

# Why finance teams need to implement an expense management solution



Loan comparison calculator  
This calculator will help compare various loan scenarios. Change the  
values to suit your needs.

HOW TO USE  
provided. Change rows or add new rows.

Large and Fixed Assets	
Asset	Value
Home	\$1,000,000
Car #1	\$20,000
Car #2	\$20,000
Total	\$1,040,000

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## What this white paper is about

Expense management refers to the whole process of employees submitting claims through to reimbursement; including approving, managing and tracking expenses.

The need for sophisticated expense management solutions is ever-growing, and this white paper gives you an introduction into the difference that a high-quality expense management solution can make for a busy finance team.

In this whitepaper, we'll identify why digital expense management solutions are essential for resolving common challenges finance teams face and how they help boost productivity.

## Key takeaways

1. Traditional methods of expense management are causing multiple challenges for finance teams including inaccuracies in data and a lack of visibility of overall financial health.
2. Digital expense management offers a solution to the common challenges finance teams face. For example, digital solutions use powerful OCR and AI technology to extract data from receipts automatically, therefore greatly reducing the risk of human error.
3. Digital solutions can provide real-time visibility of financial data, improve the accuracy of expense management processes and contribute to substantial cost and time savings.

# Introduction



As the digital world continues to evolve, so does the need for businesses to review organizational and operational efficiency across multiple departments. Teams that are stuck using a more traditional method of expense management leave themselves open to greater risks of expense fraud, poor visibility of financial data and human error.

Expense management is a vital task in any business where employees submit expenses. From the submitter all the way to the IT team - there are several stakeholders that require different insights and features from the process.

This whitepaper focuses on the challenges that the finance team in particular face, and how modern expense management tools offer the solutions and data visibility they need to make more informed financial decisions.

If you're unsure as to whether it's time to upgrade your expense management process, this whitepaper will discuss the advantages of doing so and offer you practical information on the things you should know when picking your solution.

# Traditional expense management



Managing employee expenses is a vital part of any business, influencing both operational efficiency and financial well-being. Finance teams face the challenge of juggling numerous responsibilities while needing to maintain precision and timeliness when it comes to managing expenses.

Traditional expense management methods often rely on manual data entry and extensive paperwork, which can slow down processes and leave room for errors.

These outdated practices not only hinder productivity but also create bottlenecks that can delay financial reporting and reimbursement.

## The traditional expense management workflow

1. The employee makes purchases on behalf of the organization and collects receipts
2. The employee manually submits an expense form and the receipts to their line manager
3. The expense claim is reviewed and, if appropriate, approved by the line manager (if there are errors in the claim, the manager may need to question the employee before approving)
4. The finance team checks the expense claim and, if appropriate, provides final approval (if there are errors or the claim doesn't comply with company policy, the finance team may need to reject the claim)
5. Once approved, the finance team manually rekeys the expense claim data into their finance/ERP system
6. The approved expense is reimbursed and a record is stored for future reference



# Traditional expense management



## Typical challenges for finance teams

### Inefficiency and missed deadlines

Paper-based processes add an unnecessary layer of complexity, creating inefficiencies that slow down the entire workflow.

The physical handling of documents can result in misplaced receipts, which can lead to delayed reimbursements. A recent survey found that a single expense report takes an average of 20 minutes to process and costs a company \$58 in resources ([GBTA Foundation and HRS / Forbes](#)).

Additionally, the need to manually track and verify each expense across physical and digital documents adds to the workload, making it difficult for finance teams to maintain a smooth and efficient process.

Inefficient processes can lead to monthly pay run deadlines being missed, which can result in employees being reimbursed late. This can cause frustration and stress on their part, while also affecting the finance team's ability to report accurately on monthly company expenses.

### Human error

The repetitive nature of needing to manually rekey data extracted from receipts and forms can be both time-consuming and leaves room for error.

This approach not only eats into valuable work hours but also increases the likelihood of inaccuracies in the data, which can lead to further complications down the line.

For example, the same survey found that, on average, 19% of expense reports contain errors, and each takes an additional 18 minutes and \$52 to correct ([GBTA Foundation and HRS / Forbes](#)).

