

Center 2024 Annual Trends Survey Report: Insights into Expense Management

In our fifth annual survey, we heard from 200+ US finance leaders about their experience with travel and expense management tools. Here's what we learned.

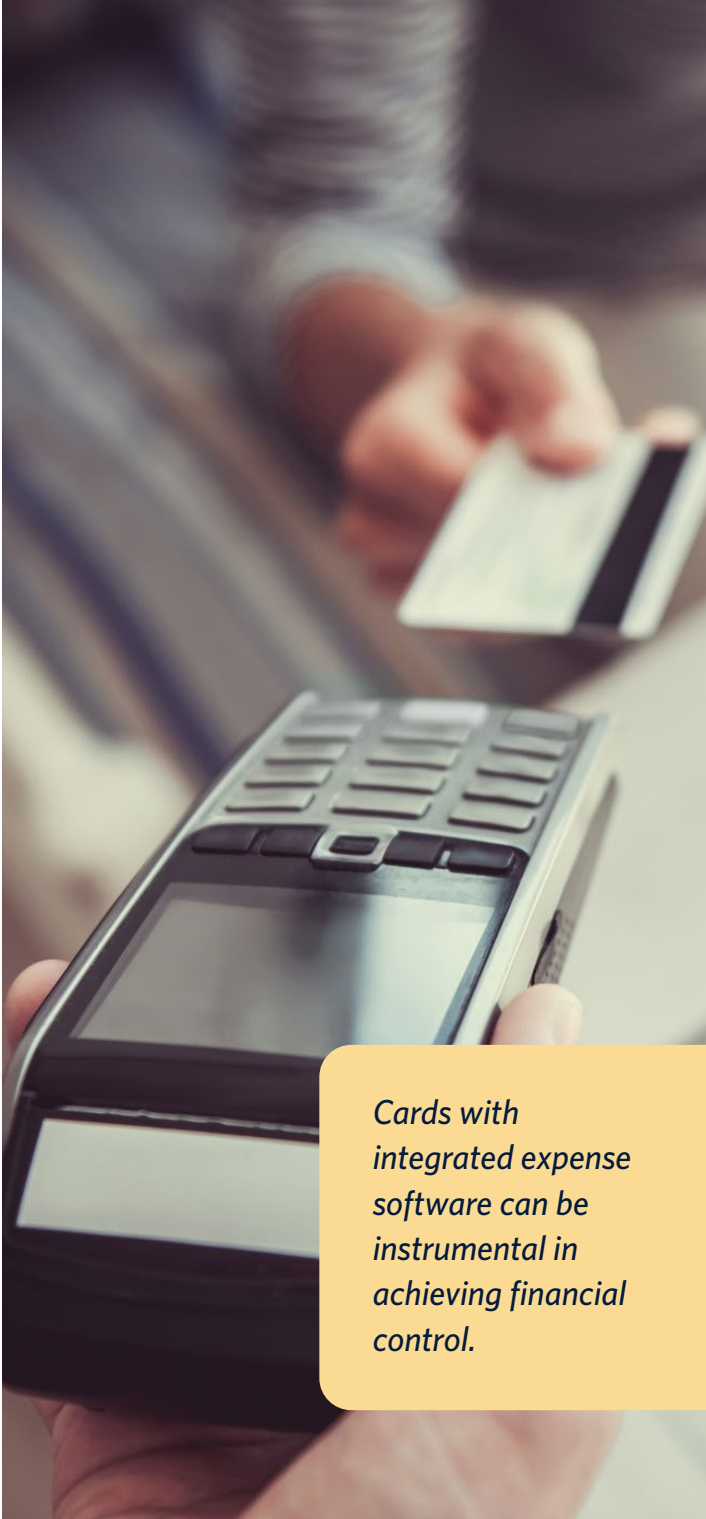
In our fifth annual survey, we uncover the evolving practices of expense management in small and medium-sized enterprises (SMEs) and the factors that influence change. We heard from 200+ US finance leaders, providing a current pulse on trends and challenges in travel and expense.

