



Better Financial Efficiency Starts With Data and Analytics



Executive Summary

In the face of global economic conditions and the rising cost of doing business, financial wellness has become the top priority for most organizations.

Finance departments must control spending across the organization and have visibility into what types generate the most ROI. Without insightful analytics, improving forecasting and budgeting is complicated—if not impossible—because disconnected or low-quality data prevents teams from gaining a holistic view of spending across the enterprise.

Companies that use comprehensive data and analytics get a more holistic, accurate, and real-time picture of enterprise spending, which gives them the power to increase financial efficiency. Here's what thought leaders say about the challenge and business impact of leveraging analytics to control spending and improve operations.



When market forces and business priorities impact financial efficiency

Achieving financial wellness in the current market depends on improved spending visibility, insightful analytics, and efficiency through automation. “Current market” is a key term here. Companies today face economic and human capital pressure from inflation and hiring freezes while navigating pressure from investors prioritizing profit over growth. All of these forces impact finance’s ability to operate efficiently.

As the cost of doing business continues to increase, many enterprise and mid-market companies are looking to their spend management systems to help them effectively balance costs and ongoing growth.

Finance teams may not necessarily be looking to cut T&E costs, as these expenses are often a result of business growth—which investors want to see. But they do need to control costs.

According to a recent [Emburse study](#), finance leaders overwhelmingly cited an intent to manage their spending more carefully rather than cutting headcount in response to market forces.

About half (44%) said they will increase spending visibility and analysis to improve their organization’s financial wellness. To do so, finance teams need access to spending data and insights. These insights enable them to identify spending trends that signal where to pull back on investments and where to double down.



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Any company that is expecting growth needs to automate AP processes.

Dan Sangeorge

Cost Accounting Manager,



Finance teams relying on outdated expense management systems faced many operational inefficiencies that significantly impacted their bottom lines. More than half (51%) of respondents reported being held back by process inefficiencies that led to bottlenecks in their organizations.¹

¹Forrester and Emburse, [*With Automation, Finance Teams Can Become Leaders Of Data-Driven Initiatives*](#)

The problem of budgeting and planning without analytics

In our recent [survey](#), finance leaders said “financial reporting” was the number one process they started automating in 2022 and intend to automate further in 2023. Automation saves a lot of time, but applying analytics to reporting is where real efficiency gains are made.

The problem many teams face when automating financial reporting is grappling with the amount of data that needs to be processed and analyzed. Most companies have basic reporting capabilities that show the total amount spent on various expenses like travel and entertainment, usually obtained from ERP systems or corporate cards. But this basic reporting only begins to scratch the surface. These systems aren't comprehensive enough to inform finance teams why spending patterns have changed.

For instance, a \$5 cup of coffee could contain 20 different data fields relevant to human capital, such as information about the employee, their team, the approving manager, and HQ. It might also have 20 fields relevant to the expense policy, like the order, coffee company, location, and card used.



A coffee with 40 different data points illustrates why an accurate overview of an organization's spending data is so difficult. The sheer volume and granular nature of expense data complicate finance's ability to close the books efficiently and make any sense of the data without in-depth analytics.

After all, financial wellness doesn't just revolve around the cash an organization spends. It also encompasses the power to understand the reasons behind spending and what dollars drive real ROI for the business.



CASE STUDY

Mid-market HR firm uses analytics to capture \$500K+ in spending

With over 700 field employees, the magnitude of expenses (and all the processing that entailed) quickly outweighed International Services, Inc.'s (ISI) ability to process and report on key metrics. Even with massive amounts of time spent on reporting, the process still didn't go deep enough—and ISI found itself unable to quantify the value of T&E management.

ISI initially selected Emburse Certify to improve the accuracy and timeliness of its expense submissions. Finance, though, could have been improved by the volume and depth of custom reports required by the organization. Every week, senior expense administrator, Athena Gazikas spent hours pulling together data from various sources to report on the business's financial health and provide strategic guidance. The manual, Excel-based process was tedious. She often couldn't accurately report on critical metrics like weekly spending.

