



The Definitive Guide to Finance Automation



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Introduction

Finance managers need to focus on strategy, budgets, and the bottom line. But finance processes remain deeply rooted in spreadsheets, mountains of receipts, and chasing down managers.

Automation can help eliminate that overhead and make finance management easier and more strategic. According to an Accenture Finance report, "**automation can eliminate up to 40% of the transactional accounting work** the finance department does today... opening your team up to creating business value through decision support, predictive analytics and performance management."

Whether it's used for reducing human error, boosting productivity or driving down costs, automation can redefine how finance teams perform.

This definitive guide:

- Demystifies finance automation through concrete, proven project examples
- Helps CFOs anticipate why automation projects struggle or fail
- Recommends how to pilot finance automation, measure ROI, and build momentum

The Price of Inaction

If your company isn't using finance automation, chances are you're contending with time-consuming, manual processes:

- Cost approvals are sought over email, clogging inboxes.
- The accounting and finance teams scrutinize every itemized receipt, and hand-enter totals into the general ledger.
- Employees manually create expense reports, often multiple reports for the same trip as large expenses (like flights) pop up long before travel dates.
- Every month, the finance team hand-builds spreadsheets across teams and departments to track spend.
- Overspending by individuals or teams is caught "after the fact", when it's too late to correct course.

The Global Business Travel Association (GBTA) reported that **19% of expense reports contain errors or missing information**. And "companies process an average of 51,000 expense reports each year, meaning companies spend, on average, half a million dollars and **3,000 hours correcting errors** in expense reports annually."

That's 3,000 hours of squandered overhead just within the finance and admin teams. It's more than a full headcount! It's no wonder CFOs are eager to modernize their fintech stack and escape the cycle of manual data entry, corrections, and reporting.

Embracing automation can help eliminate that overhead and make finance management smarter, more efficient, and more cost-effective.

Defining Finance Automation

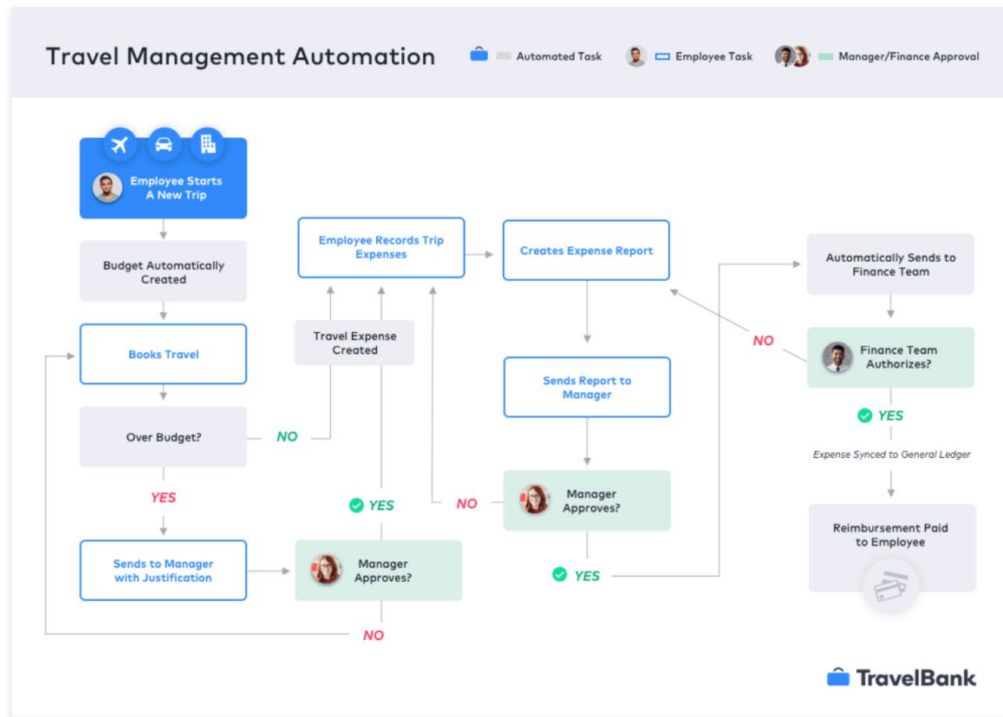
Finance automation refers to the use of digital tools and software to automate routine financial tasks and processes, such as manual invoice processing, budget management, and expense tracking.

This technology is particularly vital for CFOs – it not only boosts operational efficiency, but also enhances accuracy, compliance, and real-time visibility into spend.

And the automation of these tasks allows finance teams to shift their focus from mundane transactional activities to high-value strategic planning and innovation.

