How Hitachi Consulting Simplified Travel Expense Processing

CLIENT	Hitachi Consulting Corporation - an industrial digital solutions company, CIIS Solutions Partner
SOLUTION	Mobile Travel & Expense Automation Solution - Enterprise Edition

Case Study

Hitachi Consulting uses Oracle E-Business Suite iExpense ("iExpense") for T&E expense entry and manually controls keeping the business expense receipts organized to prepare an expense report. This process is tedious and time-consuming, considering the multiple sources and formats of the receipt documents - printed paper, vendor portal page, embedded email body and emailed pdf file attachments.

The Business Challenge

Hitachi Consulting's cut-off for expense report submission is twice per month. However, employees often struggle with timely expense report submissions, due to the administrative time and effort needed to prepare and submit their expenses for reimbursement.

Delays can cause issues for the employees as well as the company. Employee reimbursements can spill over multiple periods. From the company's perspective this can impede visibility to cash flow, affect proper expense cut-off for financial reporting, and potentially defer invoicing clients for project billable expenses.

Manual receipt submission

Collecting, compiling and organizing the business expense receipts is a manual process, prone to misplacing and losing receipts. There are many steps required to prepare the receipts for submission: scanning a printed paper receipt, printing to a file a vendor portal receipt, printing to a file an embedded email receipt and saving email attached pdf documents. Finally, combining into a single file or attaching multiple documents to the iExpense expense report. Locating missing receipts or submitting without proper receipt documentation results in delays in submitting for approval or reimbursement.

Problems caused by manual receipt submission

The major challenge for the employee is setting aside the administrative (non-billable) time. Typically, employees prepare their expense reports during non-work hours. It takes on average two hours for employees to prepare an average-sized expense report (two weeks of business travel and reimbursable expenses), and even longer if the employee has not submitted their expense reports timely.

For our organization, the major challenge is in approving and auditing the expense report. An Approver spends time locating and reviewing unorganized receipts attached to the expense report to determine if the expense is a reasonable and valid business expense, and whether it is properly charged to the correct project or cost center. Similarly, Expense Auditor repeats the same receipt identification and review for compliance purposes. Inherently, this is an inefficient and costly business process because there is no way to control and sequence the receipts for a logical, efficient review and audit process.

Automating the Travel Expense Process

Digital transformation is becoming a requirement to survive and thrive in today's digital marketplace. Recognizing the need for the business to grow and lead ahead of the competition, Hitachi Consulting is dedicated to optimizing business practices, so the company has decided to transform how it manages and reimburses employee travel expenses.

First, a pilot of the solution was launched to a small, representative group of employees, then it was released to all employees in the United States. The approach to the pilot phase was to gather a representative group of 50 employees from sales, delivery and administrative departments, ask them to use the solution and provide constructive feedback to prepare for a general release. At the time of the general release of the solution, to employees across the US organization, there were no surprises and the risks associated with a large deployment was mitigated.

What features/functionality of the solution were the most appealing?

The mobile T&E solution supports timely disposition of receipts when received. With the optical character recognition and artificial intelligence to capture and classify the receipt information into an expense report line, employees have the ability to compile their expense report real-time. It only takes a few seconds to process the receipt. In addition, there are user lists and defaults to capture other additional information required by the company's expense policies efficiently, all with only a few clicks. Hitachi employees can do everything required to submit an expense report on their mobile device, including submitting the expense report from their mobile device to iExpense for manager approval.

User adoption

The mobile T&E solution is simple and intuitive to use, at a relatively small cost to implement. The Hitachi implementation required configuring the company's expense template in the mobile T&E cloud application, and preparing the organization overall, with user self-guided learning videos and a communication campaign to promote awareness and drive user adoption. The employees quickly come to appreciate the fully integrated, mobile T&E solution. They value the time saving and are now able to submit their expense reports timely.

Lessons Learned

The Mobile T&E Solution is not a replacement for an existing application. Due to that, Hitachi found that the initial awareness and adoption was low. The employees are very busy, so changing their behavior and practices was slow at first. The benefits needed to be reinforced and articulated with compelling messaging to realize the expected change.

Business Benefits

For Hitachi employees, the greatest benefit is the overall satisfaction and improved utilization of their non-billable / personal time. For the organization, the main benefit is the increased process efficiency and reduced cycle time in the expense report to payment process. In addition, accuracy, receipt organization, and compliance with company policies have improved.

Why Canon

Canon is the global leader in imaging technologies applied to automating key business processes. As a Solutions Partner of Canon Information & Imaging Solutions, Hitachi Consulting has the opportunity to deploy efficiently and reliably a modern digital solution to accelerate the company's innovation and increase the competitive edge.

Looking Forward

Hitachi Consulting has over 6,000 employees, conducts business in over 80 countries and offices around the world. The company's plan is to implement the Mobile T&E Solution to all employees across the globe.

For more information, please visit www.ciis.canon.com.

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