# Traditional expense management



## Lack of visibility

The lack of real-time visibility into expenses also poses a significant challenge. Without immediate access to accurate data, it becomes difficult to monitor spending patterns and enforce company policies.

This can lead to overspending and budget discrepancies that are hard to rectify once they occur. In fact, a recent report identified SMBs are losing an average of £742 per month due to poor expense tracking ([International Accounting Bulletin](#)).

## Risk of non-compliance

Ensuring compliance with company policies and regulatory requirements is a constant concern. The manual nature of traditional methods makes it harder to enforce these rules consistently, increasing the risk of non-compliance. This not only puts the company at risk of financial penalties but can damage its reputation, both with employees and externally.

In sum, the traditional methods of managing expenses are fraught with inefficiencies and potential pitfalls that can hinder a finance team's productivity and accuracy. Addressing these challenges is essential for smoother, more effective financial operations.

# Digital expense management



Digital expense management solutions have emerged as a game-changer for finance teams, offering an efficient alternative to the traditional method of managing expenses.

Modern solutions utilize technologies such as artificial intelligence to capture and process expense data almost instantly, meaning that you can automate the extraction of data instead of having to manually retrieve information from a receipt (and not have to worry about the receipt getting lost in the process!)

Digital solutions also provide better visibility and control over expenses than traditional methods. With traditional management, you likely need to wait for an employee to physically submit an expense form along with all their relevant receipts, whereas with a digital solution, you can instantly see expenses being submitted in real-time. This level of oversight ensures company resources are used wisely.

By embracing digital expense management, businesses can improve both their efficiency and financial accuracy, making it an essential tool for any modern finance team.



# Advantages of digital solutions



Digital solutions for expense management bring significant improvements by automating routine tasks and making processes faster, more accurate and providing real-time visibility.

Here are some of the advantages in more detail:

## Time and cost savings

Implementing a digital solution not only speeds up the entire process but also significantly reduces the likelihood of errors.

Utilizing technology helps companies save both time and money. [Research by Aberdeen Group](#) indicates that companies using automated expense management systems reduced expense report processing time by 50% and [companies using automated expense management systems decreased the average cost per report by 60%](#).

## Accurate capture of expense data

With digital expense management, finance teams can quickly capture and process expense data using advanced technologies like artificial intelligence.

For example, instead of manually entering data from receipts into a form or spreadsheet, employees can simply take a photo of the receipt, and the system will accurately extract the necessary information automatically. The result for finance teams is that they can manage expenses faster and with more accuracy than ever before.

# Advantages of digital solutions



## Real-time visibility of spending

Digital solutions offer real-time visibility into spending, which is essential for effective financial oversight. Finance teams can monitor expenditures as they occur, allowing for better budget management and quicker decision-making. This level of transparency helps in identifying spending trends and controlling costs more efficiently.

Having visibility can help finance teams identify vendors that employees regularly use or spend a lot of money with. They can use this information to negotiate discounts with those vendors, helping the finances of the company.

Visibility, accuracy and efficiency are all crucial for ensuring the overall financial health of a business, and digital solutions have become a vital part of achieving those goals. This level of oversight ensures company resources are used wisely.

# Advantages of digital solutions



## Seamless integration with existing finance systems

Some digital expense management solutions also integrate seamlessly with existing financial systems like Business Central, ensuring smooth operations without disrupting established workflows. An advantage of this for finance teams is that there is no need to manually rekey expenses into Business Central - the digital solution does it for them.

This compatibility makes it easier to adopt new technologies without the need for extensive changes to current practices.

## Securing data and ensuring compliance

For finance teams, securing data and ensuring compliance are critical. Digital solutions provide a secure, cloud-based platform designed to keep your expense data protected and easily accessible. With advanced security measures and round-the-clock access, your information is protected from breaches and unauthorized access.

Digital solutions also support compliance with company policies and regulatory requirements, helping to reduce the risk of financial penalties and reputational damage. All expenses are accurately recorded and monitored, streamlining the auditing process and facilitating easier compliance checks.

