Data insight puts Southern Cross University on transformational course

The implementation of Concur® for travel and expense management focusing on the end user experience to empower employees and data analytics, has resulted in cultural and behavioural transformation for this innovative Australian university.

About Southern Cross University

Southern Cross University (SCU) is an Australian university operating from three main campuses at Lismore, the Gold Coast, and Coffs Harbour, and branch campuses in Sydney and Melbourne. The university was established in 1994, and currently has approximately 15,000 students enrolled from more than 60 countries studying on campus and via distance education. SCU offers undergraduate and postgraduate courses across a broad range of disciplines, designed in consultation with industry. Research is undertaken in areas that are regionally relevant and globally significant, in disciplines as diverse as geoscience, plant genetics, cetacean research, health and wellbeing and tourism.

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Richard Jones, Director of Financial Operations, Southern Cross University

Youth and Innovation as Key Differentiators

As a young and nimble university, SCU's key differentiator in the education sector has been its willingness to embrace innovation and change. Paradoxically, SCU has been hampered in pursuing that differentiation by its antiquated travel and expense management systems and processes, which had been developed in-house and have gradually evolved over the university's short, 20-year history – an age in technology terms.

Company Name:

Southern Cross University

Solutions

Concur® Expense

Concur® ExpenseIt Pro

Concur® Policy Audit

Concur® TripIt Pro

Concur® Business Intelligence

Industry

Education

Company Size

15,000 students, 850 employees

Location

Australia

Why Concur?

- Market leading, best-of-breed expense management solution

- Automation of highly manual and duplicate expense processes

- Powerful data analysis and reporting

- Supporting cultural transformation and alignment

- Increasing organisational capacity and efficiency

- Extension of functionality to mobile devices

"More specifically, we had the business challenge of an old, unsupported solution to manage expense reports and travel requests that was very manual and very challenging, with duplicate data and processes," said Richard Jones, Director of Financial Operations, Southern Cross University.

Travel is one of the biggest non-salary related expenses for SCU, with staff working at three main campuses, with the Gold Coast location currently expanding to cater for growing demand and as a destination campus for overseas students. There are also branches in Sydney and Melbourne, relationships with overseas agents and recruiters, and strong collaborations with international universities. Academics are often teaching for extended periods at other universities across the Asia-Pacific region.

"Our incumbent solution was a burning bridge, so we decided to look for a market leader as a replacement. We felt that the end user experience was more of a priority than any other integration benefits that we might see – so the travel request and expense reporting space was an area where we could look for a best-of-breed option as opposed to seeking an integrated or ERP product."

Insight into Behaviours and Business Objectives

SCU selected Concur as the solution for expense management, with the platform providing the university with the reporting and granularity of data to meet its financial reporting obligations.

Concur Expense was implemented across the organisation, currently taking in automatic data feeds from a corporate card-in-hand provider and a virtual business travel account (BTA). Concur Expense data is imported into SCU's finance system, with employee data updated into Concur from the University's Human Resource Information System (HRIS).

Refreshingly, SCU's focus and approach in its use of Concur Expense has been on the type of data that it reports on, not on how it necessarily ties in with its financial systems.

This different perspective has seen SCU moving away from decision processes around budgets, to one that provides insight into expenses in terms of behaviours and business objectives. Concur is being used to identify trends in terms of behaviour, rather than just how spending aligns to budget. Budget variance reporting is addressed through SCU's formal management reporting framework and delivered through its finance system.

"We felt that travel as an individual transaction is immaterial, but it's the aggregation of those transactions that causes it to be a material impact on financial performance. The aggregation occurs due to staff behaviour and changing business needs, therefore, in our reporting we focus on the why and where of staff travel, and how they are managing their expenses in terms of their travel purpose, funding source and receipt documentation," said Jones.

"Through our reporting from Concur, we can now see

make the user experience positive and seamless. It's all about the quality and the accuracy of the data," said Jones.

"Instead of trying to create process bottlenecks and grind people down through over-compliance and approvals at a trip-by-trip level, we'd rather see people get through the process cleanly, neatly and efficiently, and then report back to them on that data."

A good example of SCU's focus on the user experience is its policy on receipt thresholds since implementing Concur. For corporate card holders, SCU has lifted thresholds for receipts in line with Australian Taxation Office (ATO) requirements for a tax invoice to claim GST on an expense item.

