

# Top four benefits of automating travel and entertainment expenses

With integrated, mobile solutions and automated processes, institutions can improve travel and expense efficiency, increase compliance, exert greater control over spending, and reduce their environmental footprint.

ellucian®

An eBook  
for finance,  
operations, and  
governance

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# Introduction

For most organizations, processing travel and entertainment expenses can take a significant chunk out of total operating costs. But it's an investment that is critical to maintaining institutional excellence. Whether it's sending faculty to industry-leading conferences, allowing graduate students to visit a research archive, or ensuring that development staff can host regional alumni events, travel and expense directly supports top business goals.

The good news is that, after payroll, travel and expense is the single most controllable cost of doing business. While there are many ways to streamline processes that can directly increase return on investment, this eBook focuses on one overarching solution—converting to an automated, web-based system.

Manual processing makes travel and expense management cumbersome, labor intensive, and prone to error. It creates unnecessary time and effort for everyone involved—from travellers and supervisors to processing staff and legal advisors. Whether chasing down approvals or getting mired in non-compliance issues, it keeps people from focusing on more valuable activities.

**The question has become not if, but when, to make the move to an automated, online solution.**

The switch to a new system—training staff, managing change—is not easy. But automating travel and expense can pay off quickly in terms of efficiency, productivity, cost savings, and compliance. It also provides travellers with better service and staff with higher job satisfaction.

This eBook takes a look at the top four issues facing institutions with manual travel and expense systems and highlights which processes stand to benefit most from the switch to automation.



## ISSUE #1:

# Spreadsheet fatigue



Improving speed and efficiency helps save money and frees staff to spend time on more valuable activities.

Many institutions are still using antiquated systems for travel and expense that keep the process running at a slow pace: These include:

- » Information locked in spreadsheets, reducing access and limiting data integration/reconciliation
- » Manual data entry at multiple points by multiple parties, leading to frequent errors
- » Paper submissions and approvals that get lost in transmission
- » Manual workflow tools that are time-consuming to manage and not always transparent to end users

It can cost up to \$26 to manually process a single expense report, not to mention long turnaround times and costly errors. Switching to automation can significantly reduce cost-per-report processing simply because staff no longer spend time on:

- » Correcting data
- » Chasing down the correct approval source for expense reports
- » Filing and retrieving paper documents
- » Holding up reports with compliance errors
- » Fielding multiple inquiries on the status of reimbursements
- » Dispersing funds

**Bottom line:** Lack of efficiency means all parties are focused on the travel process, not the travel strategy.

## ISSUE #2:

# Check's in the mail



When payments are delayed, compliance issues are often to blame. But when travelers lack easy access to status information, they flood finance staff with inquiries, slowing the process even further.

One of the biggest challenges in travel and expense management is ensuring compliance with institutional policies at each stage of the process.

Because travelers don't always understand allowable expenses and reporting requirements, they submit flawed reports from the outset. Sometimes all they see is a chronic inability to secure advances or reimbursements instead of the action required to move the process along.

Finance staff are often so busy chasing down information that they have no time to create better solutions, or, perhaps more importantly, focus on higher-value activities such as helping managers control spending and executives address broader compliance goals.

**A manual system makes it hard to accomplish several potentially effective tactics for improving speed and compliance, including:**

- » Providing all parties with real-time insight into travel and expense activity, status, and action required
- » Creating rules and logic at each stage that keep reports from advancing down the chain without the right information
- » Generating reports that show institutional leaders where compliance is breaking down and how to intervene
- » Increasing turnaround time for advances and payments, as well as a culture of customer service

Achieving these goals will require empowering staff at all levels with better, more accessible information and tools.

### ISSUE #3:

# Seeing the forest for the trees



Without access to integrated information, institutions are severely challenged in their ability to identify weaknesses, leverage opportunities, and make informed decisions about governance.

Combing through different travel and expense reports and adding numbers makes it time-consuming to get an accurate assessment of travel spending. So cost control can be a moving target.

Executives with a limited macro view lack the ability to analyze travel spending by factors such as department, purpose, or vendor—making informed choices difficult. Managers who want to run reports on their team’s activity, to compare two employees, for example, or make spending projections, are similarly challenged.

And monitoring overall adherence to rigorous fiscal accounting guidelines is cumbersome for everyone from finance staff to governance leaders.

**Without a centralized, online data source, it’s hard to implement best practices such as:**

- » Frequent, on-demand audits of travel spending and patterns to inform projections and policies
- » Analysis of compliance data to determine where the process is breaking down and what interventions might be effective
- » Insight into institution-wide consistency with pre-approvals and approvals, per diem limits, purchasing policies, and other factors
- » Review of spending by vendor to help negotiate savings
- » Analysis of travel spending by department, purpose, year, and more to maximize budgets and introduce new cost-saving measures

As data remains in silos for many institutions, and as manual entry causes errors and delays in real-time reporting, the ability to make smart business decisions around travel and expense remains a challenge.