Sample Automation Process

Here's a sample automated workflow:



- When an employee starts a new business trip, software automatically calculates a personalized and compliant budget based on the destination, travel dates, and real-time market rates. The employee knows exactly how much they have to spend.
- Automated travel policies then guide the employee through the entire booking experience, encouraging them to book within policy, but allowing them the flexibility to request exceptions when needed.
- If a booking is over budget, managers are automatically alerted to review. If/when approved, the requested trip is booked automatically.
- When employees submit expenses, they are automatically synced with the general ledger.
- And the entire reimbursement approval process is automated with email or in-app notifications, so each stakeholder doesn't have to remember to check expense report statuses, and the employee gets reimbursed more quickly.

The workflow above does a great job illustrating that automated management doesn't have to be complex to save exponential time and (let's be candid) misery tracking the moving pieces.

Proven Automation Projects

Automation minimizes wasted time, money, and compliance risk. Here are seven proven projects when automation can relieve finance from the burden of archaic processes.

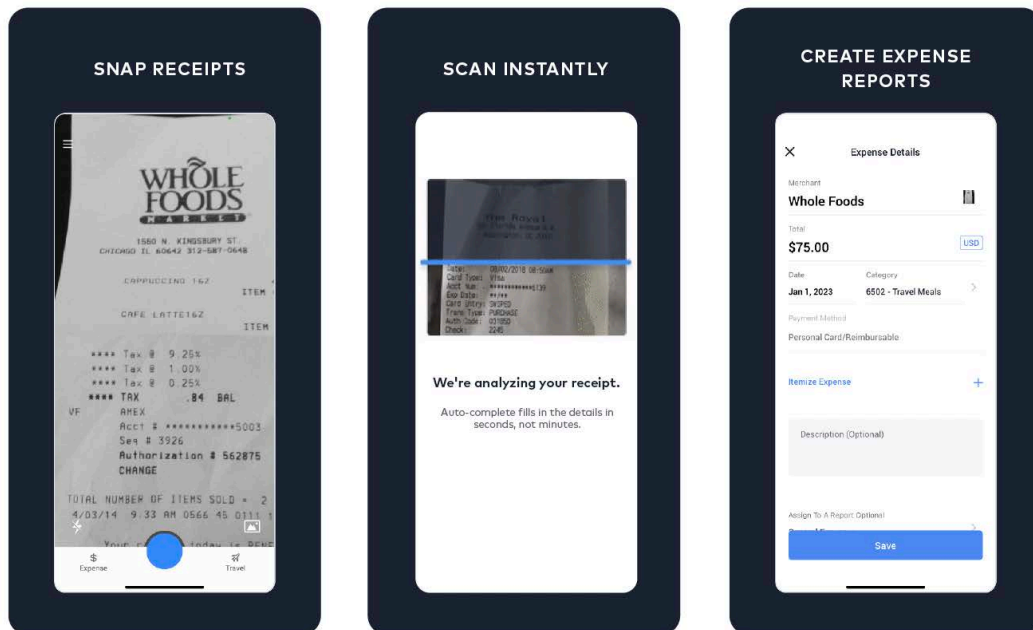
Prevent Data Entry Errors

When companies rely on busy humans to manually check if (submitted and itemized!) receipts match itineraries, inappropriate or suspicious expenses often go unnoticed.

Manual receipt entry yields a lot of accidental mistakes. And these false positives drown out true fraud. On average, **it takes between 18-24 months to detect fraud.**

Instead, with an integrated mobile app, employees can snap a photo of their receipt and upload it directly. OCR (Optical Character Recognition) pre-scans receipts and categorizes expenses appropriately.

- This helps reduce the potential for lost receipts that hold up reimbursements.
- It also reduces the risk of fraud and abuse in the travel and expense process.
- And it significantly reduces the risk of human errors and omissions during expense reporting.



Similarly, the finance team keying data into the ERP creates bottlenecks, delays, and opportunities for error. By automatically integrating approved expense reports, this saves time and prevents time-consuming errors.



With fewer innocuous mistakes, the finance team can focus on spot checking and deeply investigating suspicious data. Manually processing expenses reports costs \$26 in person-power, per report. **Automating expense management can reduce that cost to [less than \\$7](#).**