As the work landscape continues to evolve, expense management struggles to keep pace. Decentralized employee spending is an ongoing challenge for SMEs—especially in remote and hybrid environments. The survey reveals that while businesses are attempting to control employee expenses by increasing corporate card distribution, they're not adopting spend management tools at nearly the same rate. This leaves employees with a heavy load of tedious manual processes that slow down finance departments, budget managers, and spenders.

Intelligent solution adoption can help ease manual expense challenges for businesses.

1 Corporate Card Distribution Climbs, Yet Expense Software Adoption Stalls

Corporate card distribution has continued to climb over the past few years, and 2023 was no exception, growing 46% over 2022. More than a quarter of SMEs also reported they want to further expand their corporate card programs in 2024.



Cards with integrated expense software can be instrumental in achieving financial control.

Expense Software: Room for Growth

The adoption of expense management software is not keeping pace with corporate card distribution—tool implementation only increased by 2% in 2023. The resulting misaligned growth leaves finance departments to bear the burden of manually reconciling credit card statements and expense reports each month, wasting valuable time and attention.

Closing Times Extend

The impact of increased card use without centralized expense management is reflected in the books. Even with a 3% dip in paper processes, closing times have stretched to 14 days on average, up over last year. Companies that leverage automation and cloud-based/hybrid accounting solutions can significantly impact speed to close, on average 15% faster.¹

2 A New Era of Work Travel

The work landscape has shifted, and companies are responding. With the rise of hybrid and distributed workforces, businesses need both flexibility and visibility to ensure budget control and policy adherence. 51% have revamped their travel policies to keep pace with the hybrid work model; 20% charted this territory for the first time last year.

Evolving for Hybrid Work: Managing Rising Travel Spend

With business travel expected to surpass pre-pandemic levels in 2024², a third of companies report that these workforce changes have made it harder to maintain control over travel spend. 64% of SMEs are experiencing leakage (travel booked outside of corporate travel booking tools), up from 57% the previous year, making it even more difficult for businesses to get in front of the second-highest line item on the ledger.

MORE IRL; MORE TRAVEL

Travel is becoming a necessity for better internal team productivity and external client connection—but driving efficiency looks different when employees are no longer under one roof. In 2024, corporate travel managers expect their organizations' travel budgets to grow approximately 8% year over year as expectations for virtual meetings decrease, as reported by Business Travel News.³



Pain Points Persist

Expense Reporting Drains Resources

Filling out expense reports remains a significant challenge; for more than four years, nearly half of SMEs have consistently singled out excessive time spent on expense reports as a major issue.

Navigating Policies is Unnecessarily Complicated

The challenge of understanding and adhering to expense policies has doubled in its impact this year, signaling an urgent need for clearer guidance.

Reconciliation is a Roadblock

Credit card reconciliation takes too much valuable time and attention from finance teams.



Businesses must be proactive to avoid costly travel budget overruns.

¹ [Sage 2022 Close the Books Survey reveals key strategies for organizations to attain a faster financial close and unlock greater value](#)

² [Global Business Travel Industry Forecast is for Accelerated Rebound, Spending to Reach \\$1.8 Trillion by 2027](#)

³ [Business Travel News: Survey: "Most Buyers Project 2024 Corp. Travel Budgets to Grow."](#)

The Push for Consumer-Grade Solutions

A positive employee experience emerged as a new top motivator to replace current travel and expense systems; nearly 60% of professionals would switch to a solution that integrates travel, expense, and card management—with an improved employee experience stacking up almost as high.

3 Navigating the Fog of Compliance and Control

Despite attempts to harness compliance, it's still a leading issue. Employee understanding and awareness of existing policies remain the top challenges—no change from last year. And there's a dip in the curve; only 39% of companies now have a written, up-to-date policy, a 10% fall from two years prior.

