

Expert insights

How corporate cards streamline expense reconciliation

If you've moved your travel booking processes online and are enjoying the efficiencies and reporting capabilities that this provides, then you'll appreciate what using a corporate card can do for your business travel expense reconciliation ebook.

From simplifying the travel booking process to receiving data-rich transactional information specific to each employee, the benefits of linking corporate cards to your travel booking process speak for themselves.

We asked Flight Centre Travel Group's Finance and Data Delivery Regional Leader, Angela Jones, to provide an overview of corporate cards and how they can streamline your travel booking and expense reconciliation processes.



What is a corporate card?

When we talk about a corporate card, also known as a business card, we simply mean a bank-issued credit card that is used as a payment tool for company spend. It's a specific type of card though, and one that opens a world of possibilities when it comes to expense reconciliation.

"When you issue your employees with a corporate card, they are given an individually identified card linking back to your business account. They can use this as they would any credit card based on the company's travel policy, but specifically for purchases on behalf of their company to do their day-to-day work," says Angela.

The main difference between a consumer or personal credit card and a corporate card are the number of cards that can be linked to an account. With a personal card, you're usually only able to link two cards to an account: a primary and secondary card. However, there can be hundreds of corporate cards linked to a business account.

And there are different corporate cards available depending on what your business values, such as rewards, low interest rates and fees, or frequent flyer points. But essentially, it is the ability to track spending that makes having corporate cards worthwhile.

Benefits of corporate cards for business travellers

When you rely on your employees to keep receipts and reconcile manually at the end of each trip or month, chances are there will be errors and costly delays. But when you have transparency of your travel spend through corporate card tracking, you have a greater ability to manage and consolidate your expenses.

"Reconciliation is very important, especially for small and medium businesses, and anything that can be done to streamline the process and make it electronic is going to save time and money," says Angela.

When your employees book travel and make purchases while on the road using a corporate card linked specifically to them, your business is able to identify which transaction and expense is for which employee.

"Another advantage of using a corporate card is the enhanced data; your business can use the data from those transactions to track the expenses and link them back to the employee," says Angela.

But it's not about watching your employees' spend closely, says Angela: "It's about saving time by streamlining your travel expense reconciliation process and making informed decisions by having complete data sets to generate reports from."

How to streamline expense reconciliation with corporate cards

Establishing transparency in your travel expenses is as simple as embedding the payment card into the travel process. By linking your employees' corporate card within their profile on your online booking tool, that specific card number will be used to book that employee's travel, including flights, accommodation and ground transfers.

"Having a corporate card linked to an employee's profile certainly makes it easier to pay for the bookings, but in addition, the ability to electronically reconcile expenditure for the whole trip is only possible when using a corporate card in this way," says Angela.

Corporate Traveller has partnerships with card companies Visa, Mastercard, American Express, Diners and Airplus to enable us to provide transactional enhanced data back to your business. This is what the process looks like:

1. Your business acquires corporate cards for your employees from your preferred card provider
2. Your travel Booker or employees record their card number on their Corporate Traveller online booking tool, linking that card to that employee
3. When travel bookings are made, Corporate Traveller sends the rich enhanced data from the card's transactions to the card provider
4. The card provider will provide the data back to your business for reconciliation within your expense management system

Your electronic transaction data will also show all the transactions from that card that the employee made while travelling, providing a complete view of your travel expenses.

"The difference in using this process is that it enriches data for reconciliation; and that's the key to an efficient travel program," says Angela.

Link corporate cards to maximise benefits

If you've already issued corporate cards to your employees, or you're planning to, talk to your dedicated Travel Manager about linking the cards to individual traveller profiles in your online booking tool, and make sure they are kept up-to-date as the cards are renewed.

**To find out more, visit
corporatetraveller.com.au**

The information in this article is general in nature. You should consult your financial advisor to determine if a corporate card is right for your business. Australian OpCo Pty Ltd (ABN 20 003 279 534) trading as Corporate Traveller. ATAS Accreditation No: A10412. CAR-1092