implementing SAP Concur solutions for an organization providing Professional Services, with travel and expense management = INR 100 Cr (USD 10B)	
Expense processing errors, compliance checks, effort spent on reviewing, paperwork, duplicate identification, rework, excessive reimbursements, over charging and overspending	1% of T&E spend= 1 Cr.
Reduced booking costs due to advance purchase rates. Assuming these spends- Airfare – 25 Cr, Hotel – 30 Cr, Local Conveyance – 25 Cr. (50% on mileage), Other business meetings / client entertainment/ staff welfare – 20 Cr.	15% of airfare costs + 10% hotel costs = 6.75 Cr. (Real potential – 44% airfare & 20% hotel)
Rebates by driving corporate card adoption. Avoid late payment charges. Assuming 10% of spend on corporate cards.	1% of card spend= 0.1 Cr.
Tax reclaim (VAT+GST). Assuming international hotel spend to be 30% of total.	19% VAT reclaim (1.71 Cr) + 18% GST (3.78) = 5.49 Cr.
Travel spend at negotiated rates with vendors- air, hotel, car rentals, etc. + early payment discounts	5% of BTC spend (Air + Hotel) = 2.75 Cr.
Local transport optimization - App based cab aggregators - Mileage padding mitigation	30% of cab (hire) spend + 10% from mileage padding = 5 Cr.
Payback from cloud-based solutions (no AMC, or OPEX costs like storage, infrastructure, maintenance, courier)	0.1% of T&E spend=0.1 Cr.
<b>Total</b>	<b>21.29 Cr. per annum</b>

\*Estimates and assumptions are based on our internal research and years of experience.

Automation of Invoice management is another place where organizations can drive savings and increase their working capital. We have cut the cost of processing an invoice by 50% for a leading pharmaceutical company in India. It also improves front office productivity and employee satisfaction.

When expense, travel, and invoice management is disconnected, organizations can only see a snapshot of spending. By embracing a connected solution, organizations can save time and money now, and in the future.

## How SAP Concur can help



We provide a cloud-based, integrated expense, travel, and invoice management solution.



We help capture spend at the source by automating expense reporting.

- Enhanced employee experience through minimized data entry
- Upfront spend visibility for better provisioning, spend forecasting, and cash flow management
- Digital spend trail reduces time to approve expenses



We have an intuitive mobile and desktop interface which is easy to use.



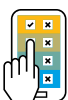
SAP® Concur® acts as a global partner, offering best practices to gain greater visibility and control into employee spend.



We have pre-built global best practice dashboards and reports for actionable insights and decision-making.



We offer an effective way to manage duty of care with near real time data.



The SAP Concur App Center connects employees to over 150 apps and suppliers they love to use.

#### About SAP Concur

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