This focus on security and compliance not only protects your financial data but also gives finance teams the peace of mind to focus on more strategic tasks.

# How Zetadocs Expenses can assist



Zetadocs Expenses offers a robust solution tailored to alleviate the burdens finance teams face when managing expenses.

For finance teams, Zetadocs Expenses provides real-time visibility into expense data, enabling finance teams to monitor and manage expenditures as they occur. This immediate access to accurate data aids in better decision-making and enhances the ability to enforce company policies consistently, while also assisting with identifying any potential expense fraud.

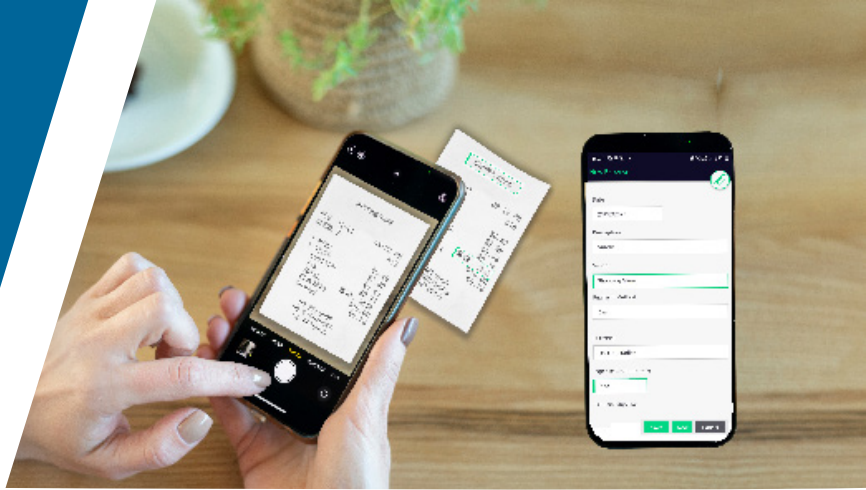
Finance teams can easily set rules in Zetadocs Expenses, such as mileage cost caps or other spending limits, and the software will notify you if any expense reports violate company policy, enabling finance teams to act faster in the expense management process. Plus, with full traceability of the expense management process, teams can ensure full accountability and audit readiness.

The platform seamlessly integrates with popular finance systems like Business Central, ensuring that existing workflows remain uninterrupted and finance teams no longer have to rekey expense data manually.

And it's not just finance teams who can benefit. Employees can use the Zetadocs Expenses app to quickly and accurately submit expenses and can be reimbursed faster, thanks to a streamlined workflow. IT teams are assured of the secure handling of company information as well as the easy integration with existing financial systems.

By automating routine tasks and providing intuitive tools for expense management, Zetadocs Expenses frees up valuable time for finance professionals, allowing them to focus on more value-adding activities.

# Conclusion



Digital expense management solutions significantly enhance the efficiency and accuracy of your finance team's operations in several ways. Repetitive tasks like data entry and receipt processing are automated, saving time and reducing the margin for human error. Expenses are reported accurately in real-time, meaning that finance teams can make better decisions as they have greater visibility on overall financial health.

Alongside time-savings and increased precision in reporting, enhanced security features keep all sensitive financial data protected. Compliance with regulatory requirements is easier to maintain, reducing the risk of financial penalties and reputational damage. And, since most digital solutions integrate seamlessly with existing financial systems, you can benefit from all of this with almost no downtime and minimal training.

With the benefits of digital expense management solutions so clear, the only question left is: why wait to implement one?

[Get a demo of Zetadocs Expenses today](#) and transform the way your team manages expenses.



## About Equisys

Equisys is a leading provider of AP automation, expense management and document management software on Microsoft Dynamics 365 Business Central.

Our software is known collectively as **Zetadocs**. The Zetadocs suite integrates with Business Central to help organizations automate manual processes, cut paper use, save time and money, and reduce their carbon footprint.

We also produce **fax software** for PCs and web-based **project management software**.

If you would like more information on our expense management solution, please visit [equisys.com/Solutions/Expense-management/Overview](https://equisys.com/Solutions/Expense-management/Overview).