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According to new data published from AppZen's [Audit Insights](#) platform, organizations in the professional services industry (including lawyers, financial advisers, engineers, architects, accountants, and other disciplines requiring an advanced degree or specialized certification) have the highest percentages of expensed dollars rejected prior to reimbursement.

Below is a table showing which industries have the highest and lowest percentages of expensed dollars flagged by AppZen that were ultimately rejected by the employer. It's important to note that this metric is dependent on each company's individual T&E policy; for example, 17% of all items flagged for review by our AI in the entertainment industry are then rejected by the employers within it.

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While we're not suggesting that employees in the professional services industry are more dishonest, there are a few explanations as to why their expense reports are more frequently flagged for potential misconduct.

Professional services organizations typically have some of the most demanding requirements for employee expense management. Not only can employees in professional services bill their employers, they also bill their clients for certain expenses related to travel or meals related to the work performed. This means even more stringent rules around the expense process so that clients don't foot the bill for unnecessary costs. Since the T&E policies are stricter, and billable and non-billable

expenses are scrutinized more carefully, a higher percentage of expense items are

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feel entitled to fancy expensive dinners or unnecessary flight upgrades on the company dime — even if they're out of policy. With more rules, client billing, and more travel, there is simply more opportunity for expense report misconduct or errors.

In contrast, employees in the IT industry tend to stay in the office the majority of the time and travel less, so it's unsurprising that only 6% of their expenses are flagged.

The major takeaway from this data is not that employees in certain industries commit more fraud; it's that existing expense policies may need to be revisited to fit the behaviors of your specific workforce. Using AI-powered analytics, Audit Insights can help finance managers gain a better understanding of overall T&E spend, proactively identify who on their team violates policy, and, more importantly, have the right information to have impactful conversations with their teams and ultimately **improve expense culture** across their organization.

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