Gazikas recognized the value of using expense data to optimize spending and improve compliance. Still, ISI didn't initially consider an analytics solution because her team only needed a few specific reports. When it decided to add Emburse Analytics, ISI immediately started to uncover savings in multiple areas while helping its teams simplify the reporting process.

Before adding Emburse Analytics, ISI was manually recovering an average of \$300K in annual spending and couldn't put a value on its time. Now it's capturing \$500K in annual spending and processing reports up to 300% faster and more accurately than before.

ISI ultimately reported \$2M in annual savings after switching to Emburse solutions.

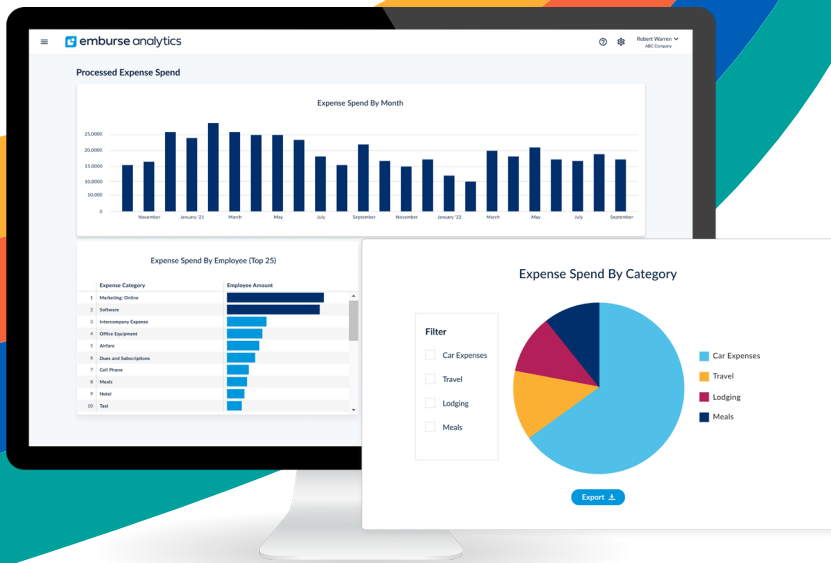
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Not only does Emburse help us recover significant savings and work more efficiently, but it enables us to quantify the value of our expense management solution. So much value can be extracted from the data. The preferred vendor's report and dashboard illuminate out-of-channel leakage and what that costs the business, and the audit dashboard helps identify big spenders and areas that need policy revision to increase spend control.

Athena Gazikas

*Senior Expense Administrator,
International Services, Inc.*





Poor data quality leads to low spending visibility

Plenty of financial analytics tools can break down a 10% increase in spending by division, department, employee, or acquired company. But getting insights from the data becomes complicated as the company scales. Having employees in various states or countries, a

mix of new and legacy hires, and different spending policies based on department and job function means enterprise and mid-market companies must juggle various AP and T&E policies. Without a system to centralize spending data, revealing the reasons behind a 10% spending increase takes a ton of legwork.

Why? Finance teams pull data from various sources (such as the ERP and CRM) into spreadsheets for analysis. These sources all carry unique data standards, meaning finance teams must standardize and refine the data before they can analyze it. With **50% of organizations** still using Excel to manage expenses, many finance teams struggle with these kinds of data quality problems.

It's a lot of extra operational effort to manage these disconnected systems. Yet, the real issue is the data quality and spending visibility issues they create. Forced to work with insufficient or overly complicated data, finance teams can't make informed decisions about the policy updates or personnel changes needed to improve the organization's financial health.

Finance leaders must take full advantage of their spend management platform's analytics capabilities. By implementing analytics within their existing accounting and T&E solutions, they can create huge leaps in efficiency, where the system automatically consolidates spending data. Not only will finance teams eliminate the time spent capturing, attributing, and processing spending data, they'll extend the power of the whole AP software suite.