"There is already a level of trust associated with giving a staff member a credit card, so if there is no receipt, our Concur system should provide us with enough data and level of comfort to know that it is a valid expense."

For out-of-pocket expenses there is not as much data automatically available, so SCU has set a lower threshold where an expense will be accepted without a receipt. There is also no chance for users to take advantage of these thresholds with regular fraudulent claims, as spending patterns are easily picked up in Concur's reporting.

Previously, SCU required every expense claimed to have a valid receipt, with users having to complete a statutory declaration every time they didn't have the documentation. Now, the university has been able to provide staff with a greater level of trust. The rich functionality and data provided by the use of Concur's ExpenseIt Pro's mobile receipt capture, emailed submission of receipts and web-based expense reporting, has enabled the university to largely decentralise the expense management process, freeing up valuable resources in the finance team to focus on more strategic activities.

exactly what percentage of travel costs are associated with meetings or conferences or workshops, or teaching activities, and that gives us a better insight into why we are travelling and what we are doing, rather than whether we are above budget or not."

He cites as an illustration how reassuring it is that when he reports on SCU's top ten travellers each month, they are mostly staff involved in international student recruitment: "and there is a direct correlation between travel and international student recruitment."

"The business purpose and the business need win the day."

User Experience and a Trust-based Approach

Capturing accurate expense data has been critical to the implementation and utilisation of Concur, with SCU taking a trust-based approach that focuses on a positive end user experience.

"Expense reports are one of the last things that you want to do in your day. The power is not in the process, it's in the data it collects – so you need to

Initially, mobility through Concur's ExpenseIt app was seen as very powerful with its ability to take a picture and upload a receipt into SCU's expense management system. Now, Jones finds that staff are taking advantage of Concur's email functionality as well.

"For example, using Ingogo, I don't have to capture my cab fare receipt or physically take out my credit card, and most hotels now offer the option to email me my invoice. In fact, receipts for most of my major spend items now come through electronically via email, which I can then forward on to Concur. It works perfectly."

Transformational Impact of Concur

More than just an automated tool for expense management, the power of Concur has been its ability to transform SCU's business processes and policies into best practice and drive both cultural and behavioural change in the organisation.

"We had a 15-year-old travel and expense management solution that had been customised to within an inch of its life, to the point that the university's systems and cultures were eroding into the product itself," said Jones.

"Our new Concur solution was part of a revolution; it wasn't a migration, it was a transformation."

As an ex-auditor, Jones wanted to ensure that Concur provided SCU with the necessary checks and balances so that the university understood where the risks were when deciding on the policies and processes to implement.

SCU has also been using Concur Audit in a discrete way for receipt image verification, but is planning to use it more systematically to combine with the rules and alerts within Concur Expense to pick up the gaps that occur through the process.

As a result of implementing Concur Expense, SCU has increased capacity and efficiency in the organisation,

> ## "The Concur technology gave us the monitoring and reporting we needed without having to take a heavy-handed approach to compliance."
> Richard Jones, Director of Financial Operations, Southern Cross University

freeing up resources to focus on more value-added services.

More importantly, it has allowed SCU's financial team to provide far greater insight into why and how the university is spending, which informs business decision-making and shapes policy.

"We can tell the organisation how and why we are travelling, and explore opportunities to use technologies like Skype more often."

"It's also a great leverage point to identify leakage outside our TMC."

Future Plans to Tackle Travel Management

SCU has rolled out Concur TripIt Pro as a stand-alone solution to manage the travel itineraries for its executives and high-volume travellers, which has been very well received.

The university is still to make a decision on a travel booking solution, how that will form part of a corporate-wide travel and expense management system, and in what way it will be integrated with SCU's travel management consultant (TMC).

"Regardless of the decisions we will ultimately make for a travel solution, we are looking forward to seeing the full benefits from an integrated, end-to-end travel and expense management platform."

About Concur

Concur, a part of SAP, is the leading provider of spend management solutions and services in the world, helping companies of all sizes transform the way they manage spend so they can focus on what matters most. Through Concur's open platform, the entire travel and expense ecosystem of customers, suppliers, and developers can access and extend Concur's T&E cloud. Concur's systems adapt to individual employee preferences and scale to meet the needs of companies from small to large.

Learn more at concur.com.au

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