SAP Concur ⊡

SAP Concur Case Study | CYCAS HOSPITALITY
SAP Concur Travel & Expense

Cycas Hospitality Cuts Costs and Improves Financial Management with SAP Concur

THE BEST RUN **SAP**

Quick Facts

Company Name	**Location**
Cycas Hospitality	Amsterdam, The Netherlands

Solutions
• Concur® Travel & Expense

Why SAP Concur?
• Establishes expense management consistency in 12 European countries
• Integrates well into the existing system landscape
• Makes it easy to manage and ensure compliance across multiple jurisdictions

Industry
Hospitality Industry

Company Size
700 employees

ABOUT CYCAS HOSPITALITY

Cycas Hospitality provides both hotel management services and operates hotels throughout Europe. The company manages and runs hotels for several major international hotel franchises, including Marriott, IHG, Hilton and Accor, as well as unbranded independent hotels The company, which was founded in 2008, was voted "Best Place to Work in Hospitality" in 2018 and 2019. In total, Cycas' portfolio comprises more than 5,000 hotel rooms in Europe and the United Kingdom.

Peter Habelitz was appointed CFO of Cycas in December 2019. One of the main objectives he was given by Cycas shareholders was to set up the Finance Department and to improve, automate, and digitize processes. He quickly discovered that there was much room for improvement in terms of digital automation - including travel and expense management.

"When I started, the Finance Team was very small and almost everything was outsourced. The financial systems that Cycas was using at that point in time were mostly stand-alone, isolated systems. Data had to be exported and imported to and from the accounting system manually, for example. The travel and expense management system didn't offer the possibility of reclaiming VAT. While this was an affordable solution, it wasn't user-friendly and far from advanced. This was especially the case with the back-end functions. That said, it was easy for the users: They could enter all their expenses 1:1 into the system, but there was no way to distinguish VAT. That meant that all our expenses were actually 10 percent higher due to the lack of a VAT reclaim procedure. If you consider that we're talking about almost half a million euros in travel and other expenses per year, that's a lot of money", says Habelitz.

Towards an integrated IT Infrastructure

Habelitz envisions a fully integrated IT infrastructure for Cycas. The company had also purchased a number of other SAP solutions, and it soon became clear that these could not be integrated with the existing finance solution. As he already had very positive experiences with SAP Concur at previous employers, he knew straight away that he would opt for the SAP Concur travel and expense management solution.

"My goal was – and still is – to thoroughly **modernize our financial environment**. I want to make sure that we can reclaim VAT and that our expense claims are submitted correctly, for example. We also want to improve user compliance, through policy rules for expense claims, with a crystal-clear description of which expenses can be claimed by our employees,"

Peter Habelitz, CFO, Cycas Hospitality

Travel and expense fully integrated

Thanks to the travel functionality of SAP Concur Travel & Expense, Cycas can now make sure that employees comply with company business travel policy from the minute they book their trip. In addition to this, the number of manual steps is limited as much as possible thanks to API integration with Cycas' ERP system. According to Habelitz, this can involve some complex processes.

 "Cycas employees regularly travel to the hotels that we manage, for example. Some of the expenses associated with this have to be charged to that hotel. Thanks to SAP Concur, the manager of that hotel can now also be included in the relevant approval process for these costs. So any expenses incurred for one of our customers must be approved by not only one of our managers but also by someone from the hotel. This means that both Cycas and our customers gain far greater insight into the various costs. Although this is a fairly complex workflow, it was actually quite easy to set up in SAP Concur."

The implementation of SAP Concur by NTT DATA Business Solutions and the transition to this new system went very smoothly. Although employees had to get used to the fact that they could no longer book all expenses as a single large item, they soon discovered that expenses could be recorded very quickly and easily. Today, 60 to 80 percent of all travelling Cycas employees use SAP Concur (not all countries have rolled out SAP Concur yet).

"We were able to successfully complete this complex SAP Concur Travel & Expense implementation within the scope, budget and the agreed time. The key to our success? Open lines of communication. This is extremely important when multiple people and organizations are involved", says Marc van Berk, Project Manager at NTT DATA Business Solutions.

VAT reclaim and better insight

The accounting team in particular is very enthusiastic about the new solution. Habelitz: "Everything is now automated. When an expense claim is recorded, the correct codes are automatically entered, and the relevant approval processes are initiated with a single click. There is more insight into the expenses incurred, which allows for much better management. Thanks to this solution, we have been able to achieve time savings of 50 percent in the back office, and this could increase even further."
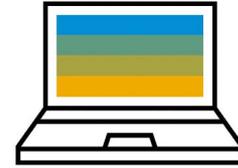
Another important advantage is that Cycas can now quickly and easily separate, record, and reclaim the VAT costs of travel and expenses. "This provides us with savings of 10 percent compared to the old situation. We have already been able to claim over 75,000 euros in VAT. In addition, the compliance of our VAT claims has greatly improved, which means we avoid the risk of incurring fines for incorrectly submitted VAT claims, which can be high", continues Habelitz. The SAP Concur solution also delivers significant time savings for Cycas' finance team, while compliance for business travel and expenses has also improved substantially. Ninety percent of travel and expense claims submitted are now completed and submitted correctly. The company expects to recoup its investment in SAP Concur within a year.

Goals achieved

SAP Concur more than meets the expectations of Habelitz: the objectives of modernizing and automating the financial systems, improving compliance, and enhancing financial visibility and management have been achieved.
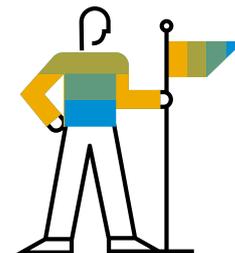
Cycas first rolled out SAP Concur in key markets, the Netherlands and the UK, Belgium, Germany, and France will be following soon. As Cycas expands to more countries, SAP Concur will also be rolled out there.

"The beauty of this solution is that it is not some stand-alone system for booking travel and expenses but is really **fully integrated** with the back-end."

Peter Habelitz, CFO, Cycas Hospitality

ABOUT SAP CONCUR

SAP® Concur® is the world's leading brand for integrated travel, expense, and invoice management solutions, driven by a relentless pursuit to simplify and automate these everyday processes. The highly-rated SAP Concur mobile app guides employees through business trips, charges are directly populated into expense reports, and invoice approvals are automated. By integrating near real-time data and using AI to analyze transactions, businesses can see what they're spending, improve compliance, and avoid possible blind spots in the budget. SAP Concur solutions help eliminate yesterday's tedious tasks, make today's work easier, and support businesses to run at their best. Learn more at concur.com or at the SAP Concur blog.
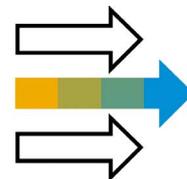
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