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

SAP Concur
Housekeeping

Audio is streaming. There is no dial-in.

Send us your questions via the Q&A widget!

Additional materials can be found in Resources folder.

A replay will be emailed to you within 24 hours.

For best experience:

- Use Google Chrome
- Close other open programs
- Log off VPN

Tech issues? Refresh your browser window first. Click the info button or chat us for assistance.
Driving Business Value Through Spend Control & Visibility

Bill Becker | Senior Value Advisor, SAP Concur
Introduction and Agenda

Customer Engagement Executive
Benchmarking / Financial Value of Improvement
Value Consulting / Data model
Value Program Development

Agenda:

Value Pillar Introduction
- What are they and why they matter

Controls and Compliance
- Define and put into perspective
- Evaluate risk
- Risk mitigation insights
- Audience Participation

“Not everything that can be counted counts; Not everything that counts can be counted.”
Albert Einstein
Value Pillars / Business Outcomes

- **Controls & Compliance**
  - Internal Guidelines
  - Regulatory Requirements
  - Fraud Risk
  - Policy Guidelines
  - Employee Safety

- **Spend Governance**
  - Spend Channels
  - Review Processes
  - Who, What, Where Spending
  - Spend Analysis

- **Employee Experience**
  - Employee Engagement
  - Retention
  - Productivity
  - Job Satisfaction
  - Safety & Security

- **Expansion & Optimization**
  - Regional Expertise
  - Leveraging Data
  - Industry Focus
  - M&A
## Value Pillars / Business Outcomes

<table>
<thead>
<tr>
<th>Controls &amp; Compliance</th>
<th>Spend Governance</th>
<th>Employee Experience</th>
<th>Expansion &amp; Optimization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Guidelines</td>
<td>Spend Channels</td>
<td>Employee Engagement</td>
<td>Regional Expertise</td>
</tr>
<tr>
<td>Regulatory Requirements</td>
<td>Review Processes</td>
<td>Retention</td>
<td>Leveraging Data</td>
</tr>
<tr>
<td>Fraud Risk</td>
<td>Who, What, Where Spending</td>
<td>Productivity</td>
<td>Industry Focus</td>
</tr>
<tr>
<td>Policy Guidelines</td>
<td>Spend Analysis</td>
<td>Job Satisfaction</td>
<td>M&amp;A</td>
</tr>
<tr>
<td>Employee Safety</td>
<td></td>
<td>Safety &amp; Security</td>
<td></td>
</tr>
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  - Regional Expertise
  - Leveraging Data
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  - M&A
Scope and Perspective

Audit

Controls and Compliance
Scope and Perspective

• Audit Considerations
  o Percentage of Audit
  o Random or targeted
  o Who does it
  o What to look at
    ▪ FCPA?
    ▪ Duplication?
  o Process
  o Consequences
  o Etc.
Scope and Perspective

• **Business Problem:**
  
  - Duty of Care
  - Fraud schemes
  - Mileage padding
  - Unmanaged Travel Visibility
  - Attendee compliance (HCP)
  - Etc.
  
  - Detect
  - Concur Audit
  - Locate
  - Concur Drive
  - Consultative Intelligence
  - Etc.

Controls and Compliance
Scope and Perspective

Card Adoption

Controls and Compliance
Scope and Perspective

- Improving corporate card adoption
- Things to consider:
  - Regional Differences
  - Mileage and Per Diems
  - Card acceptance
  - Card holders
  - Personal points / incentives
  - Rebates
  - Corporate culture
  - “Carrot or stick?”
  - Etc.

Card Adoption
Scope and Perspective

• Business Problem: High risk spend-Cash

• Why high risk?
  o Lack of data
  o Lack of validation of spend
  o Higher potential for errors

• ExpenseIt
• Concur Drive
• Consultative Intelligence
• Etc.

Controls and Compliance
Impact and Connection

Spend Governance — Controls and Compliance
Impact and Connection

Employee Experience ➔ Controls and Compliance
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Non-Compliant Spend

- How much do I have?
- How much am I currently mitigating?
Materiality of the problem

What is non-compliant spend (NCS)?
How much NCS do you have?

