

Electrolux gains efficiencies and improves compliance with AppZen's AI-powered Expense Audit



CHALLENGE

- Streamline the expense process
- Create a seamless traveller experience
- Increase regulatory and policy compliance

SOLUTION

- AI-powered Expense Audit

RESULTS AND BENEFITS

- Reduced processing costs
- Increased accuracy
- Created a more efficient expense process
- Reduced auditor workload
- Improved employee behaviour

INTRODUCTION

Electrolux, founded in Stockholm in 1919, is a global leader in the manufacture of household appliances and sells over 50 million products in over 150 markets annually, including well-known brands such as Zanussi and Frigidaire. The company has close to 50,000 employees, offices and factories across the world, and two shared service centres (SSCs). Electrolux prides itself on the maturity of its Global Travel Management team, which looks after the company's end-to-end travel programme, including payments, expense management and regional policies.

THE CHALLENGE

Electrolux's automation challenge was to increase centralisation and improve processes, while delivering a seamless experience for its many business travellers. The company also needed to maintain its high standards and objectives around both regulatory and policy compliance.

Electrolux was manually auditing 100% of T&E claims and ensuring timely, correct reimbursements—a thorough but time-consuming and repetitive process. Expense reports were first approved by a manager and then checked, line by line, in the SSC. Rejected claims went through the process again, sometimes repeatedly. Receipts appeared in different languages and reports showed varying levels of adherence to T&E policies. Duplicates were difficult to spot, additional approvals slowed operations, and it was impossible to form an overall picture of repeat offenders. Some auditors did not have the knowledge and experience to find all the errors and anomalies, and too much time was spent on low-risk claims submitted in line with policy.

Electrolux sought a solution that would automate the process and allow their auditors to focus only on T&E claims requiring a higher level of attention.



We've managed to free up our auditors' time. They're able to dedicate more time to value-added activities, such as analysing trends in travel programmes, traveller behaviour, repeat offenders, or policy changes."

DOMINIKA MURZYNOWSKA

GLOBAL INDIRECT PURCHASING MANAGER,
ELECTROLUX





With AppZen's AI, we can see and focus on the most frequent, high-risk reasons and drive behavioural or policy changes. We have insight into risky expense types and can better understand the scope, size, and type of risk."

DOMINIKA MURZYNOWSKA

GLOBAL INDIRECT PURCHASING MANAGER



THE SOLUTION

Electrolux spent time searching for an innovative solution before choosing AppZen. AppZen's Expense Audit was able to integrate with Electrolux's expense automation system to audit every line item in their expenses, in real time. With its high level of flexibility, AppZen's AI could provide Electrolux with the key pieces of information from receipts to catch all major anomalies, such as duplicates, out-of-policy spend or excessive charges, and to meet the required policy rules.

Electrolux rolled out the technology first in the UK in February 2019, then continued with the US, ANZ, and Sweden.

RESULTS

Electrolux found four main areas of improvement in their expense management and audit processes: cost savings, accuracy, efficiency and speed, and improved employee behaviour.

The software proved to be substantially lower cost than the team in the SSC that previously carried out expense processing. With AI being more reliable and working consistently around the clock, approval times are now 60% faster and claims are reimbursed in a fraction of the time, providing greater employee satisfaction.

Most importantly, Electrolux sees considerable long-term value in the marked improvements in employee compliance. The company also values the ability to identify repeat offenders and tighten policy where necessary. Auditors have been freed from repetitive tasks to engage in more valuable and fulfilling work, including building system improvements. This has greatly increased motivation and staff retention.

BENEFITS

The effects were seen almost immediately. More languages were covered, and unreadable receipts began to be rejected instantaneously. Electrolux can now identify entertainment costs claimed as a meal, catch duplications across expense claims or by different employees, flag managers signing off employee expenses for events at which they were present and deny claims outside of policy. With AppZen's AI solution reviewing employee compliance history, and a traffic light system to flag risk, audit now occurs prior to line manager approval, meaning reduced workload for the manager. Electrolux considers the insights into expense behaviour and the possibilities for behavioural change to be amongst the greatest benefits of implementing an AI solution.

Overall, Electrolux has seen significant cost savings in just 18 months. After realising so many benefits, the company now has plans to expand Expense Audit globally.