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Transformation
Happens Here

Reining in T&E risks with compliance-as-a-service

An automated way of monitoring expense fraud and preventing unauthorized spend

Business disruption has put pressure on enterprises to bolster sales targets and find new suppliers quickly. This means opportunities for fraud and corruption have also increased. The hard truth: your company faces heightened risks from travel and entertainment (T&E) expenses. The financial loss to companies from fraudulent and noncompliant T&E claims is significant. Multimillion-dollar penalties for noncompliance are just one of the consequences. Reputational damage that shatters all-important trust is another. And spend leakage is almost inevitable.

Regulators are clamping down heavily on non-compliance by monitoring corporate spend more closely. As anti-bribery and anti-corruption (ABAC) regulations across the globe continue to become more stringent, organizations are expanding regulatory risk coverage to T&E reimbursements.

The good news: today's technologies, such as artificial intelligence (AI) and machine learning (ML), can help turn T&E auditing into an automated, highly efficient, and robust process. By combining functional knowledge with the insights digital technologies generate, organizations can confidently manage risk, meet regulatory requirements, plug lost spend, and cut annual T&E costs.

A strategic partnership brings innovation to expense audits and compliance management

Taking advantage of digital technologies calls for partners with long-held expertise – and that's what Genpact and AppZen offer. The alliance combines Genpact's risk-and-compliance-management expertise, skills in digital transformation, and deep finance-and-accounting process knowledge with AppZen's AI and analytics technology, which more than 1,800 global enterprises trust.

Our joint compliance-as-a-service (CaaS) solution (figure 1) lets finance teams identify T&E exceptions and address regulatory issues in near-real time. CaaS also enables employees to follow their corporate policies and meet their compliance obligations. In addition, it quickly identifies spend leakages. And with a better, quicker understanding of transactions, your accounts payable and controllership teams can more easily make strategic decisions based on company policies and processes, all while reducing operational costs and enhancing compliance.

CaaS: A multifaceted solution

CaaS cleanses data from disparate expense-management systems, then centralizes it to review 100% of transactions and check for anomalies in near-real time. It applies AI-driven customized algorithms to review regulatory, fraud, and policy compliance. It can also analyze multilingual T&E data sets.

Our solution syndicates data from internal and external sources through a proprietary keyword search list. And it accesses Specially Designated National, Office of Foreign Assets Control, and politically exposed person lists, among others, to identify noncompliant and fraudulent transactions.The CaaS solution starts working from the moment an employee submits an expense, conducting prepayment analytics and sending exceptions for auditor review. When an expense request is approved, the system authorizes payment. It also conducts a post-payment review of all submissions to identify spend patterns, perform root-cause analysis of issues, and define improvement actions.

By cross-checking expenses and receipts and using thousands of online sources, our AI engine extracts key pieces of information from each claim employees submit. That way it finds duplicates, draws attention to out-of-policy spending, highlights noncompliant or excessive spend, and exposes suspicious merchants.

The solution's features include:

- Real-time reviews of 100% of expenses to proactively avoid regulatory violations and sharpen fraud detection

- Application of AI, ML, machine vision, and language neutralization to make the solution future-ready

- A system that detects, dissects, and flags exceptions across policy, regulatory, and fraud-risk areas

- Root-cause analysis and actions tracking by a team of risk and compliance experts to enhance compliance and improve employee spend behavior

- Interactive dashboards to drive increased visibility of global, regional, and out-of-policy spend

Figure 1: Our joint compliance-as-a-service solution

Compliance-as-a-service (CaaS) solution
AppZen's patented AI technology + Genpact's domain knowledge

| Employee expense submission | Prepayment analytics | Exception review by auditor | Employee payment | Post-payment review |

Client — appzen — genpact — Client — genpact

The big benefits of streamlined T&E

AppZen's patented AI technology to automate expense audits and preempt fraud and Genpact's risk-and-compliance knowledge make for a truly winning combination. Our CaaS solution offers a huge improvement over standard T&E audit processes, helping organizations monitor regulatory compliance and fraud more closely than ever. With detailed root-cause analysis, finance leaders can enhance preventive controls and improve employee spend behavior.

This user-friendly compliance-as-a-service solution steps beyond standard approaches to give your company actionable insights into business spend trends. Your team will spend less time reviewing expenses and reduce audit cost by approximately 40%. You'll pay employees faster. You'll reduce errors, cut between 3-5% of your organization's T&E spend, improve risk coverage and cash flow, and enhance transparency and governance.

Adopt a new way to de-risk, and strengthen your organization's T&E audit processes when it has never been more important. It's time to take action.

Learn more about the Genpact and AppZen alliance here.

About Genpact

Genpact (NYSE: G) is a global professional services firm that makes business transformation real. We drive digital-led innovation and digitally-enabled intelligent operations for our clients, guided by our experience running thousands of processes primarily for Global Fortune 500 companies. From New York to New Delhi and more than 30 countries in between, we connect every dot, reimagine every process, and reinvent companies' ways of working. Transformation happens here.

For additional information visit https://www.genpact.com/risk-compliance/risk

About AppZen

AppZen is the leader in AI software for finance teams. Over 1,800 global enterprises use AppZen to automate manual finance processes, reduce expenditures, and gain real-time insights into their business spend trends. Our patented software technology delivers AI deep learning, semantic analysis and Star Match™, the only automated spend validation that processes intelligence from thousands of data sources, documents, and images to understand financial transactions and make decisions based on finance policies. AppZen is the platform of choice for today's digital CFO and their teams, including four of the top five banks, four of the top ten media companies, four of the top ten pharmaceutical manufacturers, two of the top five aerospace companies, and six of the top ten software providers.