- 15% delta between booked and expensed (Avg performance vs upper quartile performance)
- 23% of Expense Reports contain 1 or more NCS item (SAP Concur)
- Industry experts predict between 2-5% of all T&E spend is NCS
- 6% of expense report submitters self-identified as being dishonest in recent survey; $2994 is the average annual amount of dishonest claims

How much NCS do you have?
Estimated materiality of the problem

23% of all expense reports have one or more NCS item.

<table>
<thead>
<tr>
<th>Group</th>
<th>Avg</th>
<th>Med</th>
<th>Total</th>
<th>Percentage of spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENT NA</td>
<td>$94.15</td>
<td>$104.04</td>
<td>$568,124</td>
<td>2.49%</td>
</tr>
<tr>
<td>$0-$5MM</td>
<td>$94.27</td>
<td>$109.29</td>
<td>$48,471</td>
<td>2.61%</td>
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<tr>
<td>$5MM-$10MM</td>
<td>$99.65</td>
<td>$102.21</td>
<td>$179,202</td>
<td>2.48%</td>
</tr>
<tr>
<td>$10MM-$25MM</td>
<td>$99.58</td>
<td>$106.54</td>
<td>$389,160</td>
<td>2.40%</td>
</tr>
<tr>
<td>$25MM-$50MM</td>
<td>$98.68</td>
<td>$100.52</td>
<td>$898,538</td>
<td>2.54%</td>
</tr>
<tr>
<td>$50MM-$75MM</td>
<td>$105.12</td>
<td>$109.87</td>
<td>$1,530,414</td>
<td>2.45%</td>
</tr>
<tr>
<td>$75MM-$100MM</td>
<td>$86.56</td>
<td>$93.13</td>
<td>$2,123,998</td>
<td>2.50%</td>
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<tr>
<td>$100MM-$200MM</td>
<td>$93.90</td>
<td>$102.45</td>
<td>$3,440,836</td>
<td>2.45%</td>
</tr>
<tr>
<td>$200MM-$300MM</td>
<td>$90.48</td>
<td>$88.55</td>
<td>$6,792,527</td>
<td>2.52%</td>
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<tr>
<td>$300MM +</td>
<td>$85.42</td>
<td>$83.94</td>
<td>$18,476,062</td>
<td>2.51%</td>
</tr>
</tbody>
</table>
Estimated materiality of the problem

23% of all expense reports have one or more NCS item.

<table>
<thead>
<tr>
<th>Group</th>
<th>Avg</th>
<th>Percentage</th>
<th>Mystery number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>$104.34</td>
<td>2.31% of spend</td>
<td>9.27%</td>
</tr>
<tr>
<td>Business Services</td>
<td>$97.38</td>
<td>2.59% of spend</td>
<td>23.65%</td>
</tr>
<tr>
<td>Consumer Services</td>
<td>$91.82</td>
<td>2.82% of spend</td>
<td>24.79%</td>
</tr>
<tr>
<td>Energy and Env Services</td>
<td>$117.79</td>
<td>2.74% of spend</td>
<td>15.57%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>$103.82</td>
<td>2.73% of spend</td>
<td>19.02%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>$87.93</td>
<td>3.60% of spend</td>
<td>32.28%</td>
</tr>
<tr>
<td>Higher Ed</td>
<td>$150.62</td>
<td>3.58% of spend</td>
<td>30.36%</td>
</tr>
<tr>
<td>Life Science</td>
<td>$78.84</td>
<td>2.06% of spend</td>
<td>16.97%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$91.64</td>
<td>2.19% of spend</td>
<td>17.13%</td>
</tr>
<tr>
<td>Media, Pub and Ent</td>
<td>$119.90</td>
<td>2.57% of spend</td>
<td>21.63%</td>
</tr>
<tr>
<td>Oil, Mine, Metal and Gas</td>
<td>$126.60</td>
<td>2.75% of spend</td>
<td>17.22%</td>
</tr>
<tr>
<td>Retail and Restaurants</td>
<td>$86.05</td>
<td>2.79% of spend</td>
<td>27.86%</td>
</tr>
<tr>
<td>State and Local Govt</td>
<td>$82.88</td>
<td>2.65% of spend</td>
<td>31.48%</td>
</tr>
<tr>
<td>Technology</td>
<td>$84.31</td>
<td>2.50% of spend</td>
<td>26.47%</td>
</tr>
</tbody>
</table>
Challenge: Determining success of mitigation

