

3 Ways to Reign in Wild West T&E Spend



Travel & entertainment (T&E) is a significant organizational cost, but too often, it’s treated like a “wild west” with a few flexible rules and little oversight. With business travel beginning to resume, and with new T&E categories emerging, now is the time to reign in T&E.

1: Build a Strong T&E Policy



Requirements
For reimbursement approval, auditing, fraud monitoring, risk management, and security and health risk monitoring



Roles
Who is responsible for authorizing reimbursements and enforcing the policy



Spending Thresholds
When pre-approval will be required



How to Book Travel
Preferred processes and vendors



How to Make Purchases
When and how to use corporate accounts



Expense Report Specifications
Such as which values require a receipt and when reports must be submitted

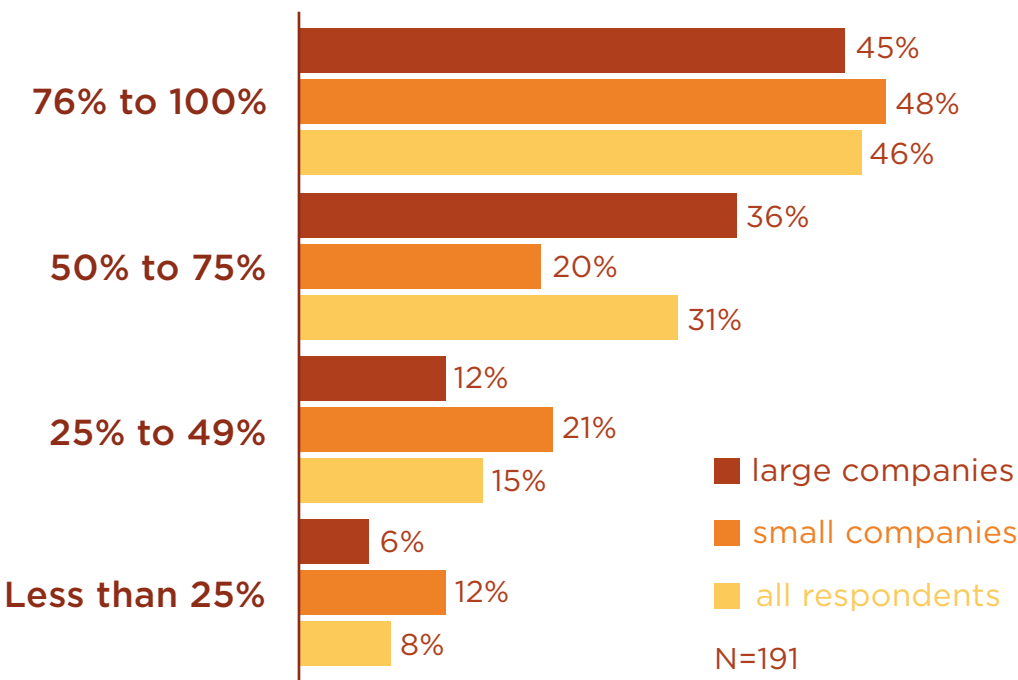


Processes for Exceptions and Disputes
For overdue, incorrect, and fraudulent reports

2: Conduct Annual T&E Policy Reviews

Even organizations that do have formal T&E policies often struggle to achieve compliance. Don’t rely on managers to conduct policy reviews “just in time” for their reports to head out on a business trip. Instead, set up a formal (and at least annual) review process with all employees—including those who spend T&E dollars and those responsible for approving that spend.

Percentage of T&E Spend that Complies with T&E Policy



3: Align T&E and AP

APQC found that 55 percent of organizations manage T&E and accounts payable (AP) in separate silos. When organizations combine spend management approaches and analytics for both areas, they see big benefits, including:



Lower costs on expense report processing



Faster cycle times for reimbursing travelers



Higher rates of policy-compliant T&E spend

“Think of T&E as internal accounts payable and AP as external accounts payable. They’re not exactly the same, but there are natural synergies there. Companies can and should harmonize best practices across both of these areas.

– Ernie Humphrey, CEO of Treasury Webinars

Learn More

Since the emergence of the COVID-19 pandemic, T&E has changed dramatically—and it’s still changing. Finance teams need to take a close look at their T&E processes, policies, and technologies. To get started, see [Travel and Entertainment: The How, The Why, and the ROI](#).