

## Why organizations choose distributed spend management

Employees have more purchasing power than ever, which often leaves finance teams struggling to keep up. As organizations become more agile, employees take advantage of the flexibility of corporate credit card programs in order to quickly complete purchases. This speed is critical for growing organizations, but without proper controls in place, finance teams may find themselves having awkward conversations with employees. When purchases occur out-of-policy, it's often too late to fix it.

Finance also suffers from the reactive nature of corporate card spending. Until the month closes and expense reports are submitted, finance has no idea how much money the company has spent. Because you can't track approval workflows, you are often left wondering who bought what, and why.

To gain control and real-time visibility into spend, agile finance leaders seek distributed spend management solutions that enable employees to continue to do business efficiently.

## Key requirements for a distributed spend management platform

Best-in-class distributed spend management software offers so much more than streamlining virtual card creation and syncing data to your ERP.

- **End-to-end process management:** The business process for purchasing can involve multiple stakeholders. By integrating with your ERP, HRIS, CLM, TMC, and more, distributed spend management software guides the appropriate functions through each step of the buying process. As companies often update policies, rules, and codes throughout the year - it's also critical that a distributed spend management system is flexible and can be updated by the finance team quickly with new rules and policies.
- **User adoption:** To gain compliance and adoption, end-users require a system that's universally accessible, like Slack or a web browser. Solutions that integrate into an employee's existing workflow gain adoption much more quickly and completely than one which requires training - meaning the problems of policy misalignment hodgepodge and spending will be under control.
- **Reporting and visibility:** Get the full picture with robust reporting capabilities that enable employees, managers, and finance to drill down into spend data based on multiple accounting dimensions, such as category or vendor. Self-service eliminates the need for back-and-forth on actuals and provides teams with granular visibility into who bought what and why.
- **Alerting and notifications:** Users today rely on software to push critical information. A distributed spend management platform should enable proactive alerts to finance, managers and end-users regarding their spend - calling out large variances, new vendors, duplicate vendors, and more.
- **Committed spend:** Leaders need not just the ability to track what has been spent, but also funds that have been approved but not yet spent. This visibility enables smarter, more proactive decision-making.