Catch

Discourage
Challenge: Determining success of mitigation
Prioritization

Miscellaneous spend line item: .005% or 5%?
Receipt limit for cash spend: $5 or $75?
Spend $0.01 below receipt threshold: 5% or 25%?
Mileage spend: 2% or 20%?
LLF: 5% of the time or 75% of the time?
Median hotel, air, or car: +/- 5% or +/- 50% of neg rate?
Policies: 5 or 100?
Expense in 5 countries or 50?
Travel in 5 countries or 50?
P-card spend amount
Invoice spend amount
Corporate culture
Etc.
Look at every metric, every Concur product and service that you have/don’t have, every process, every spend category, and ask yourself:

- Do I have the visibility into all discrete details to ensure that I have the ability to make the best spend decisions possible? Where metric performance is not best-in-class, do I have the data to determine if behavior is optimized?

- Do I have the internal controls to address spend, particularly in the riskiest and/or high spend areas of my program?

- Is my time being spent in the areas of the business that reap the highest rewards?

**Action**

- **Spend Governance**
- **Controls & Compliance**
- **Employee Experience**
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## Product Impact on Pillars

### Core products

**Concur® Travel**
- Book travel, increase compliance and monitor spending

**Concur® Expense**
- SAP Concur integrates all your expense data, so you can manage spending wherever, whenever it happens

**Concur® Invoice**
- Connect invoice data in a single system with all of your organization’s employee-initiated spend, so you can track and manage cash flow down to the penny

### Extended Services—Products

**Budget**
- Manage expenses before they occur, eliminate unnecessary spend and ensure greater policy compliance

**Intelligence**
- Leverage reporting tools and dashboards to highlight insights that drive better decisions

**TripLink**
- TripLink captures reservations and brings them into SAP Concur, plus users enjoy added perks like TripIt Pro

**Concur® Locate**
- Locate and communicate with any employee, anywhere to keep them safe and to provide assistance

**Expenselt**
- Available in the SAP Concur mobile app, Expenselt makes it simple to take a photo of a receipt and automatically create and categorize expenses

**Partner Apps (Next slide)**
- Connect to applications and services that improve spend management and traveler experience

### Extended Services—Service based

**Audit Solutions**
- Using both Artificial Intelligence and a team of auditors, SAP Concur provides audit solutions to fit your business process.

**User Support Desk**
- Provide your users with support directly from SAP Concur and free yourself up for more strategic tasks.

**Preferred Care**
- Helping administrators with best practice guidance, configuration recommendations, and coaching when needed

**Integration Services**
- Simplify your business with end-to-end, automated data synchronization between SAP Concur and your business applications. You can create your own integration, or we can develop a solution that connects your ERP, CRM, and HR systems with SAP Concur in real time.

**Invoice Capture**
- SAP Concur captures data from invoices in most formats and validates the data prior to approval and payment

**Consultative Intelligence & Analytics**
- Our experts focus on getting the right data to the right audience at the right time to drive better business decisions.

### Primary Pillar Impact

- **Spend Governance**
- **Controls and Compliance**
- **Employee Experience**

---

**Concur® Request**
- Manage expenses before they occur, eliminate unnecessary spend and ensure greater policy compliance

**Company Bill Statements**
- Automate the purchase card process from employee purchase to general ledger integration

**Central Reconciliation**
- Reconcile centrally billed accounts improving accuracy and reducing administrative costs

**Payment Solutions**
- Automatically pay employees, corporate cards and vendors, enabling your people to focus on growth

**Concur® Drive**
- Integrated into the Concur app, Concur Drive uses GPS technology to allow travelers to accurately log and report distance, provide "receipts" for mileage, and flow directly into expense reports

---
Partner Apps Impact on Pillars

<table>
<thead>
<tr>
<th>Improve traveler experience –</th>
<th>Accomplish more with data</th>
<th>Solve industry-specific needs</th>
<th>Meet global requirements</th>
<th>Ease deployment and administration</th>
</tr>
</thead>
</table>
Poll Question
Results Discussion
Thank You.

Contact information:

Bill Becker
Sr. Value Advisor
William.Becker@SAP.com
262-290-7279
Questions?