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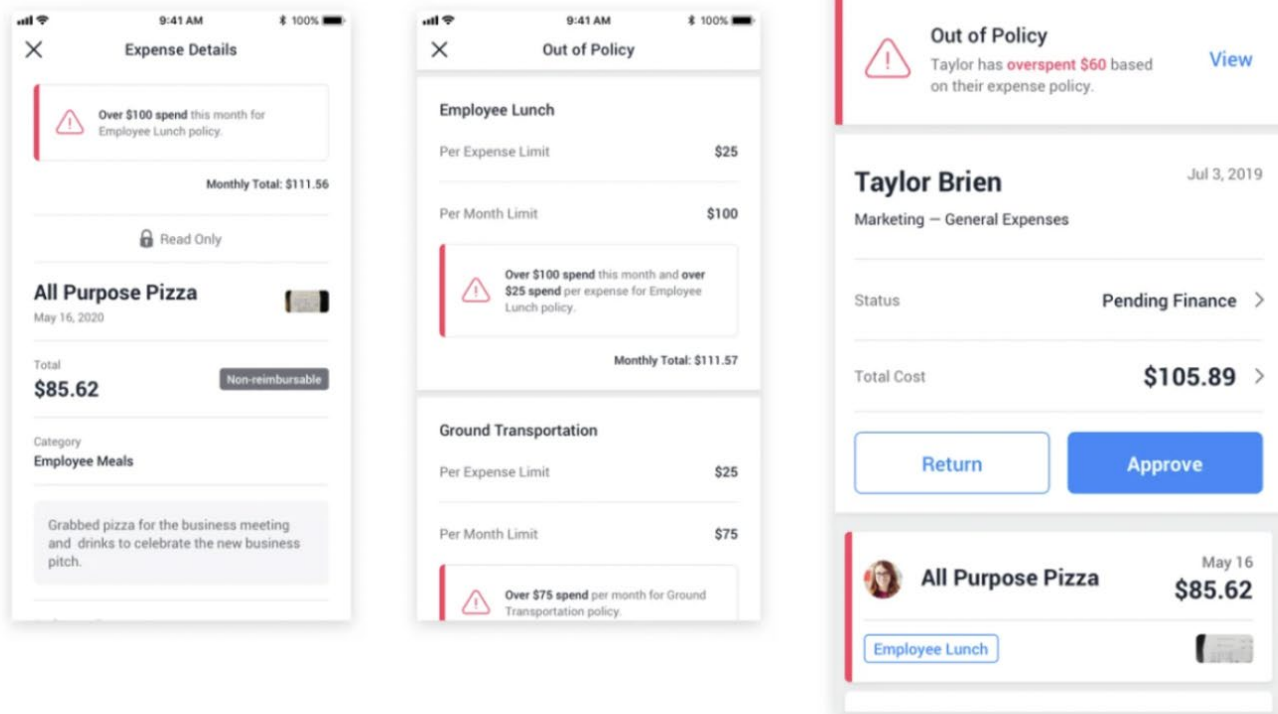
Reduce Fraud

For many companies, travel and expense management is a ripe area for fraud. [Sixty-one percent](#) of finance executives report their T&E policies are frequently or sometimes violated — and 73% agree that employee violations will grow over the next 5 years. **Deliberate and unintentional fraudulent activity costs companies [\\$125,000](#) on average.**

Prevent Unintentional Fraud

Violations aren't always fraudulent. Outdated policy documentation, such as a PDF that employees must track down and read on the company intranet, inadvertently increases the likelihood of violations. Static policies and manual checkpoints open up a lot of slack between the employer, manager, and employee.

When companies apply controls directly in their travel booking platform or expense management platform, users immediately see what is out of policy, and why their flights or expense reports can't be submitted.



Replace Corporate Cards with Virtual Cards

When you give someone a traditional corporate card, you're essentially giving them an allowance and trusting them to spend within policy. Instead, with virtual cards, the policies are written into the card itself. For example:

- You can limit the merchant category codes that can charge the card.
- You can let someone spend up to \$1,000 on restaurants, but each dinner can only be up to \$50.
- You can limit card transactions to specific locations, such as Atlanta.
- When the trip is over, you can pull back what they don't use and close the virtual card.

With virtual cards, companies unlock additional benefits, like having a centralized, transparent access to all transaction data, automatically syncing transaction to the expense system, and more:

Extend Oversight – Virtual corporate cards provide visibility into individual payment transactions so you can easily understand who is spending what and where.

Reduce Expense Fraud – By directly importing charges made on a corporate card, finance knows the exact expense amount, making it more difficult for employees to inflate expenses or otherwise manipulate receipts. Finance can quickly recognize patterns of fraudulent behavior and non-adherence to expense policies, which would be difficult to identify with a manual process (and next to impossible to identify when employees use their personal card for business expenses).

Reduce Stolen Payment Information – Virtual credit cards offer an additional layer of protection as the “number” issued enables you to conduct online transactions to your main account, without actually utilizing or entering (exposing) your actual credit card number.

Earn Rewards at Scale – Your business can generate additional revenue from cash back rebates when using corporate cards. The more spend captured on a company card, the larger the potential rebate. On top of that, points accrued through your corporate card programs can be pooled and used to offset future T&E expenses, or employees can keep the points they earn as a benefit.

Simplify Issuing Cards – There is no physical card to mail, lose, or destroy.

