



How to revolutionise your company card management

A Yordex White Paper

- ✓ Is card use careering out of control?
- ✓ Same values, new structure
- ✓ Stop employees from having to dip into their own pockets
- ✓ Let's get smarter about spending



Is card use careering out of control?

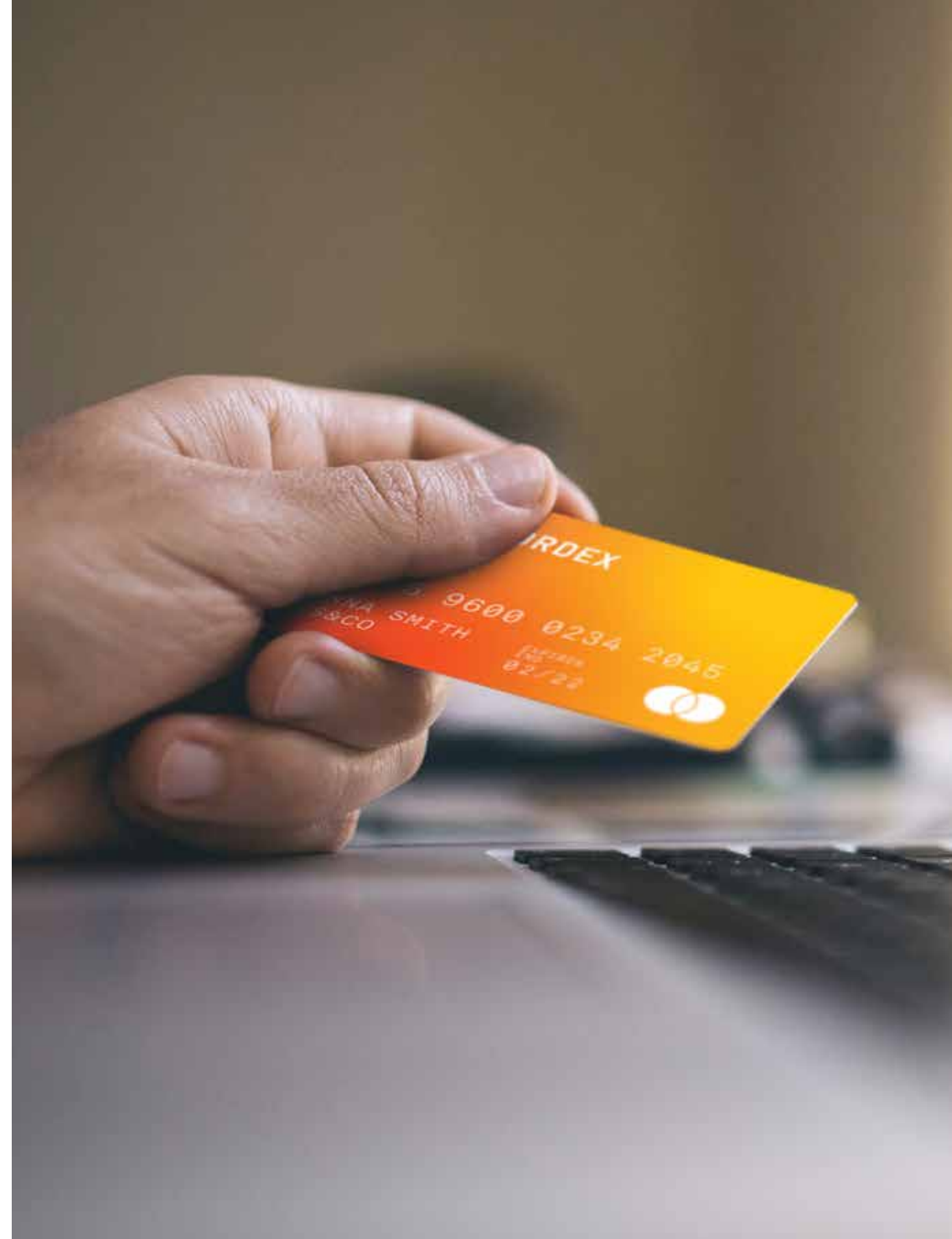
Company cards started out as an executive-only tool, reserved for a chosen few. However, as the number of cashless payments being made has increased, so has demand for access to business spending tools.

Today, financial transactions are driven by plastic. Consumer credit and debit card spending overtook cash payments for the first time ever last year, according to [UK Finance](#), while most businesses now choose digital payment methods over physical money; [Fraedom](#) research reveals that commercial card use has risen by 9.3% since 2017.

However, the rise of business card use has generated many challenges. It's difficult for businesses to maintain authority over how their card is used and who has access to it, which can compromise cash flow

[Fraedom](#) research reveals that commercial card use has risen by 9.3% since 2017

This whitepaper will look at how companies can change your approach to company cards, democratising access without sacrificing control. We'll also look at why cards must be integrated into smart spend management, in order to make effective financial decisions.



