Expense Automation:
How to save money and remain compliant

Our digital economy requires the speed and agility that cloud computing provides on a scalable, cost-effective hosting platform. The modern CFO should embrace a cloud strategy that espouses investment in software as a service (SaaS) as a style of computing to drive productivity and innovation with a focus on democratization of data.

To enable this paradigm shift, digital transformation is now widely considered a requirement for nearly all companies across all verticals and industries. More than simply digitizing traditional business processes, companies are now rethinking products, services, and even entire business models to align with a mobile-first, cloud- dependent model. Further, companies are increasingly advocating for a cloud-first approach for scalable project delivery – but concerns over compliance have caused confusion and subsequent delays in user adoption.

Until recently, cloud providers focused on providing data storage and cloud hosting services with some security provisions. The onus was on cloud customers to meet regulatory requirements or to ensure that cloud service providers complied with regulations to protect their data. The good news is that times have changed – not only are certain public cloud providers paying more attention to helping customers achieve compliance, the regulatory agencies and standards bodies have recognized the value of cloud services and promulgated new guidelines to spell out safe use in the cloud.

By using a structured approach and adopting proven strategies for regulatory compliance, organizations can begin to realize the operational benefits of SaaS architecture. For example, process automation and compliance are especially critical in the burgeoning field of expense management. Aberdeen Group research found that 57% of companies surveyed cited poor visibility into expenses and compliance as their top business pressure. Systematizing expense reports in the cloud saves both time and money, as the direct connection between receipt and report eliminates manual data entry errors and enables administrators to assign controls, driving both productivity and quality benefits for the customer.

Aberdeen Group research also found that "expense automation can decrease the cost of every expense transaction by 55% or more." Indeed, "organizations that leverage cloud expense management technology have experienced 28% lower expense approval times" and "27% lower employee expense report creation times." Expense management solutions empower companies to automate expense-related business processes, enforce policy compliance, cut administrative costs, and reduce the risk of accidental errors and intentional fraud.

Another advantage of an automated, cloud-based expense management solution lies in visibility. In addition to reduced costs and processing times, as well as more reliable policy compliance, SaaS-based expense management tools give users the visibility they need to understand cash flows and make more informed budgeting and planning decisions. This enhanced visibility and actionable data can also help managers better enforce policies and influence buying behavior.

By leveraging an automated expense management solution in the cloud, companies can experience significant cost, time, and efficiency savings compared to the traditional siloed approach of addressing business functions separately.

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