The screenshot displays the TravelBank interface. In the background, the 'My Cards' section shows a table of virtual cards with columns for Card Limit, Spend this Month, and Status. A 'Virtual Card Details' modal is open on the right, showing card information and a 'Copy Card Number to Clipboard' button. In the foreground, a 'Virtual Card Form' modal is open, allowing users to assign an employee to a card and fill out additional information.

Virtual Card Form
Assign an employee to the associated card and fill out the additional information needed.

Employee Information

Name: Travis Traveler (dropdown) Employee ID: (Optional)

Phone Number: (Text field) Email Address: (Text field)

Virtual Card Details

Card Limit Amount: (Text field) Valid Until Date: (Text field)

Additional Information (Optional)
Add any tags to help you identify this instant card like a custom name.

Label: (Text field) ex: Custom Card Title or Project one... Tag 2: (Text field)

Additional Notes: (Text field)

Create Virtual Card

Visualize Outliers or Patterns of Behavior

With consolidated and reliable data, you can identify:

- Top spenders (by individual and department)
- High spend items, merchants, categories
- Airfare and hotel booking leakage
- How often employees are booking over budget
- If employee compliance is changing over time



Curious what kinds of reports and dashboards are possible? View the [11 most common T&E dashboards](#) and reports used by TravelBank's 20,000 customer organizations.

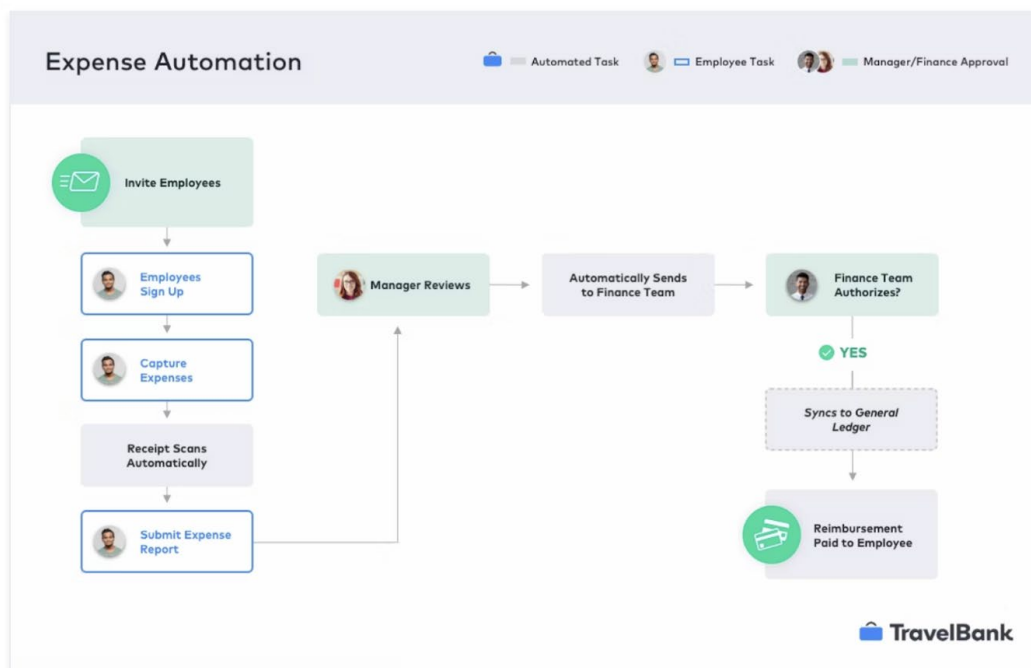
T&E

Expense Reimbursement

A natural benefit of saving time and improving accuracy in expense capture and reporting is faster reimbursement.

For example, modern business expense apps can disburse reimbursements to employees via direct deposit within 24 hours of report approval.

Knowing they will get paid back quickly incentivizes employees to finish and submit their expense reports, rather than leave the task on the back burner. And it also reduces the workload for finance or accounting staff.



Travel Approvals

Approving and booking a trip can involve a lot of unnecessary back and forth between employees and supervisors.

Instead, automation can route approval flows through managers and the finance team:

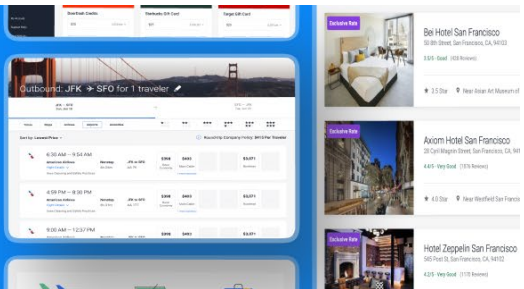
- High and/or noncompliant spending is flagged
- Each approver gets notified when they need to review and approve
- Managers can reject trips in-app and include their reasoning
- And fallbacks ensure approvals don't languish while someone is out of office

You can also decide what expenses even need approval, and automatically process low-cost and/or compliant spending.

