Tip Sheet

Top 5 Budget Challenges for Organizations

Solving Spend Management for Better Visibility and Control

SAP Concur

You've cut down the amount of paper work, nixed the manual entry, and reduced the human errors that have historically slowed down your spend processes. But with recent changes in the economy, you can't just stop there. If your organization doesn't move beyond automation, you'll have more challenges than you planned to solve.

Challenge #1: Inaccessible Spend

Systematically automating each and every part of the spending process is the first step, but if you haven't connected those processes with all of your employee spend, then you have zero visibility into where your actual spend stands. As a result, finance departments can't see this spending until budgets have already been exceeded and forecasts have already been missed. By connecting event and meeting planning, T&E, procurement processes, and spend made directly with suppliers, you're getting a full, accurate picture of spending so you can better manage it against your budgets.

Challenge #2: Incomplete Data

When planning meetings and events, it's important to have a budget in place to ensure **end-to-end visibility into costs and compliance**. But when your budget information is incomplete, it's likely it will only be accurate and available when it's too late to act. Utilize tools that pull data together and put information at your fingertips so you can easily track and review cross-event spend, logistics reports, and attendee metrics. In the end, you'll have all the details needed to make informed decisions on budgets and policies with greater accuracy and confidence.

1. "Memo to the CFO: A new approach to 2021 budgeting starts now," McKinsey & Company, 2020.
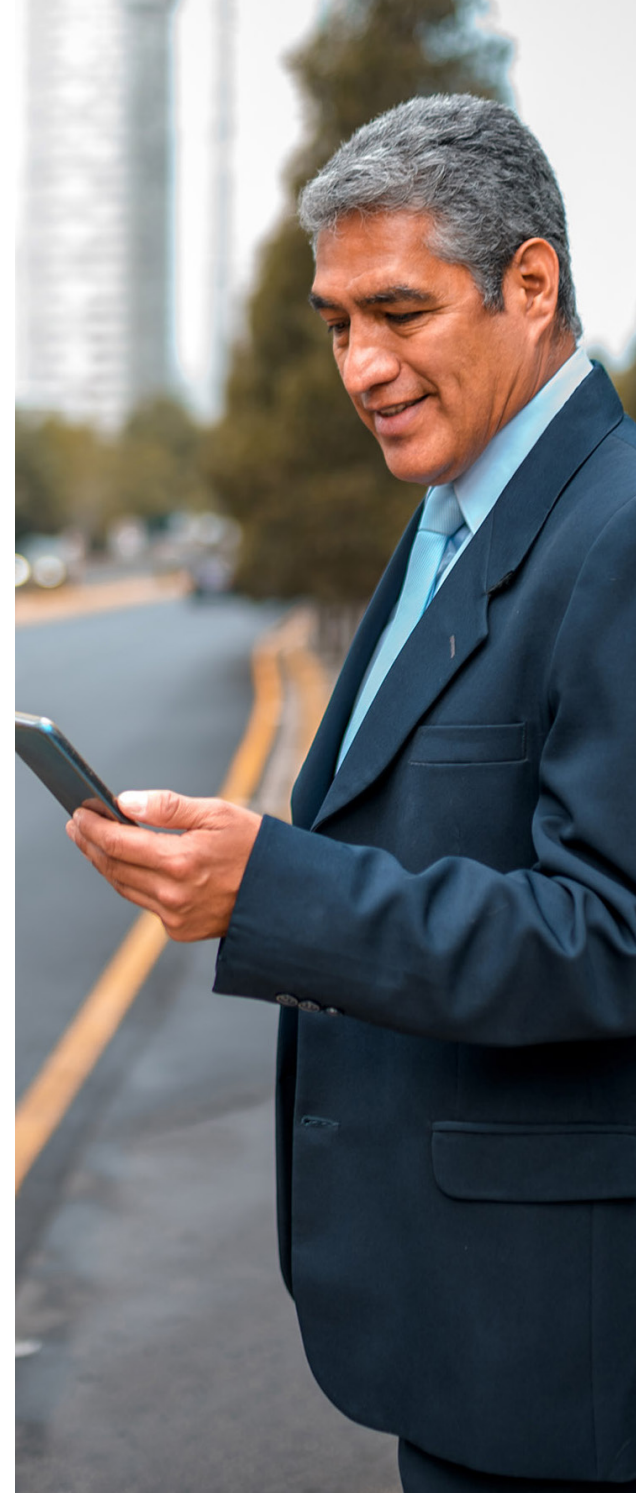
43%
of CFOs said
they need to streamline their overall budgeting processes to react more quickly and efficiently.[1]

Challenge #3: Ineffective Strategy

Limited insight into your organization's total spend makes it difficult to know when and where spend happens with enough time to influence it. Additionally, if you can't see it all, you lose the power to negotiate with vendors and optimize your payment strategies for better cash flow. **Leverage your data to power your financial strategy**. Track and control when you make payments, see when you can capture early payment discounts, ensure employees are booking with preferred vendors, and utilize your added savings to help fund the next big opportunity for your organization.

Challenge #4: Inefficient Process

With spend data spread out across systems, it's harder to see where you have process bottlenecks and provide employees information about where their payments are in the workflow. And by **neglecting to improve inefficient processes**, you can't see areas to cut costs or improve your forecasting. Doubling down on process improvement not only will save time and headaches for your employees, but can help you stay ahead of issues that might impact your budget in the future.

Challenge #5: Regulatory Noncompliance

With ever-changing regulations, it's important that all your employees can take action to ensure your organization remains compliant. When spend is disconnected and budget management tasks are unclear, you run the risk of noncompliance with financial rules. **Empower every budget owner** to see what's happened, what's coming up, and give them the tools to do something about it, before it's too late.

To learn more, [download our eBook](#), "7 Ways to Increase Visibility and Control Over Spend"

Learn more at [concur.com](#) or at the SAP Concur [blog](#)

53%
of organizations
currently manage different types of spending (direct, indirect, travel and expense, and services) with separate applications.[2]

Intelligent Spend Management Survey, IDC, 2019.