If finance is spending days in the weeds generating reports, the function has limited time to offer beneficial analysis and insights that drive decision-making. Once automation and other disruptive technologies enable finance to provide insights in conjunction with reporting and strategy with analytics, the finance function can focus on higher-value activities and become a more effective business partner.²

²Institute of Management Accountants and Deloitte, *"From Mirage to Reality: Bringing Finance into Focus in a Digital World"*

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Emburse is three times more cost-effective than Concur, and we've reduced monthly transactional spend by about 70% since switching.

Dan Conway

Senior Business Analyst,
BELFOR

AI-powered analytics + spend management = efficiency, multiplied

Every finance department has the same goal: improve the organization's financial wellness. But the game has changed, and managing and interpreting raw spending data at the scale modern enterprises need is no longer humanly possible. Finance teams must shift the analysis burden to AI and machine learning (ML) neural networks, starting with their highest volume spending categories.

AI and ML algorithms reveal spending patterns in raw data that humans would miss (or take days to uncover). This includes ever-critical financial inefficiencies, such as duplicated vendor payments, unconsolidated software subscriptions, late fees on invoices, or approved out-of-policy expense claims. And that's just the starting point for AI-powered analysis. The more raw data fed to a neural network, the better it performs and improves finance's ability to make intelligent spending decisions.



What are other ways finance leaders' daily work becomes more impactful when they apply analytics to their spend management platforms?

- They get critical insights that identify problem areas across AP and T&E that affect financial wellness
- They have unified data sources that distill information quickly and easily, giving them a more comprehensive view of spending across the organization
- They can make more educated investment decisions with better-balanced spending and budgets
- They can use improved spending visibility to make data-driven decisions
- They have the power to reduce overall operating costs
- They can cut back on manual work and focus on more strategic functions



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The major saving from Emburse is in time spent by the user, followed by the finance office who saves time on the creation of expense claims, processing, and reconciliation.

Thomas Toland

*Director of Finance,
Absolute Taste Ltd*



How to start using data and analytics to uplevel financial efficiency

Implementing new data and analytics processes to maximize financial efficiency may sound daunting, but it isn't. Take the following steps to get started:



1. Automate your transactions

Get all transactions, including expenses and AP, under management through automation. Capturing these transactions enables spending analysis. Plus, automation delivers major efficiency gains, as it helps employees operate more productively.



2. Streamline expenses

Use prepaid, virtual corporate cards to reduce the average time and cost of processing employee expenses. Prepaid cards also eliminate the need for expense reports and data reconciliation.



3. Maximize your payments:

Capture rebates on card transactions to earn returns or reduce costs. You can also optimize payment timing—deciding whether to pay early to get discounts or pay later to conserve cash for upcoming invoices. Real-time cash management makes a big difference during a downturn.



4. Apply analytics and intelligence:

Run AI and ML-based analytics across the captured payments and transactions to policies require more investment or cost reduction.



5. Schedule a spend optimization assessment with Emburse:

Identify your organization's unique opportunities to reduce operational costs and formulate the steps you'll need to take to achieve full spending visibility and control.



About Emburse

Emburse is the global leader in spend optimization. Our [expense](#), [travel management](#), [purchasing and accounts payable](#), and [payments solutions](#) are trusted by more than 12 million business professionals, including CFOs, finance teams, and travelers. More than 18,000 organizations in 120 countries, including FORTUNE 100 corporations, high-growth startups, public sector agencies, and nonprofits, count on our intelligent automation, sophisticated analytics, and unmatched spend control to streamline processes, increase spend visibility, enhance compliance, and deliver positive financial outcomes.

We humanize work. We eliminate manual, time-consuming tasks, so our customers and their teams can focus on what matters most in their personal and professional lives.

For more information on Emburse, visit emburse.com, or follow our social channels at [@emburse](#).

