



# CFOs & SPEND VISIBILITY IN 2020: CHALLENGES & SOLUTIONS

## INTRODUCTION

As CFOs and their companies consider lessons learned from the COVID-19 health crisis, one area of scrutiny will be their corporate travel and expense systems. Duty of care responsibilities—keeping employees safe during their travel—becomes a mission-critical priority, as do controlling costs and saving money as companies get back to business and travel to drive business recovery. With this new reality, data and analysis to support real-time travel and spend management also become critical.

Yet a recent survey, conducted at the onset of the COVID-19 outbreak, shows that many companies lack mission-critical data, analytics and insight from their travel and expense systems. This includes data that CFOs need for real-time spend visibility and control, and that other parts of the organization need for ensuring employee safety while on the road. This report examines those findings and the reasons why many corporate travel systems are falling short for enterprises of all sizes, industries and geographies around the world.



## KEY POINTS

- Data, analytics and insights for corporate travel spending are lacking for nearly 50% of the companies surveyed.
- Automation and integration in corporate travel systems are lacking, with only 27% of survey respondents reporting highly automated systems at their companies and 19% still using manual systems.
- More than half of the respondents either don't have or don't know if they have enough travel spend visibility to negotiate effectively with travel vendors, such as airlines or hotels.
- For a corporate travel system to provide data for accurate analytics, it needs to be easy enough for employees to use the system and popular enough for them to want to. Yet three quarters of finance leaders surveyed estimate their employees spend an average of more than 20 minutes to book a single work trip.

### WHICH OF THE FOLLOWING STATEMENTS BEST DESCRIBES YOUR COMPANY'S SYSTEMS FOR TRAVEL BOOKING, EXPENSE SUBMISSION, AND REIMBURSEMENT?

Response	10%	20%	30%	40%	50%	Frequency
Somewhat automated						50.3%
Highly automated						27.4%
Primarily manual						19.0%
Not sure						3.4%

(Respondents could only choose a **single** response)

## KEY POINTS

- Only 26% have travel booking and reimbursement systems that are tightly integrated with ERP, general-ledger and human resources information systems.
- The No. 1 barrier to accessing timely information on company travel spending is a lack of integration among systems for travel booking and reimbursement. These disparate systems are keeping critical data siloed.
- Real-time data, insights and analytics to shape travel policy is a high priority for two-thirds of executives. This visibility also enables department heads to make real-time decisions on travel based on where they are at in their budget spend to determine whether a proposed trip is business critical.
- Cutting time and errors from travel booking and expense reimbursement would yield a meaningful financial benefit, say 68% of finance executives. Notably, reducing the amount of time spent on booking and expensing travel drives higher productivity and greater employee job satisfaction.

### HOW ARE YOUR COMPANY'S SYSTEMS FOR TRAVEL BOOKING AND EXPENSE SUBMISSION AND REIMBURSEMENT ARE INTEGRATED WITH ERP, GENERAL-LEDGER, AND/OR HRIS SYSTEMS?

Response	10%	20%	30%	40%	50%	Frequency
Somewhat integrated	[Bar extending to 50%]					50.0%
Tightly integrated	[Bar extending to 25.8%]					25.8%
Not integrated	[Bar extending to 17.7%]					17.7%
Not sure/I don't know	[Bar extending to 6.5%]					6.5%

(Respondents could only choose a **single** response)

## A NEW WORLD

The scramble to bring employees safely home under rapidly changing conditions early in the COVID-19 pandemic reinforced the importance of having travel systems in place that could handle duty of care responsibilities in a crisis. Going forward, the pandemic has changed the corporate travel landscape in ways that we are just beginning to understand. Data, analytics and real-time visibility into corporate travel will play an even larger, mission-critical role as the world adapts to changing public health and economic realities.