The card game

More and more expenses are being placed on plastic – from marketing and software subscriptions, to online purchases, client entertainment and travel. In fact, [Accenture](#) predicts that card-based business spending will increase by a further 10% between now and 2022.

But while channelling transactions through cards should make life simpler, the reality is very different. This is because the majority of companies are still relying on one or two corporate cards, which are continually passed around the office. Keeping track of their whereabouts, and what is being spent on them, is a nightmare.

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More importantly, with one or two cards and no single person in charge, it's difficult to reconcile purchases and accurately control company spend. Unauthorised transactions can slip through the net and unnecessary subscriptions continue running, as finance teams struggle to know who is making each purchase and collect the right receipts for VAT calculations.

To make life easier for all concerned, we need to rethink company cards from the ground up...

Same values, new structure

Today, a well-managed spending framework starts with simple approval process – whether that means getting the green light on a plan or budget, signing off particular purchases, or allocating them to the correct budget.





What if we make it easy to get approval, without forcing the transactions to be made through one company credit card? Implementing a quicker, smoother process online.

Issuing each employee with their own, individual smart card for use when they need it, which they can request securely based on their approved requirements, is a much more effective way to manage card spend. A physical card may be the best route if staff are making regular transactions in large and variable amounts; or if employees need to make a specific purchase, you can make use of virtual cards which expire automatically when used.

With this approach, you still control how much can be spent and when, but the actual spending process is much more flexible for the employee, ensuring they have access to the resources they need to do their job effectively.

Widening the circle of trust

Empowering every person within a company to access their own physical or virtual company card benefits businesses in several ways:

-  **1 - It makes the purchasing process much quicker**
Staff don't have to go to their boss 'cap in hand' each time they want to buy something, yet expenditure is easily traced back to individual employees. And if each card is part of a smart spend management solution, all purchasing data can be automatically synchronised with business accounting software. entire team spend in one place.
-  **2 - It increases spend control**
Every employee is accountable for the transactions made on their card, which means they take greater responsibility over their purchases. This 1:1 approach also reduces accidental overspending – for instance, when subscriptions are no longer required, they will automatically be cancelled.
-  **3 - It improves security**
There is no longer a need for card details to be copied down and left lying around, or for cards to be passed around the office. Sometimes there's no need for a physical card at all; a virtual card is the better option, which is created for a specific transaction. And because cards are only issued after the spend is approved, erroneous transactions can be quickly identified.
-  **4 - It shows employees that they are trusted in their role**
[Work Design Magazine](#) has found that 40% of professionals feel greater trust improves their level of engagement. Trusting employees with their own card motivates them to spend wisely, and also enables them to prove the value of having autonomy over their own budget.

There's no thrill in the chase

The business spend framework may start with approval, but it ends with receipts for VAT filing. Every company card payment must be supported by a receipt and an accounting entry – and when there are multiple people using the same card, this can be a nightmare for finance teams.

As we've touched on already, if company cards are part of a smart spend management solution, transactions can be seamlessly managed alongside non-card spend - in a way that supports your processes and maps to your budgets.

A smart system already knows who spent what and when based on individual card use, automatically entering data into an accounting system, reducing errors and minimising manual data entry requirements. If any paperwork is missing, a notification can be sent to the relevant member of staff, encouraging them to submit receipts as soon as possible.

While most personnel will stay on track with their documentation, issuing individual cards enables companies to target 'repeat offenders' without penalising their colleagues. For example, temporarily blocking cards if users log too many unapproved expenses.

Stop employees from having to dip into their own pockets

Issuing individual company cards is not only a more convenient way to control spend; it's the best way to get a complete picture of all expenses in real-time.

Channelling everything through corporate cards instantly shows whether spending is in line with budgets. Finance teams don't need to factor-in additional transactions made on personal cards or in cash.

Expenses only account for 5-10% of total company spend, but they take a disproportionate amount of time to manage. Holistic business spend management is the most important goal for all growing businesses.

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In addition, this approach reduces the amount being spent on by employees personal credit cards, debit cards or with cash, so they're not forced to keep dipping into their own pockets.



In summary: let's get smarter about spending

Credit card use might be increasing, but credit cards weren't designed with businesses in mind, as they lack the overall control that companies need.

To overcome this hurdle, your business needs to look for corporate cards that integrate with a smart spend management solution, to democratise access while maintaining authority.

With this approach, you can take true control of all forms of card and non-card spend, for a forward-looking picture, mapped to your budgets. The right solution should be flexible to your business rules and workflows, to support agile, faster-moving strategic decisions.

Yordex smart spend management solution

Yordex has developed a smart spend management solution, which fully automates key financial processes, reducing the cost of spend management by 60-70%.