Product Tour: Travel Management

Discover TravelBank's booking experience, dynamic budgeting, approvals, and the power of employee rewards.

[WATCH NOW](#)



Limit Travel Budgets

The past three years have forced companies to [permanently rethink their attitudes toward corporate T&E](#). In response to Covid-19, remote working, and economic volatility, corporate travel is now firmly in the purview of finance and accounting. Companies need to prove travel's return on investment (ROI), increase its predictability, and reduce its costs.

According to [Skift](#):

- Nearly half of companies have executive management involved in their corporate travel budgeting decisions
- Another 40% involve both the corporate travel and finance departments
- 28% include HR and operations
- And one in six refer to individual department managers

That's a lot of cooks in the kitchen. But you don't need to spend hours negotiating trip limits (or more likely exceptions to them). Instead, an algorithm can generate a predictive budget by scanning real-time market data and mimicking travel behavior based on industry standards.

- Default parameters include nonstop economy flights, economy car rental, 3-star or higher accommodation, and GSA per diem allowances.
- You can also adjust parameters to fit your company's policies.

Asking employees to memorize these finite policies is also a recipe for non-compliance. Instead, your travel management software can constrain their travel requests at the time of booking, with guidance built right into the booking platform, or trigger an automatic approval process with their supervisor. It creates a win-win-win for employees, managers, and finance/accounting.

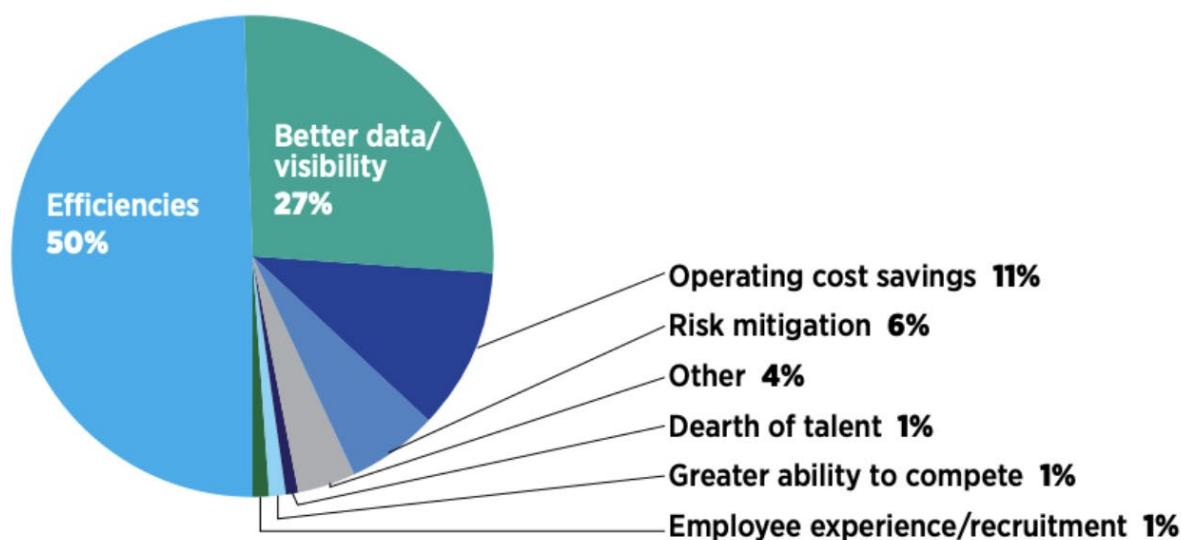
The State of Finance Automation

The race to gain efficiencies has accelerated in the cost-containment environment of the past three years, and finance has become heavily involved in driving digital transformation. [Forty-two percent of finance executives say](#) their **highest priorities for 2023** were adopting new fintech or replacing legacy finance systems.

CFOs are Eager to Automate

[In a recent survey](#), Chief Executive Group found efficiencies (50%), better data visibility (27%) and operational cost savings (11%) were the top drivers of finance automation. Risk mitigation also ranked high, particularly among large companies with \$1 billion or more in annual revenues.