Absent or Outdated Policies Abound

Employees will not comply with rules if they don't exist. Enforcing a non-existent or inaccurate policy will likely hurt the bottom line; a third of companies admit their policies are outdated, with 22% lacking any written policy.

Decentralized Spend Rises Without Guardrails

As spend behaviors evolve, policy enforcement lags. More bookings are happening off-platform now than before the pandemic, and decentralized travel purchases are up for 27% of SMEs. Not surprisingly, 32% have introduced stricter policies to plug the leaks.

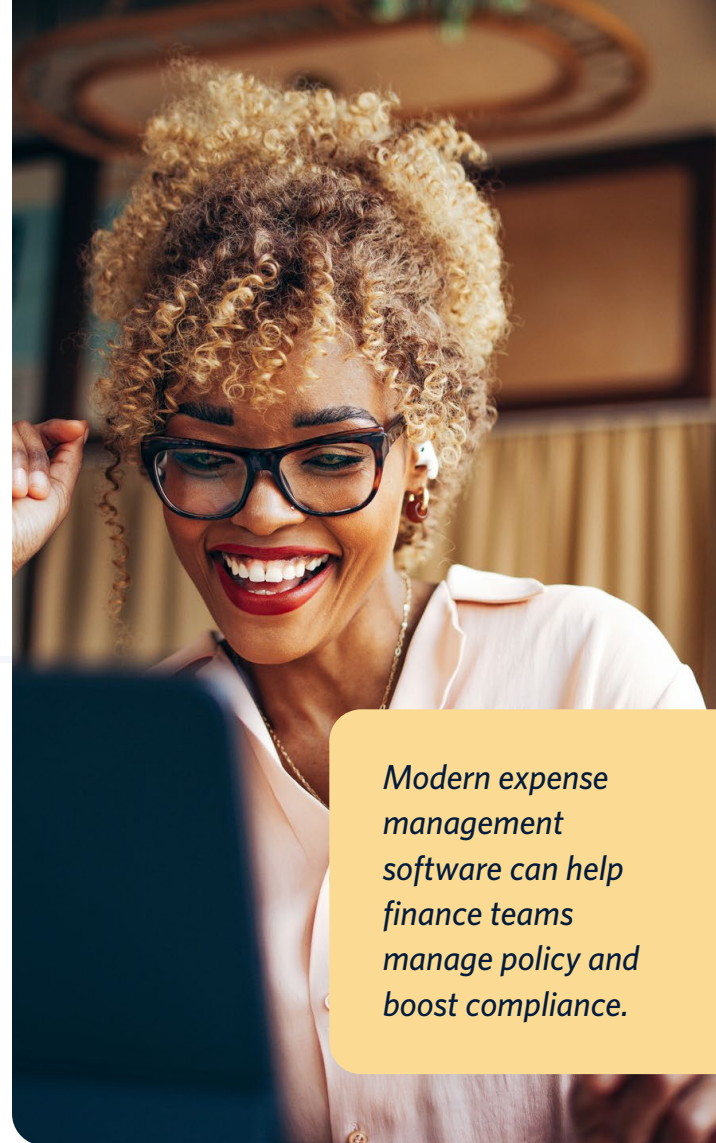
CONCLUSION

In this climate of shifting compliance norms, it's more crucial than ever for finance leaders to cut through uncertainty. The gap between spend behaviors and policy control is widening. As business spending changes, expense management must also evolve. Driving efficiency and time savings for finance teams with modern expense management tools should be a top priority for companies looking to create a culture of financial responsibility and profitable growth.

Source: [Center 2024 Annual Trends and Benchmarking Survey](#)

About Center

Center is a software company modernizing corporate card, travel, and employee expense management with one integrated solution. Our corporate card and connected software gives businesses real-time visibility into all employee spending, automates manual accounting tasks, streamlines travel booking and expensing, and provides finance teams with the controls and data needed for optimal decision making.



Modern expense management software can help finance teams manage policy and boost compliance.