Earlier this year, CFO Research and TripActions surveyed 187 CEOs, CFOs and other senior finance executives about their corporate travel and expense systems. The survey covered problem areas in corporate T&E programs, corporate travel needs and strategies for improvement. Insights from the survey should be valuable to CFOs and finance leaders at enterprises of all sizes as they chart their course with corporate travel systems so they and their organizations are best prepared when business travel inevitably resumes — both to protect their employees and their bottom line.

### RESPONDENTS' TITLES

Response	10%	20%	30%	Frequency
<b>Director of Finance</b>				<b>27.3%</b>
Chief Financial Officer				18.2%
CEO, President, or Managing Director				16.0%
Controller				13.4%
VP of Finance				11.8%
Other Finance Titles				5.9%
EVP or SVP of Finance				5.3%
Treasurer				2.1%

### ORGANIZATIONS' REVENUES

Response	10%	20%	30%	Frequency
<b>\$1 billion to \$4.99 billion</b>				<b>23.0%</b>
More than \$10 billion				20.9%
\$500 million to \$999 million				14.4%
\$5 billion to \$9.99 billion				14.4%
\$250 million to \$499 million				12.8%
\$100 million to \$249 million				11.8%
\$50 million to \$99 million				2.7%
Less than \$50 million				0.0%

(Respondents could only choose a **single** response)

## LACKING DATA; LACKING INSIGHT

One of the most significant findings from the survey is that data, analytics and insights for corporate travel spending are lacking for nearly half of the companies represented. Four out of 10 of the surveyed executives say they either don't have or don't know if they have real-time data, insights and analytics into their organization's travel spending. And 49% say their corporate travel and expense management platform doesn't--or they don't know if it does--provide real-time analytics, such as most popular routes traveled, most popular airline or hotel chain among traveling employees, amount of spending per airline or hotel chain, and average hotel length of stay numbers.

Only 19% of the surveyed executives strongly agree that their company's management has access to robust, real-time data on travel and expenses, such as information on platform adoption, employee satisfaction, employee/organizational spending and time to book a trip.

The lack of data, analytics and insights means that executives don't know enough about what their companies are spending on travel, with 56% saying they either don't have or don't know if they have enough visibility into travel spending to successfully and effectively negotiate with airlines, hotels, rental car companies and other vendors. That doesn't even take into account whether their peers in HR, operations and risk management have enough visibility on traveler whereabouts to protect them in times of natural disaster, political unrest, or global health crises like COVID-19.

Beyond the problem of not being able to negotiate effectively, when CFOs can't access the data and analytics they need, they also cannot plan, forecast or effectively manage working capital related to travel spend and expenses, nor can travel managers effectively optimize that travel spend to best support their organization's business goals. This hinders the CFO's ability to direct budget toward activities that drive growth and recovery.

### DO YOU FEEL YOU HAVE REAL-TIME DATA, INSIGHTS AND ANALYTICS INTO YOUR ORGANIZATION'S TRAVEL SPEND?

Response	10%	20%	30%	40%	50%	60%	Frequency
Yes							58.8
No/Don't know							41.4

(Respondents could only choose a **single** response)



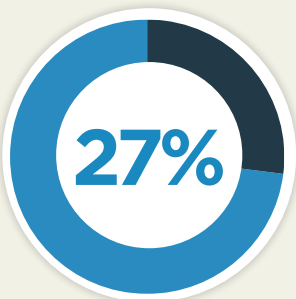
## LACKING AUTOMATION AND INTEGRATION

Another problem uncovered by the survey is that automation and integration in corporate travel and expense systems are lacking. Only 27% of the survey respondents describe their companies' systems for travel booking and expense reimbursement as highly automated, with dedicated, tightly integrated systems for booking, expense reimbursement and reporting. The executives report that 19% of their companies still use manual systems, lacking a dedicated system for booking, expense reimbursement and reporting, while relying on spreadsheets and email.

