



TEM

Travel & Expense Management

Leveraging Automation to Optimize Expense Management Processes

SAP

Outlook

SAP Overview

SAP is a world leader of business software including enterprise resource planning (ERP) and related applications such as supply chain management, customer relationship management, product life-cycle management, and supplier relationship management.

Founded in 1972, with headquarters in Walldorf, Germany, SAP has a rich history of innovation and growth and today more than 75,000 customers in more than 120 countries run SAP applications. SAP's client base covers the spectrum from small and medium-size companies to global organizations. SAP is listed on several exchanges, including the Frankfurt Stock Exchange and NYSE under the symbol "SAP." SAP currently employs more than 51,400 people at sales and development locations in over 50 countries worldwide.

One interesting fact to note is that SAP now delivers innovations through enhancement packages approximately every 9-12 months. Customers no longer have to plan for major releases every five years. They can now choose to selectively implement the business functions or technical improvements that add the most value to their business. Customers can activate enhancement packages via the SAP NetWeaver platform, which helps isolate impacted objects and minimizes testing requirements.

Industries Served

Financial and Public
Services

Manufacturing
Service

Key Clients

see www.sap.com/tm

SAP Travel Management

SAP has been offering the SAP Travel Management application since 1989. Companies in more than 90 countries across all industry verticals use SAP Travel Management. It not only supports people as they travel around the world; the application can also be implemented in different countries across the globe.

With 33 different language and 22 pre-configured international settlement versions, SAP provides a global, end-to-end solution for travel management. SAP Travel Management automates the entire travel process from pre-trip approval and online booking to expense reporting and approval. Customers can select which pieces of functionality to implement based on their business processes.

Pre-Trip Approval

Pre-trip authorization functionality comes standard with SAP Travel Management. Administrators and super users can configure spend limits and trigger workflows based on end-user behavior. During the pre-trip approval process, preferred vendors are not enforced as SAP provides a full online booking feature. Company travel policy is tightly integrated into the application and communication around policy violations can take place throughout the process – pre-trip, online booking, and expense reporting. If the actual expenses for a trip are lower than the amount approved on a pre-trip request, the expense report can be automatically approved without going through the workflow process.

Online Booking Integration

SAP Travel Management offers comprehensive online booking capabilities through its partnerships with GDS engines like Amadeus, Galileo/Apollo, and Sabre. During online booking, all the information from the travel request can be accessed and users can then add flights, hotels, car rentals etc. At this point, the system will prompt users if they are not using preferred vendors.

Expense Report Submission

After the trip, when users are creating an expense report, they are showed a list of existing travel requests and online bookings, which they can select to enter expenses; thus reducing the need to re-enter redundant information. Further simplifying the expense report process is standard travel expense management functionality offering certified electronic credit card feeds with all major credit card providers to the traveler's expense report coupled with paper receipt imaging to streamline business processes.

An offline version of the solution is part of the standard license and enabled by the SAP Mobile Time and Travel (SAP MTT) application. Expense reports and credit card receipts can be synchronized online and offline. Cost distribution is possible online and offline across cost centers, projects, internal orders, sales orders, WBS elements, etc. and the tight integration with SAP ERP Financials allows for real-time validation.

Both hard and soft warnings can be configured into the system to flag items that violate corporate policy and are available for audit. Depending on system configuration, users can either be stopped from submitting certain expenses or they can be asked to provide a justification. Based on these parameters, additional workflows can be triggered as well.

Throughout the process, users are presented with a standard Adobe form with a bar code that can be used for imaging paper receipts and sending that to managers for approval. At the pre-trip stage, this bar-coded sheet can also be sent to a travel agent to book travel, if the traveler is not using the online booking tool. This cover sheet generally contains the employee ID along with the unique trip number. Imaging of receipts is standard via a partner such as Open Text, Documentum, 170 Systems, etc. Optical archiving is enabled by SAP ArchiveLink.

Approval Workflow

SAP Travel Management integrates with the customer's existing SAP workflow, which is based on the organizational structure. Configuration can further drive audits to be sent to appropriate managers and/or auditors based on different behaviors of the end-user. Apart from this, an email workflow can be triggered, which allows managers to review and approve expenses and/or travel requests from within an email itself.

Expense Reimbursement

SAP Travel Management and the SAP ERP system support payments to employees as well as credit card issuers. Expense reimbursement to employees is available via direct bank deposit, payroll or accounts payable. SAP Travel Management is tightly integrated to SAP ERP Financials to facilitate posting to the general ledger.

Reporting & Analysis

The solution comes bundled with 25 standard reports for post-trip analysis, split between travel planning and expense reporting. Reports can be classified by expense type, region, and compared to budgets. Additionally, Infocubes for SAP Travel Management are standard in SAP NetWeaver Business Intelligence. SAP's recent acquisition of Business Objects will only make the reporting capabilities stronger and more comprehensive. Further, SAP's recent partnership with GetThere will bring in a host of RFP tools. Ad-hoc reporting is available through SAP Query, which allows users to easily create and save custom reports.

Implementation & Pricing

SAP uses ASAP, a standard methodology for implementing and continually optimizing SAP software efficiently. ASAP supports the implementation of the SAP system and of SAP Business Suite components and can also be used for upgrade projects. It

provides a wide range of tools to support all stages of an implementation project, from project planning to the continual improvement of the SAP system. The average implementation of SAP Travel Management is three to six months. Factors that determine the implementation timeline include the functionality being installed, number of countries, languages, credit card feeds and utilization of receipt imaging.

SAP Travel Management is part of the SAP Employee license for Employee Self-Service. This license fee usually includes additional SAP HCM components, such as time entry, for example.

Outlook

SAP is a global leader in the delivery of business software, including ERP and CRM applications. Over the last few years, it has created a strong position for itself in the travel and expense management space, especially with clients that are utilizing SAP as their back-end ERP application. We liked the fact that the travel solution resides under Corporate Services and can be implemented without having to use SAP's Financials or Human Resources applications. But at the same time, clients using SAP Travel Management have the benefit of tight integration with the ERP system, if they so desire.

Another interesting aspect is that SAP is moving away from its existing strategy of major releases and upgrades. Instead, clients will now have the flexibility of consistent enhancement packages that can be implemented or not, based on their specific needs. This will be a welcome change for any company that has had to deal with a major SAP upgrade every few years. Further, SAP is beefing up its solution functionality in the online booking and reporting areas with its recent partnerships with Sabre and Amadeus and its recent acquisition of Business Objects.

SAP has a strong travel management solution, the vision to be a leader and the deep financial resources to execute on its vision.