expense, travel, and invoice and was able to identify employee needs such as greater flexibility, automation, and incentives for compliance. However an array of frustrations

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Small businesses need to get their expense management functions in shape, and small business owners know it. That's according to a new survey of small business owners and managers conducted by Concur, a provider of cloud-based expense management solutions.

The SMB Financial Decision Makers survey revealed that small and medium businesses' expense management solutions lean heavily on manual methods that contradict employee needs and policies, as well as compromise overall profitability.

The survey asked more than 200 SMB financial decision makers questions related to

Concur's 'SMB Financial Decision Makers' survey reveals the following insights:

Expense Management

Employees expressed an overwhelming need for faster turnaround on reimbursements. Other important needs include:

- Having a flexible travel and expense program
- Automating expense reporting to reduce time spent on administrative efforts

However, seven out of 10 SMBs said they do **not** currently utilize expense management software. SMBs continue to use a combination of outdated expense methods:

- 38 percent rely on paper-based submissions
- 26 percent use corporate cards
- 23 percent use Excel

This is despite the fact that automating expenses decreases the cost of expense claim transactions by 75 percent or more, and reduces the time to process expenses by 35 percent.

Travel Management

The majority of SMBs surveyed (eight of out 10) said they have corporate travel policies in place, but expressed the need for, in order of priority:

- Flexibility in booking choices
- Eligibility for upgrades and loyalty points
- Incentives for complying with travel policy.

With travel management, a supplier-led approach can capture the 40-50 percent of

invoice solutions and reporting benefits. Seven out of 10 say they use invoice software to keep their finances in order, expressing they enjoy key benefits such as a reduction in paperwork and increased overall productivity.

Choose Automation

SMBs contribute more than $5.5 trillion annually to the U.S. economy. Yet, only about half of those businesses survive five years or more, and only one-third makes it to the 10-year mark.

According to research firm Ardent Partners, the key differences between long-term success and failure for SMBs experiencing rapid growth are how well they manage cash flow, and the infrastructure they have in place to support their growth.

"Prior to Concur, we were using Excel spreadsheets to manage our expense process," said Sara Smith, CFO of ALPS Corporation. "Excel is too manual to be used for monitoring company cash flow and I had to take multiple steps before being able to run a full accounting report – incurring about 2-3 weeks' worth of delay. Now with Concur, we get instant visibility into where our employees are spending."

Thurik concluded, "SMBs should be aware there are automated T&E solutions that can effectively alleviate employees' frustrations without sacrificing time and resources. Our TripLink solution, for instance, enforces travel policy and supports the need for flexibility by capturing out-of-policy cash flow. Our Price-to-Beat and Travel Points features reward employees who stay within policy and promote compliance."

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