## ISSUE #4:

# It's not easy being green



## The complex web of approvals in higher education creates a long paper trail and even longer environmental footprint.

Finance staff make many trips from the printer to the filing cabinet. In between, they move paper from traveler to approver and back and forth again when errors force a redo. Not only is this time-consuming, but the volume of paper eventually overwhelms storage space and becomes an unsustainable burden—practically and environmentally.

Paper itself is costly, as are associated expenditures such as purchasing, maintaining printer/copier equipment and supplies, distribution, mailing, courier services, and filing supplies. Even recycling takes time and money. Add all this to the environmental costs and paper solutions simply don't make sense.

Employees in all departments are becoming used to a paperless world. They are likely to quickly adopt any system that contains a virtual paper trail, and also to appreciate the institution's move toward greater sustainability.

- » The U.S. uses approximately **68 million trees** each year to produce paper and paper products
- » Worldwide consumption of paper has **risen by 400 percent** in the last 40 years with 35 percent of harvested trees being used for paper manufacture
- » The average office worker continues to use a staggering **10,000 sheets of copy paper** every year
- » **45 percent** of the paper printed in offices ends up trashed by the end of the day—this daily lifespan occurs for over a trillion sheets of paper per year, worldwide

*Source: The Paperless Project, "Facts About Paper: The Impact of Consumption"*

# What institutions should look for in an automated, online travel and expense management solution

We've looked at four top issues that warrant the switch to an automated, online system. Now, let's look at the key benefits and associated features that any automated system should provide in order for the institution to realize the greatest and quickest return on investment:

## Improved efficiency

- » **Integrated travel booking solution and streamlined submission process**, which speeds time from travel planning to authorization to advances to reimbursement
- » **Integrated data**, to reduce time spent connecting reports with the right approval sources and reconciling numbers
- » **Automated document management**, to minimize time spent on storing, filing, and retrieval
- » **Delegation capabilities**, allowing support staff to submit and track reports on behalf of supervisors who are focused on the bigger picture
- » **Embedded rules engine**, showing reimbursable vs. non-reimbursable expenses, allowable per diems, and other standards and practices—and automatically checking entries at each stage before allowing process to continue
- » **Integration with finance and accounts payable systems**, greatly reducing processing time and costs
- » **Optical character recognition (OCR) technology** that reads the receipt and creates expense items automatically

## Better service

- » **Accessible from a mobile device**, offering all parties real-time tracking of expenses, approvals, report status, and action required—reducing time-consuming inquiries and complaints and increasing system adoption



- » **Workflow management capabilities**, generating automatic email alerts and reminders to each party in the chain of action
- » **Automated reimbursements**, providing more timely and accurate payments
- » **Automated compliance mechanisms**, ensuring the right information is provided at every stage of the process—reducing delays in approvals, travel advances, and payments

#### Greater control

- » **Comprehensive reports on travel spending and patterns**, helping management make more informed projections and policies, as well as make better use of their travel budgets
- » **Real-time snapshots of expenses by department, purpose, and vendor** to help manage overall spending and better negotiate discounts with suppliers
- » **Insight into institution-wide consistency**, regarding pre-approval and approval levels, per diem limits, and purchasing policies

#### Reduced footprint

- » **Automated, online processing and approvals**, replacing paper and helping institutions move toward more environmentally sustainable operations
- » **Digital document management**, reducing the need for printing, copying, and storage



# Conclusion

## A seamless solution from planning to reimbursement

Ellucian Travel and Expense Management powered by Chrome River is a software-as-a-service (SaaS) solution that automates the entire travel expense submission and reimbursement process to help you boost accuracy and efficiency. It's mobile-ready so your faculty and staff stay on top of things even when they're on the road. Plus, it's built with the unique higher education features that institutions really need, so you spend less time creating, approving, and reimbursing travel expenses while gaining insight into your spend.

Ellucian Travel and Expense Management powered by Chrome River helps higher education institutions eliminate manual expense reporting processes, pay employees faster, and keep costs under control.



# About Ellucian

Ellucian helps education institutions thrive in an open and dynamic world. We deliver a broad portfolio of technology solutions, developed in collaboration with a global education community, and provide strategic guidance to help education institutions of all kinds navigate change, achieve greater transparency, and drive efficiencies. More than 2,400 institutions in 40 countries around the world look to Ellucian for the ideas and insights that will move education forward, helping people everywhere discover their futures through learning.

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