Does your business have the **spending controls to survive COVID-19?**

Overview

The negative economic impacts of COVID-19 are having seismic impacts around the globe. The International Monetary Fund's World Economic Outlook predicts the economic pain is likely to continue, and worsen, over the coming months.

Seismic economic impacts

In the face of this synchronized global slowdown, it's time to ensure business spending and reconciliation processes are in place to maintain control as cashflow dwindles and balance sheets come under pressure.

If you don't have complete control over your employee expense program, then you may be putting your survival at risk. But there's still time to put in place the measures that protect your bottom line.

Investing in technology to deliver cost cuts and increase efficiencies will help your business weather the storm.

You need control over employee spend

1. Get control. Pronto.

If you don't have an expense management system that gives you 100% control over your employees' spending activity in real-time you need to do so right now.

15-25%
of North American companies still manage expenses with a spreadsheet

Automating the expense submission and processing workflows will help you understand whether you are operating within your spend thresholds on a daily basis. Waiting a month (or more) for expenses to be entered into a report, submitted, approved, processed and entered into your finance system is not going to cut it when your ability to absorb overspend is eliminated.

If your business is one of the estimated 15-25% of North American companies still managing expenses using manual or home-built systems, it's time to take back control with an end-to-end expense management solution that can:

- Accurately report on employee expenses in real time
- Streamline expense reconciliation and tighten controls on spend
- Provide spend analysis by category, department and individual

2. Tighten your approval thresholds

Let your people know the belt's been tightened by requiring approvals for lower spend than you did previously.

Nothing is going to make people think twice about incurring business expenses better than the knowledge that anything over $100 is now going to the finance manager for approval when it may have gone only to their line manager previously.

Compliance is one of the biggest challenges facing organizations, with out-of-policy T&E spending among employees climbing as high as 20 percent.

Systems that make it easy to enforce business expense policies at the point of purchase can increase policy compliance by more than 38%. That makes for a happier bottom line for businesses now when it's needed most.

3. Wipe out the temptation for fraud

In an environment where personal finances are at the top of everyone's minds and societal rules are being re-written on a daily basis, people may question behaviors in ways they didn't previously.

7%
of all expense claims are fraudulent

Automated alerts for duplicate or out-of-policy claims thwart any tempation to push boundaries at the point of submission and eliminate the need to try to catch discrepencies at the tail-end of the expense management paper trail.

Whether unintentional or deliberate, it's estimated that fraud accounts for 7% of the value of all expense claims. That's a significant overspend that business leaders must do everything they can to stamp out right now.
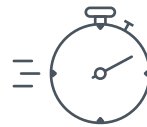
4. Make it work-from-home friendly

If you still rely on manual systems, it's going to be harder for your people to scan receipts and add them to an Excel printout while working from home. And even trickier to put it on their manager's desk for signoff when everyone else, including the finance team, is working remotely, too.

With a larger share of the workforce now working from home as a result of COVID-19, some organizations have likewise seen 100% of their employees claiming business expenses. Now is the time to review your approach to expense management to make sure you don't get sticker shock from all the claims that have built up during the shutdown.

5. Tighten your cash management today, not in 30 days

Now is the time to tighten your spend policy and make sure it's immediately communicated and put into action. Waiting 30+ days for people to get around to submitting an expense report only to be told the rules have changed will cause unnecessary stress on your cash management.

Tighten your expenditure policy now and implement it immediately

As part of this shift, you'll need to enable line-item submission so that employees can process expenses immediately, instead of through a consolidated end-of-month report.

Take back control of your
business expenditure

There's never been a more critical time to take control of your business expenses. Doing so now will not only be essential to survival, but when recovery does come, you'll be able pull the right levers to keep your organization's growth on track. Review your expense solution now, and check out Zeno Expense to see how simple it is to get your company in the best health to survive this crisis.

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