



A White Paper

Expense Management: *Achieve Controls and Compliance*



CONTROL. SAVE. GROW.
With NEXSTEP Expense Management System.

1. Challenges faced in Financial Control

In a Growing Economy, the challenges faced in Financial Control are:

- **It is important to CONTROL the “Good Expenses” and eliminate the “Bad Expenses”**

This is especially true for Discretionary Expenses which can otherwise Spiral out of Control.



- **Stricter Compliance and Audit Norms - Need a Process & a System, to Implement this Meaningfully**

It is extremely important to define the Delegation of Approval Matrix and ensure all approvals are taken on that basis. Corporate Guidelines for Expense Entitlements need to be adhered to – at all times.

- **Minimize wasteful delays & costs of all Processing, by Standardization & Best Practices Implementation**

The cost of processing all type of Expenses needs to be reduced dramatically. This is done by standardizing processes and implementing Industry Best Practices.



- **Ensure that Functional Managers take responsibility for Expense Control & Expense Compliance - and not leave it all on Finance**

While the CFO / Financial Controller is in-charge of ensuring that Corporate Guidelines related Expense Compliances are followed, it is very difficult to implement it without cooperation from Functional Managers.

- **Increased emphasis on Employee & Vendor Relationships**

Employee Retention and Satisfaction are now high on the CFO's objectives. CFO's have begun consolidation of their Vendors to get better terms and build stronger partnerships with the Vendors.

Aberdeen Research indicates that “The Return on Investment and Payback are extremely compelling for Expense Management Solutions. These solutions provide the highest ROI – Bar none”

2. What is NEXSTEP Expense Management?

NEXSTEP Expense Management Solution
 is a **complete expense management solution**
 which helps you **achieve Controls and Compliance**
 Thereby **Increasing Savings and Reducing Wastages**

Nexstep Expense Management consists of the following Modules:

Employee Expense Mgmt Handles all Employee Expense Claims like Conveyance, Petrol, and Entertainment etc.	Travel Expense Mgmt Handles Domestic and International Travel Requisitions, Settlements & Travel desk coordination.	Smart Purchase Manages the Purchase Requisition to PO to Goods / Services Received, with a 360 degree view of the entire process.	Vendor Invoice Authorization Manages the entire process related to Bill Passing.	Regular & Utility Bills Mgmt Manages utility payments like Rent, Electricity, Telephone etc across your locations.	Budgeting Define Corporate & Operational Budgets. Ensure total Budgetary Control of all type of Expenses.
Business Rules and Workflow Mgmt Ensure Compliance, Controls and Approval Rules with Delegation of Authority Matrix					
Employee and Vendor Payments Disburse Payments to Employees and Vendors using various methods					
Integration Engine with your ERP / Accounting System Take Chart of Accounts from your ERP and post Accounting Entries into your ERP					

What does NEXSTEP Expense Management do?

- It automates all the stages of an Expense – from Initiation by Employee to Approvals by Managers to Committing the Expense, Provisioning, Recognizing, and Apportioning to Payment.
- It implements your Delegation of Authority Matrix
- It builds Controls as per your Employee Entitlement Policies
- It ensures Expenses are within the Define & Allocated Budgets
- It Provides visibility into Spend Patterns as well as Exceptions
- It automates the Payment process, Generates Accounting Entries, validates your Policies and ensures correct data thus saving your Finance team's precious time.

Nexstep's Unique "Expense Information Architecture"[®]

It provides a Warehouse for organizing all your Expense Information, so that it provides complete Visibility into and Controls over the Expense Information. This would help you fine tune your Expense Policies, be assured of Compliance to Policies, analyze data on multiple dimensions, and plan your cash flows related to expenses. This unique approach to Expense Architecture provides tremendous benefits & differentiates us from any other solution in the market.

CONTROL. SAVE. GROW. With NEXSTEP Expense Management
 For more information on NEXSTEP Expense Management - visit us at www.nexstepworld.com
 Tel: 91-22-3341 7400 / 7410 Email: nexstep@nexstepworld.com

3. Benefits of NEXSTEP Expense Management:

1. Control Employee Incurred Expenses: Prevent Unnecessary Travel. Track and Control Travel Advances. Ensure Compliance to Policies and Employee Entitlements. When there is a policeman around the corner, the tendency to break rules reduces! Similarly inflated expenses and frauds reduce with an Expense Management Automation (EMA) Solution. Exceptions will be highlighted to the Employees and the Approvers and will be easily tracked by the Power Users.

Save 5-10% of your Employee Incurred Expenses by enforcing entitlements and policies and by reducing inflated claims.

2. Get Better Rates and Terms from Vendors: Smarter purchasing with visibility on spends patterns further reduces expenses. Once you have the visibility on spends in different categories, you can bring down expenses in these through better purchasing terms. Use MIS to get better rates and terms from Vendors.

Save 5-15% of your CAPEX / OPEX through lower rates from your suppliers.

3. Reduce Time and Cost: It helps reduce the Time wasted in coordination, verification, entering data into your ERP. The flexible Business Process Rules Management ensures the right people are approving all the Expenses. Currently your team spends time in non value added tasks which can instead get automated. Save time and cost of Auditing and creating Actionable MIS.



Save 40-60% of your processing time and cost.

4. Actionable MIS: Track Exceptions. Use MIS for creating Budgets for next year and Analysis like Expenses by Business Unit / By Location / By Employee / By Expense Head etc.

5. Increase Employee Productivity: Employees will not waste time in tracking which expenses they have claimed, and which they are yet to. Time spent in following-up will be now deployed on productive work.

6. Budgetary Controls: It helps you Control your Expenses at an Operational Level by defining your Operational Budgets in an extremely flexible manner.