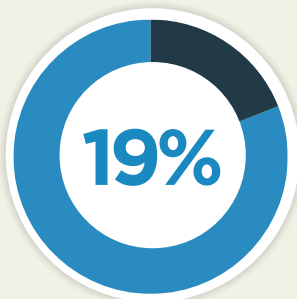
Insufficient automation and integration can be a big problem, especially when the corporate travel system isn't integrated with other company systems. Only 26% of the surveyed executives say their companies' systems for travel booking and reimbursement are tightly integrated with ERP, general-ledger and human resources information systems. And 18% have travel booking and reimbursement systems that are not integrated at all with ERP, general-ledger or HRIS systems, requiring a great deal of manual intervention.

The greatest barrier to accessing robust, timely, comprehensive information on company travel spend is a lack of integration among systems and processes for booking and reimbursement, according to the survey. The No. 2 barrier? Over-reliance on manual systems and processes. Both are easily solved with an end-to-end, cloud-based corporate travel and expense management platform.

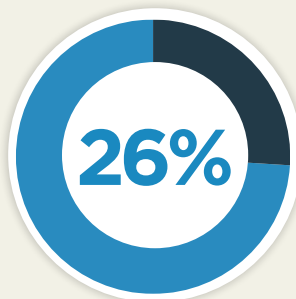
### INSUFFICIENT AUTOMATION AND INTEGRATION CAN BE A BIG PROBLEM, ESPECIALLY WHEN THE CORPORATE TRAVEL SYSTEM ISN'T INTEGRATED WITH OTHER COMPANY SYSTEMS.



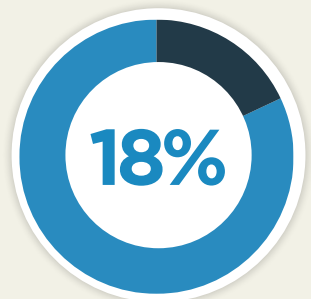
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**19%** of executives report that their companies still use manual systems, lacking a dedicated system for booking, expense reimbursement and reporting, while relying on spreadsheets and email.



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## EMPLOYEES IN THE EQUATION


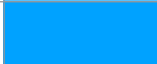

For corporate travel systems to be effective, they need employee buy-in. Companies need their travel programs to foster great employee travel experiences, or employees won't use the programs and CFOs won't have the breadth and depth of data they need for accurate analytics and insights.

An unpopular or underused company T&E system means the data is incomplete and CFOs are operating with a massive blind spot when it comes to travel spend and expenses. The survey shows that this is an area to be concerned about. According to the survey, 73% of the CFOs and other executives say there is at least some room for improvement with the work-related travel experience for their employees.

The top employee complaints about corporate travel experience are that company policies are too restrictive, cited by 30% of the survey respondents, followed by difficulty using the booking tool, 28%, and the hassle of travel expense reports, 24%.

A good barometer of booking-tool difficulties is the time it takes to book a trip. Nearly three-quarters of the surveyed executives estimate their employees spend more than 20 minutes to book a single work trip. That includes, remarkably, 11% who say it takes more than one hour to book a trip.

### AT MY COMPANY, EMPLOYEES WOULD RATE THEIR WORK-RELATED TRAVEL EXPERIENCE AS:

Response	10%	20%	30%	40%	50%	60%	70%	80%	Frequency
Room for improvement									73.3%
Excellent; we have little room for improvement									20.9%
Not sure/Do not know									5.9%

(Respondents could only choose a **single** response)



## LOOKING FOR ANSWERS

CFOs and other executives are hungry for better travel solutions, the survey shows, and they understand that this is an important issue:

- **90% say that their company’s system for travel booking and expense reimbursement contributes to their business goals.**
- **Two-thirds of the executives say that having real-time data, insights and analytics to shape travel policy is a high priority.**
- **Even more of them—72%—would like to know how their travel spending compares to their peers for benchmarking purposes.**
- **Eight out of 10 are interested in controlling travel spending while improving their employees’ travel experience.**
- **And 68% say that cutting time and errors from travel-expense reimbursement would yield a meaningful financial benefit.**

### EXPENSE MANAGEMENT CONTRIBUTES TO THE FINANCE FUNCTION

My company’s systems for travel booking and expense submission / reimbursement \_\_\_\_\_ to our ability to meet our travel-expense management goals.