Drivers of automation for finance leaders

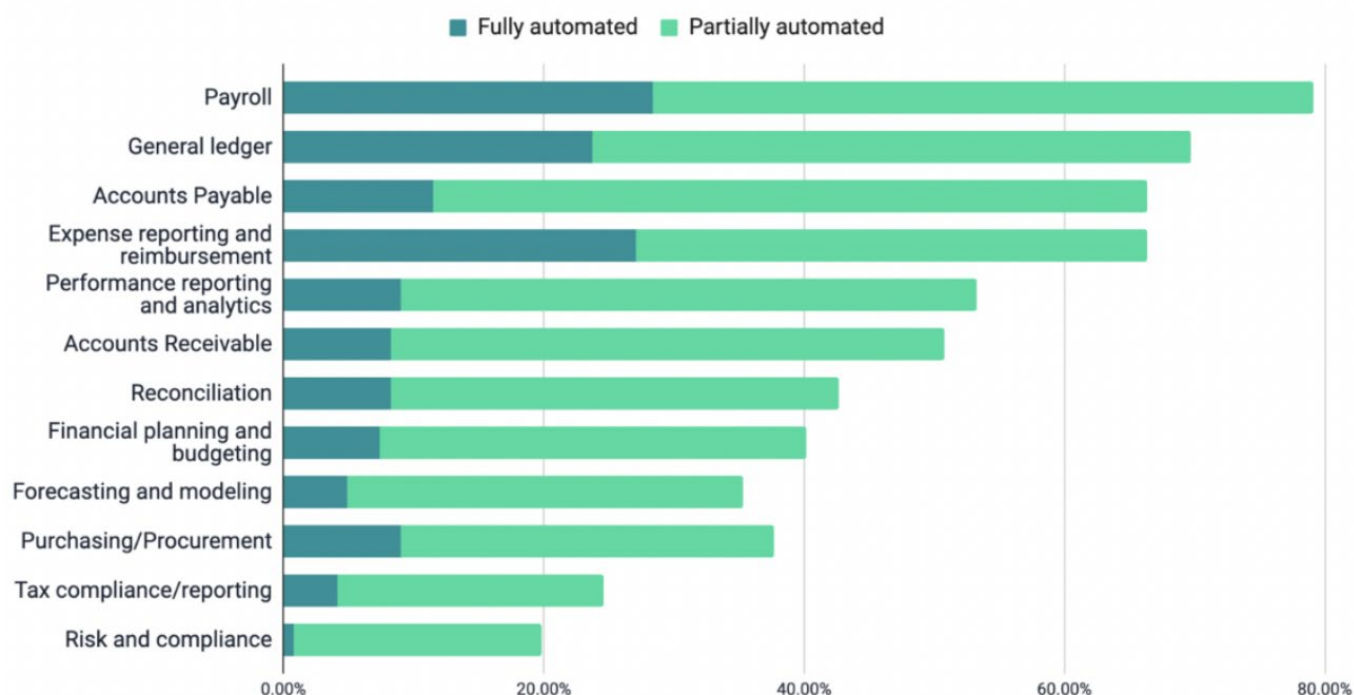


When asked about the processes they had already begun automating, CFOs listed payroll (79%), general ledger (70%), expense reporting and reimbursement (66%), and accounts payable (66%) as the most common among U.S. companies.

But at the same time, the survey data shows that fewer than 30 percent of U.S. companies have succeeded in fully automating their finance processes — and large numbers of CFOs said that while they plan to automate soon, they hadn't yet gotten started.

Tunnel Vision on AP, AR, and Reporting

[CFO Dive reports](#) that 56% of CFOs say their departments have adopted automation technologies to Accounts Payable and Receivable and reporting and analytics.



But with CFOs so focused on these core areas, they may overlook ways to modernize other finance-adjacent processes that weigh down their teams with manual work.

For example, only 21% of finance executives believe that T&E would benefit most from enhanced automation, even though 71% of the same respondents agree that T&E management absorbs too much of their teams' time and attention. It behooves finance and accounting to put their heads (and budgets) together with corporate travel to make T&E more efficient, streamlined, and capable of scaling with company growth.

What Is Impeding Fintech Transformation?

[While CFOs see automating manual tasks as a top priority](#), these projects are often hampered by their sweeping scale and complexity.

During a recent survey with Chief Executive Group, CFOs reported 7 primary challenges that impede their organization's finance automation journey:

CFOs Surveyed Report Facing a Number of Challenges

Integrating/communicating with other organizational systems	51.92%
Pushing through legacy systems	47.12%
Creating/updating reporting	39.42%
Hiring skilled talent to support/conduct implementation	38.46%
Maintaining ongoing IT support	38.46%
Training staff	37.50%
Getting buy-in from staff	33.65%
Managing cyber exposure and data security	22.12%
Other (please specify)	14.42%

1. Integrating and Communicating with Other Systems

At almost 52%, **the number one impediment is integrating and communicating with other organizational systems**. For example, connecting the HRIS system to the ERP, or connecting the ERP to the T&E management software.

2. Pushing through Antiquated Systems

At 47%, the second challenge is pushing through legacy systems, like working with antiquated or outdated processes or softwares, or creating and updating reporting.

