The presentation will begin shortly. Audio will be streamed directly via your computer speakers. Enjoy the webcast!

SAP Concur
Aligning Spend & Business Strategies to Achieve Strategic Spend Management

A Solution Series Webinar

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Libby Blankenship | Travel Services Manager - Dollar Tree / Family Dollar
Agenda

➢ Understanding Strategic Spend Management
➢ What is Long Tail Spend?
➢ Steps to Strategic Spend Management
➢ Customer Interview
➢ Conclusion and Q&A
“Simple,” said the thief, “I had no Monet for Degas to make the Van Gogh!”
The Pareto Principle (80/20 rule)
Understanding Strategic Spend Management

The pathway to strategically managing employee spend is to see data from all channels.
Understanding Strategic Spend Management

The pathway to strategically managing employee spend is to see data from all channels.

- Most strategic of suppliers = 80% of an organization’s outgoing payables
- The remaining 20% = The Long Tail Spend
What is **Long Tail Spend**?

The 20% of a company’s procurement spend that is spread out amongst 80% of the organization’s total supply base.

- Below receipt thresholds
- Single use suppliers
- Geographic misalignment
- Ineffective terms
- Multiple payment channels
What is **Long Tail Spend**?

The 20% of a company’s procurement spend that is spread out amongst 80% of the organization’s total supply base.

- Control
- Accuracy
- Terms
- Payment channels
- Employee access
- Geo policies
Employee Initiated Spend (EIS) is No Different
80% of EIS is majority controlled while the other 20% needs attention
Strategic Spend Management

Complete visibility into spend is essential for eliminating waste and gaining a competitive edge.
Strategic Spend Management
Complete visibility into spend is essential for eliminating waste and gaining a competitive edge.

- The Aberdeen Group reported that 70% of procurement executives cite the indirect spend as a top focus for controlling and reducing costs.
- For every dollar that is placed under management of the procurement department, the average enterprise sees a benefit (cost savings) of between 6 and 12 percent.
- A 5% savings on tail spend can be the equivalent of a 10% increase in net profit.
Strategic Spend Management
Understand Your Spend Management Processes

• Have a Spend Management Plan
• Regardless of growth or strong cash flow
• Well defined policy and governance
  • Not up to Finance or Accounting
  • No more “Rubber Stamp” approvals
• Use technology as the backbone
Strategic Spend Management
Build Flexibility Into Your Spend Strategy

- Ability to make adjustments as employee and business needs change
- Allow for exceptions
  - Soft stops
  - Hard stops
Strategic Spend Management
Hold Business Leaders Accountable for Spending and Budgets

- Monitor spending and revenue projections to ensure steady cash flow
- Leverage systems that can provide visibility into budgets and current spending levels
- Open communication between leaders and Finance
Strategic Spend Management

Communicate Spend Policy, Review Periodically, and Alert Employees to Changes

- Beyond new hires
- Tools to communicate policies and changes
- Mistakes happen when employees are unaware of a policy or if there are changes
- Annual review of T&E and procurement-business conditions change rapidly!
Strategic Spend Management
Align Spend Management Strategy With Business Goals

• What’s your plan: growth, enter new markets, new revenue channels?
• Changes in business objectives should drive spend management policies
• Track metrics to understand where improvements need to be made to your spend management processes
• Executed correctly, clear visibility to effectively fund business objectives
What our Customer has to Say…

Libby Blankenship
Travel Services Manager

DOLLAR TREE

FAMILY DOLLAR

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Strategic Spend Management

Conclusion

- Solid Strategy, backed by latest technology
- Automation to enforce compliance and streamline AP processes
- Clear, concise, and fairly enforced policies that are flexible
- Everyone in the company on the same page
- Artificial intelligence to handle routine tasks
- Huge payoff - using technology to improve invoice & expense management
# Strategic Spend Management Solutions

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<tr>
<th>Product</th>
<th>Solution</th>
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<tr>
<td>Detect</td>
<td>By using an automated audit process that reviews 100% of the spend, you can take advantage of machine learning to identify and correct patterns of potentially fraudulent behaviors.</td>
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<td>Drive</td>
<td>Automatically record mileage to provide actual, accurate mileage amounts without having to double check routing/maps.</td>
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<td>ExpensesIt</td>
<td>Remove the possibility of receipt fraud by using OCR technology; provides the data and creates the entry based on verified data.</td>
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<td>Invoice</td>
<td>We can use OCR technology to scan invoices to record actual goods billed from an approved vendor, rules to validate the data and prevent duplicate payments, and 3 way match capabilities to ensure what was ordered was planned, approved, received, and should be paid. Additionally has integrated reporting tools to provide KPI data to measure and improve your programs.</td>
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<td>Company Billed Statement</td>
<td>This tool can create a report based on the card transactions, prevent submission prior to billing cycle, prevent payment of cash transactions, route to predefined approval hierarchies, and has integrated reporting tools to provide KPI data to measure and improve your programs.</td>
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<td>Triplink</td>
<td>Increase corporate policy compliance by collecting data from multiple channels and apply your travel rules.</td>
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<td>Request</td>
<td>Get pre-approval from management for all types of spend whether it’s typical T&amp;E spend (airfare, car, hotel) or business entertainment or catering. It’s a way to control spend before spend happens and ensure the spend is controlled.</td>
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<td>Budget</td>
<td>Control the spend across all products – expense, request, and invoice – with real time data to provide transparency of actual expenses, forecasted/committed spend, and budgets.</td>
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<td>Service Administration</td>
<td>Assist in development and configuration of audit and validation rules to prevent non-compliance spend before it happens.</td>
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<td>Consultative Intelligence</td>
<td>Design and create reports which track your compliance and control KPIs. Use that data to drive changes to your programs, make strategic business decisions, and boost your bottom line.</td>
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Audit every expense report in near real time with artificial intelligence

Concur Detect by AppZen works with Concur Expense to uncover policy compliance errors by using AI to analyze receipts, credit card transactions, and bookings. With Concur Detect, you can:

- Reduce expense report errors by up to 66%
- Capture 10 times the amount of errors and fraud before reimbursement
- Shorten auditing time by as much as 90%*
- Audit 100% of expense reports

* Based on SAP Concur internal testing
Invoice management software is critical for accounts payable. Automate invoice processing with SAP Concur and you’ll gain speed and efficiency – plus a new way to monitor and manage spending to maximize your profitability.

- Capture invoices using machine learning
- Stay on top of spending- 100% visibility
- Eliminate late payments and manage cash outlays
- Streamline purchase requests and automate approvals
Consultative Intelligence gives you the right reports for the right decisions, right now. Few things are more important to a business like yours than staying on top of every dime - and using that data to inform what you do next. Concur’s solutions are a huge step toward tracking what you spend and simplifying cash management, but you may also need customized reports that are focused on your particular travel, expense and accounts payable data.
“Success is 20% skills and 80% strategy. You might know how to succeed, but more importantly, what’s your plan to succeed?”

~ Jim Rohn, American Entrepreneur
Questions?