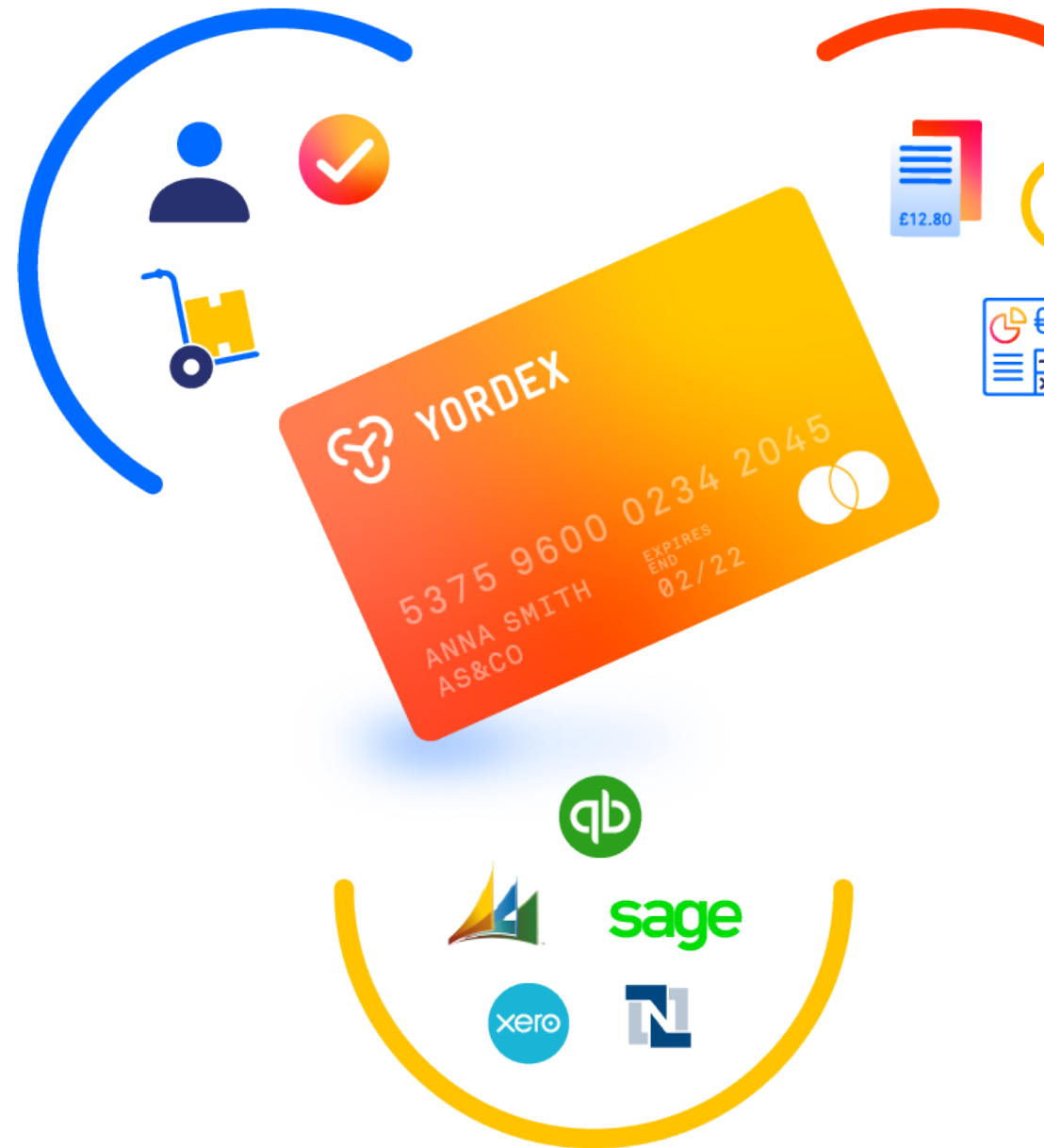
Most software only provides a historical view of spend; it takes up to 10 working days at month end to get an accurate account of what was spent the previous month. The Yordex smart company cards provides 100% visibility over company spending in real-time, so businesses can make agile, insight-driven decisions and accurately control cash flow.

Yordex makes it easy for fast-growing businesses to make intelligent spending decisions. Start by getting the every-day spending right through intelligent company card management and it won't be long before you wonder how you managed without.

Book a free Yordex demo

Book a free 30min no-obligation demonstration with one of our product specialists.

[Book a Demo](#)





About Yordex

Yordex is a new way for businesses to manage spend; taking the guesswork out of financial decision making by giving fast-growing companies insight and control over future spend insights.

The brainchild of former Worldpay Executives Erik De Kroon and Hardeep Nagi, Yordex's next generation finance automation software enables organisations to manage all financial data in one place.

Company cards, expenses, invoices and budgets can all be managed through the Yordex smart spend management solution, which automatically integrates transactions with accounting systems. Employees can also be issued with a Yordex card for business purchases, enabling controlled spending through fully customisable approval rules.

Backed by Bloc Ventures, Yordex was founded in 2017.