Response	10%	20%	30%	40%	50%	60%	70%	80%	90%	Frequency
<b>Contributes</b>										<b>82.80%</b>
Does not contribute										10.30%
Not sure										6.50%
It depends										0.50%

(Respondents could only choose a **single** response)

**WOULD YOU LIKE TO KNOW HOW YOUR TRAVEL SPEND COMPARES TO YOUR PEERS?**

Response	10%	20%	30%	40%	50%	60%	70%	80%	Frequency
Yes									71.7%
No									20.7%
Do not know									7.6%

**IF YOU COULD CONTROL TRAVEL SPEND WHILE IMPROVING THE EXPERIENCE FOR TRAVELING EMPLOYEES, WOULD THAT BE OF INTEREST TO YOU?**

Response	10%	20%	30%	40%	50%	60%	70%	80%	90%	Frequency
Yes										78.6%
No										15.9%
Do not know										5.5%

*(Respondents could only choose a **single** response)*

## NOW WHAT

In addition to maintaining and improving their employee travel experience, 40% of the surveyed executives say their strategy for improving travel expense management over the next two years will be to focus on maximizing the value of travel-related spending--securing more favorable prices and terms from vendors, for example. No doubt this will be even more critical in the wake of COVID-19 and its economic impact on the global economy and individual businesses.

CFOs need a cloud-based end-to-end corporate travel, payments and expense management solution that brings real-time data, insights and analytics into their travel booking, expense submission and reimbursement processes and decision making. Companies also need travel systems that can effectively manage duty of care responsibilities in dynamic situations and provide related real-time travel management capabilities for their employees' well-being, especially in a post COVID-19 reality.

To make these capabilities possible, CFOs need to make sure that their corporate travel and expense systems are automated and tightly integrated with existing company systems. CFOs also need to make sure that their travel systems provide 24/7 global travel agent support and an attractive employee travel experience to promote employee buy-in, which boosts adoption of the tool and therefore the amount and accuracy of travel and expense data, analytics and insights.

## CONCLUSION

Corporate travel systems face heightened scrutiny in the wake of COVID-19. As CFOs and their enterprises adapt to new public health and economic realities, real-time data, analysis and insights into traveler health and safety along with travel spend will be crucial to making business and travel policy decisions to maintain business continuity. For most legacy travel systems, those factors are missing, which makes efficient real-time travel and expense management impossible, leaving CFOs without the visibility and control they need to chart their successful path forward.

Corporate travel booking and expense reimbursement needs to be automated and tightly integrated with ERP, general ledgers and HRIS. Travel systems also need to foster great travel experiences with employees, or employees will avoid them and their analytics will be based on incomplete and insufficient data - putting their employees and their business at risk.

Finally, corporate travel systems can also provide peer company information to help CFOs with benchmarking, and travel systems that save time and reduce errors in travel booking and expense reimbursement can yield significant productivity savings.

With the recent global health crisis and associated economic impact, there is no better time to address these shortcomings in corporate travel and expense management platforms than now--and modern CFOs are uniquely positioned to lead the transformation.

## ABOUT **TripActions**

Fast becoming the default for corporate travel and expenses, TripActions is the leading, cloud-based T&E platform that combines industry-leading tech with best-in-class travel agency service. Trusted by 4,000+ companies globally, TripActions empowers organizations with real-time data and insights to make business decisions, paired with flexible T&E management tools that enable them to adapt to changing market conditions to keep traveling employees safe, control costs, and save money.

[Watch a demo of TripActions.](#)

