Why your employees don't need a traditional corporate card

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Introduction

This may come as a surprise to you. Despite what their name suggests, traditional corporate credit cards were never built to manage the corporate payments of organizations today. In fact, the traditional corporate card is the number one cause of lack of spend visibility and control. Traditional corporate cards focus on the payment method, not the payment itself. They also increase the risk of fraud and waste finance teams and employees time every month.

The original credit card was not created to be used for distributed organizations, passed between employees. It was created simply as a payment method, for individual use. Issuing more and more corporate cards, so that each employee can have their own, doesn't address the challenges that come with the traditional corporate card, and are likely to make things more messy and complicated.

So, **what** should businesses be using instead of traditional corporate cards, and **how** can this help to gain real control and visibility over their payments?

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The **traditional corporate credit card** challenge

Employee exposure

Lack of payments visibility

Subsciptions suspension

Subscriptions payments management

Duplicate/redundant payments

Manual accounting management

Planning & insights

Reimbursement

Traditional spend management

A spend management system is a platform that centralizes all your company payments in one place, bringing automation, control, insights and visibility over your payments.

You can create approval flows, track & automate every part of your payment flow, issue unlimited virtual cards per subscription or corporate expense so that you have control over each transaction, collect & match receipts and get real-time alerts for any payment activity.

Essentially, it's a one-stop shop for everything you need to manage your corporate spend.

How does
smart spend management
benefit your company?

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01.

Continuous optimization of your corporate spend

Smart spend management isn't just another traditional corporate card with controls to reduce your monthly spend. It's a system that empowers you to truly understand each payment, with insights throughout your payment workflow that focus on continuous cost optimization.

You can rule out duplicate payments, discover cost effective alternatives, and frauds. With smart spend management, you can **quickly find out about unnecessary expenses**, like unused licenses or software subscriptions.

You might get these insights when a payment request comes through, or later on when an employee is leaving your company. As a finance manager, you will **finally gain true visibility into your company spend**, enabling you to always optimize costs.

02.

Save **time** & **effort** with automation

Probably one of the most frustrating elements of a finance managers (and let's face it... everyone else's) job, is the manual work. From excel sheets, to paper receipts, expense reports, matching transactions and approving payments - this can add up to dozens of hours each month.

For example, the average expense report can take [around 20 minutes](#) to fill out, and 18 minutes to fix any mistakes. Add to this the time spent chasing after your employees to submit receipts, it quickly becomes a large (annoying) portion of your time.

A smart spend management system uses automation to streamline your payment processes, such as:

- Match receipts automatically
- Approve payments on the go
- Auto-receipt reminders
- Approval flows
- Reconcile your expenses and sync to your ERP

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03.

Real-time visibility for all your spend, in one place

Traditional corporate cards offer little, or no visibility over your spend. Traditional spend management platforms provide finance managers with some level of visibility with the option to track all payments, approvals, requests - as they take place with alerts, saving companies up to **20% of costs**.

Smart spend management steps it up a notch, offering all of the above, and the ultimate level of visibility by connecting to all your company SaaS and shedding light on your corporate spend. This visibility enables you to learn when employees are onboarding and offboarding and how it affects your payments. You'll also see which SaaS subscriptions aren't being used, different licensing options, any upcoming business travel plans and more.
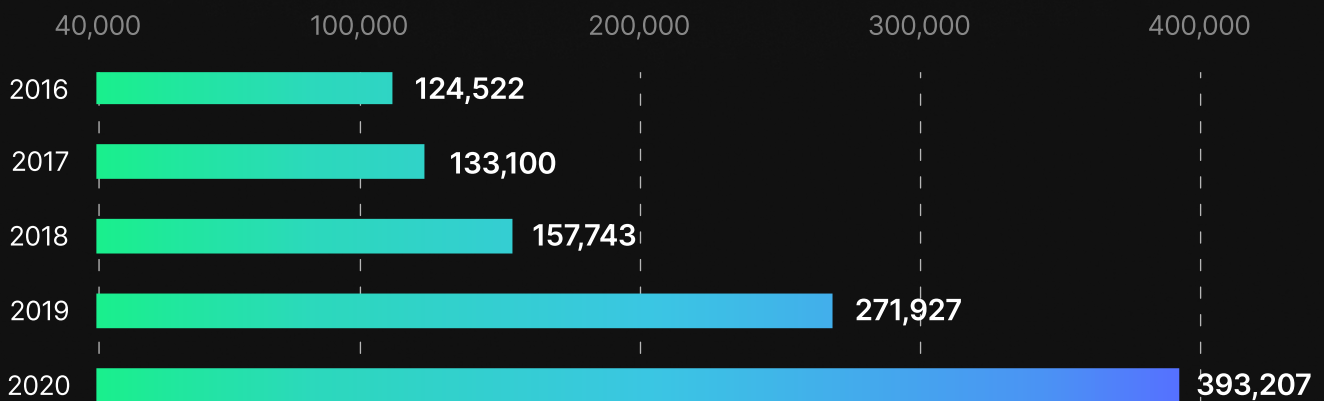
04.
Reduce the **risk of frauds**

Having a traditional corporate card transferred from employee to employee can expose the corporate card and increase the risk of fraud, both internally and externally. While spend management systems can reduce this risk, they still rely heavily on traditional corporate card use and can result in abuse, stolen or lost cards. With **travel expense frauds costing US and UK businesses $1.9 billion each year**, this isn't something to be taken lightly.

Smart spend management makes payments easy to track, with real-time notifications about every payment. You'll be alerted about suspicious expenses instantly and can cancel payments with one click. Because you are focusing on each payment, rather than the method of payment, you never need to worry about card abuse with vendor locks, spend limits and expiry dates.

Traditional credit card **fraud reports** in the US

Year		
	40,000	100,000	200,000	300,000	400,000
2016	124,522
2017	133,100
2018	157,743
2019	271,927
2020	393,207

Data source: Federal Trade Commission (2021)

05.

Run your business **24/7**

The problem with having all your payments dependent on one traditional corporate card is that if anything goes wrong with the card, like the card expiring or a payment failing, this can seriously affect your business and result in huge interruptions, possibly even downtime due to not paying suppliers.

Something like this can **result in losses of $9,000 per minute**.

Not something you want to go through.

However, using smart spend management will make sure you never have any payment failures, with mission critical alerts around the clock and having cards attached to each payment so that one card cancelation, won't negatively impact all your payments.

Replace your traditional corporate card with **smart spend management**

Traditional spend management solutions may address some of the challenges that come with traditional corporate cards. You'll get some level of control and visibility. You'll probably get some integrations as well with your ERP system. However, at the end of the day - these traditional systems are still mimicking traditional corporate cards by issuing multiple employee cards and focusing on the payment method, not the payment itself.

On the other hand, smart spend management, such as **Mesh**, focuses on what the company is paying for, not how the payment is made. Whether it's travel, SaaS, HR, marketing or any corporate expense - finance teams get actionable insights that empower them to always optimize their spend.

About **Mesh**

Mesh empowers finance managers with a whole new level of visibility and powerful tools so they are equipped with everything they need to optimize and control their corporate payments. Mesh transforms the way finance teams operate with a centralized and automated spend platform, with a tailored solution for every payment, providing maximum flexibility while saving time and effort at every step of the payment journey.

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Ready to get
all-new insight & control
over your payments?

Get a demo and our team will reach out to your shortly

Get a Demo