3. Hiring Skilled Talent to Support Implementation

The third largest challenge is hiring skilled workers who can do implementations and integrations. This is a twofold challenge:

- Ensuring you have the right implementation team to spearhead a fintech project.
- Despite the finance team being strapped for time, a successful implementation team needs to include them. Without their hands-on feedback, the solution won't fully capture your process.

- Press potential vendors about their implementation process and resources. Are there workbooks, step-by-step guides, etc. to help you translate your manual or existing processes to the new system?

4. Maintaining Ongoing IT Support

Beyond implementation, maintaining ongoing IT support can plague fintech transformation projects, especially when it comes to output files or API integrations.

5/6. Training Staff and Getting Their Buy-in

End users have to apply new processes/systems for fintech projects to achieve ROI. Press potential vendors about their help centers and online resources. Do they have trainers available for customized workshops and Q&A? How do they recommend training staff early-and-often? How can the finance team be equipped to answer broader employee questions?

Then communicate early with your teams. Set clear expectations about how (and when) the current process will transition to a new/automated process. And communicate the benefits of time or money saved.

7. Managing Cyber Exposure and Data Security

You can never be too safe. Liaise immediately with IT or SecOps to understand the overall data security of partner platforms and/or consultants.

Getting Started

While 88% of finance executives agree that fintech will be an important growth driver for companies over the next five years, 45% report their organizations remain in the early stages of digital transformation or deployment. [Only 25% of finance executives have a roadmap.](#)



So how to get started and gain at least some efficiency on the finance team? Successful automation of finance processes doesn't have to be complex, but it should be strategic. Here's how to prioritize automation projects, find the right software partner, and measure ROI.

How to Pilot Finance Automation

The best strategy for overcoming the barriers to adoption is piloting a small automation project, and gaining at least some efficiency on the finance team. Here are five practical tips for successfully piloting finance automation:

Identify Opportunities for "Only Finance" Automation

First, focus on what you can control. Automating tasks or processes that are wholly owned by the finance team are a much easier lift.

Gather a list of the mind-numbing tasks your team dreads doing, then evaluate:

- The frequency at which they occur
- The manual effort required to complete them
- The benefits that could be gained from automating them
- The costs associated with automation

Embrace Good/Better/Best

The implementation phase can launch your initiative forward or really drag it down.

Keep initial implementations simple. For example, if you want to streamline your expense report process, begin by automating reimbursement.

It may help to adopt a “Good/Better/Best” or “Crawl/Walk/Run” mentality. The first pilot may not be the sexiest project, but it can add up to truly transformative goals:

Goal:	Good	Better	Best
Greater efficiency	<ul style="list-style-type: none"> Submitted reports are automatically routed for approval to the right person Integrates with the software and tools you’re already using, i.e. QuickBooks, NetSuite, Bill.com, and Xero 	<ul style="list-style-type: none"> Automatically creates expense reports when travel is booked Approved expenses automatically sync with your general ledger or ERP Processes reimbursement automatically 	<ul style="list-style-type: none"> Can issue virtual cards to travelers’ wallets Syncs with HR software for employee user management to make adding and deactivating employees simple
Better data and visibility	<ul style="list-style-type: none"> Real-time visibility into company spend Employees can sync their personal, corporate, or virtual card to import transaction details 	<ul style="list-style-type: none"> Matches imported transactions with receipt photos Builds custom reports, set run frequency, and schedule delivery to your inbox 	<ul style="list-style-type: none"> OCR scans receipts, automatically captures totals, and fills in expense details Custom dashboards allow you to monitor all spend, expenses, and trends in one place
Saving operating costs	<ul style="list-style-type: none"> Calculates trip budgets for every search based on real-time market rates and policy parameters Search results highlight travel options within budget and flag the options that go over budget 	<ul style="list-style-type: none"> In-app guidance ensures employees follow the policy rules you’ve dictated Your finance team can block over budget or last-minute bookings 	<ul style="list-style-type: none"> Trigger approval process if an over budget or last-minute booking is requested Encourage employees to spend under their trip budgets in exchange for rewards
Risk mitigation	<ul style="list-style-type: none"> PDF copy of submitted expense report is emailed to the employee and their manager Flags potential duplicate expenses Employees can’t submit reports with missing receipts or expense details 	<ul style="list-style-type: none"> Expense and trip approvals are documented and included in export data A dedicated customer support team can assist with any questions or issues 	<ul style="list-style-type: none"> Can restrict virtual card spend based on merchant codes, expiration dates, and more Implementation services ensure your goals are met and ROI maximized
Better employee experience	<ul style="list-style-type: none"> Can capture photos of receipts on the go Takes users less <1 minute to complete an expense report 	<ul style="list-style-type: none"> Approvers are alerted when they need to review and approve One-tap approvals 	<ul style="list-style-type: none"> If a request needs to be rejected, comment fields allow the approver to communicate why, directly within the approval flow

Layer on Customizations

As tempting as it is to plan for every “what if” scenario in the beginning, it’s a lot easier to identify gaps and layer on customizations after your initial implementation is complete. Get feedback from your team, and start to address the nuances that will take your automated task from basic to bespoke.

Find New Stakeholders

Ultimately finance is a cross-functional responsibility. Consider how the ROI of your automation could be increased by pulling in more stakeholders.

For example, managers also manually review every expense report. They’d be keenly interested in automation that flags overspend. And, of course, this benefits the finance team, too.

Expand Your Pilot

After successfully launching small automations with your finance automation pilot, and tracking/achieving ROI, there will be more appetite for larger projects. For example, automated reimbursement may lead you to expense management approval flows.

Selecting a Technology Solution for Finance Automation

Once you've identified a finance process you'd like to automate, it's time to select a technology solution that meets your needs.

There are many options on the market, each with its own strengths and weaknesses. Keep these tips in mind:

- Will this solution grow with your automation needs over the next five years/
- **Does it** integrate with the finance and accounting tools your team already knows and loves? (This could include your general ledger, ERP, card-issuing bank, payroll system, and more.)
- What is the cost and complexity of implementation? How quickly can you achieve ROI?
- Does the provider offer customization, support and documentation to help you complete your finance automation project?

Consider the Risks of Point Solutions

Companies have the option to adopt and implement the latest corporate travel and finance technologies in any combination of ways. There are apps that perform these functions individually, but organizations can end up with a smattering of point solutions that don't communicate with each other.

The cost to the business is really a productivity issue — admins have to log into three different systems [for travel, corporate cards, and expenses] every day to do their job, and end users, the employees, have to log into three different apps on their phone to get on their trip and come back and to fulfill all the compliance requirements.

An all-in-one, end-to-end technology stack for travel, cards, and expenses – that integrates with your existing accounting tools – will increase employee satisfaction, encourage compliance, and lower risk.

Measure ROI and Improvements

To determine the success of your finance automation project, it's important to measure your return on investment (ROI). This involves calculating cost/time savings and comparing them to the costs associated with implementing the automation.

Key metrics to consider when measuring ROI:

- Increased productivity
- Reduced errors and improved accuracy
- Faster processing times
- Cost savings related to travel and expense management
- Software costs
- Time spent on the implementation
- Compliance rates
- Strategic projects that were tackled when time was freed up

Finance automation is a game-changer when it comes to streamlining financial processes and improving cost control. By carefully evaluating finance processes, selecting the right solution, and implementing effective pilot programs, CFOs can ensure their finance automation initiatives are successful and ROI-positive.

About TravelBank

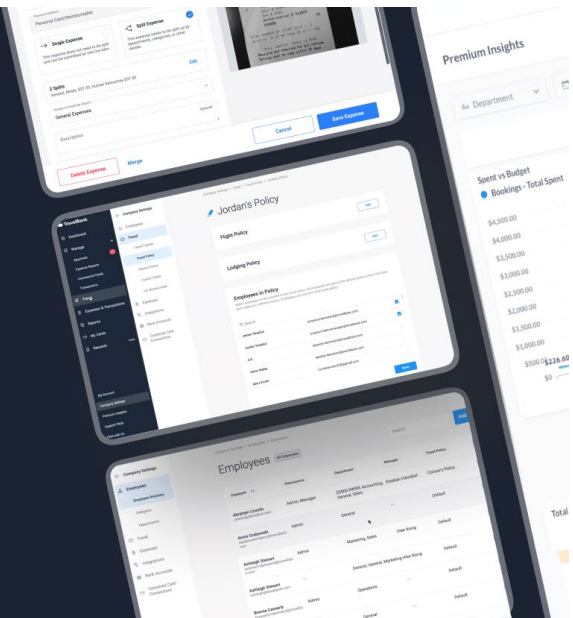
TravelBank simplifies all aspects of corporate travel and expense management. **Our customers report saving 5-10 hours/month on reconciliation alone.** And with TravelBank, customers can **reduce the cost of processing expenses from over \$26 per report to less than \$7.**

Learn why more than 20,000 companies use TravelBank's all-in-one travel, expense and corporate card management software.

Product Tour: TravelBank for Finance Teams

Learn how our customers save 5-10 hours per month on accounting and reconciliation alone.

[WATCH NOW](#)



“

Beforehand, there was so much stress trying to get the AmEx bill reconciled each month. Now, with TravelBank, I'm able to get monthly reporting done in less than a day. **TravelBank saves us a ton of time and paperwork and chaos.**

Joel Martin, Senior Manager of Customer Operations, OnRamp

