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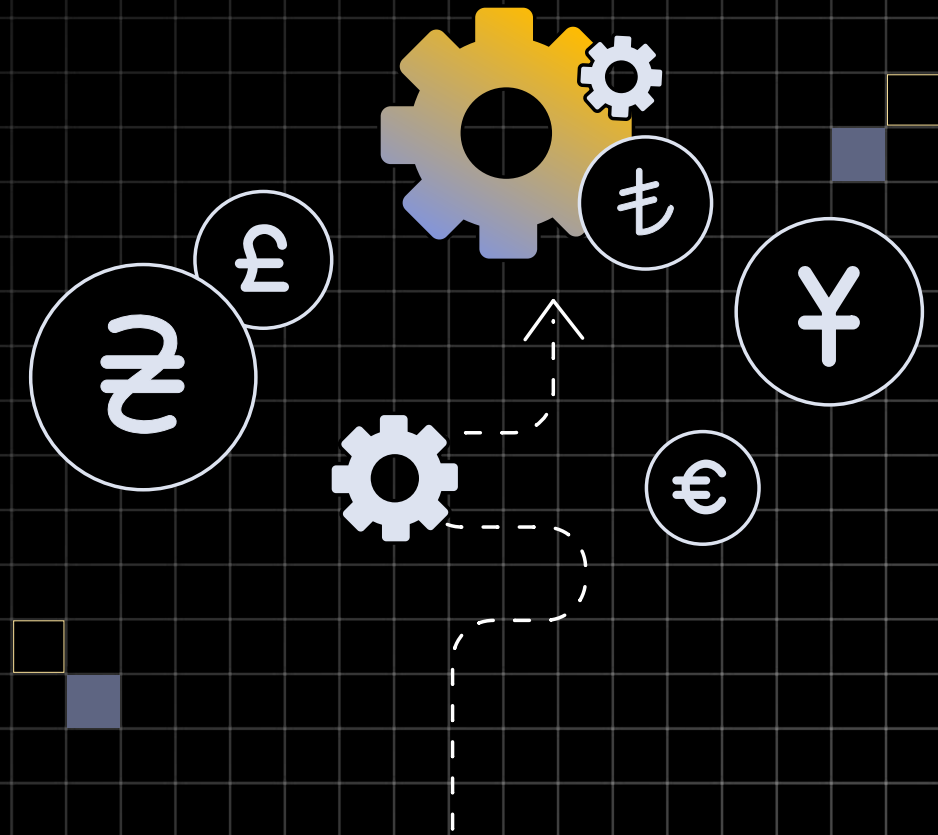
Breaking Through the Barriers to Finance Automation

How Tipalti's finance team used change management to unlock growth

Anyone who's implemented finance automation solutions will tell you the benefits are immediate and undeniable, such as faster payment processing and reduced manual errors. But finance automation does so much more than just drive transactional benefits. When deployed holistically, finance automation can be transformative. It accelerates profitable growth, enhances efficiency at scale and speed, and frees up finance professionals to focus on more strategic work.

But sometimes, the journey from transactional to transformative impact can feel a little daunting. As with any digital transformation initiative, there are cultural considerations to navigate and a change management exercise to conduct. In this guide, we'll lay out the behavioral barriers to overcome when implementing finance automation, how to achieve its full potential, and the strategic questions to ask yourself along the way. And we'll use the Tipalti finance team's own journey through automation as a guide for managing this critical process.

The Mandate
for Profitable Growth

Companies of all sizes in all sectors continue to face unrelenting pressure to drive growth and stay competitive. Whether it stems from investor expectations or market disruption, this mandate to grow—and to do so profitably—can be a difficult challenge for the finance professionals who enable that growth, especially in an increasingly uncertain economic and geopolitical world.

In fact, **Gartner's most recent global survey** of CEO and CFO priorities found that 62% of CEOs and 65% of CFOs cited growth among their top three priorities for 2025. For comparison, the next closest priorities were leveraging new technologies (32% for CEOs, 37% for CFOs) and optimizing the workforce (26% for CEOs, 33% for CFOs). Bottom line: Despite all the economic, technological, and societal turbulence we're going through, many business leaders are still on a quest for profitable growth above all else.
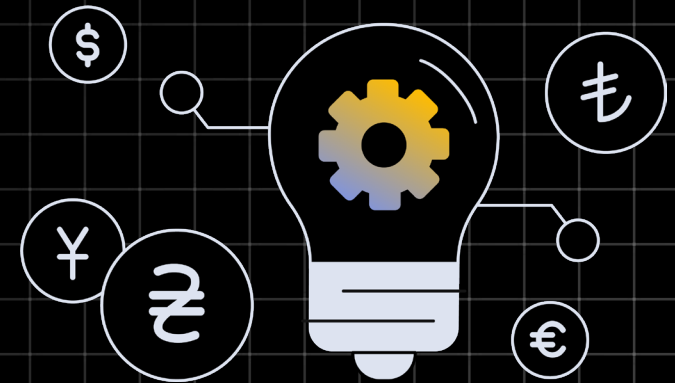
Finance Automation: Moving from Transactional to Transformational Impact

At the same time, many leaders believe that the only way to achieve growth is to change how their companies work, including the back office. As we entered 2024, PwC reported that 45% of CEOs believed their company would not be viable in the next 10 years if it were to stay on its current path. Those CEOs also saw massive inefficiencies across a variety of routine tasks and believed that about 40% of time spent on them was an inefficient waste.

In other words, companies of all kinds recognize that when it comes to back-office processes, what got them to where they are now will not get them to where they need to go next. And finance is no exception. A recent study by Tipalti found that most finance leaders (82%) say excessive manual finance processes are hindering their organization's growth plans for the year ahead, which is why finance automation is such a high priority for so many organizations.

In the end, finance automation isn't just about cutting costs or achieving incremental, transactional benefits. It's about driving top-line growth and achieving transformative impact. And while transformative impact always involves a certain amount of risk, the need to transform has now become an existential necessity for many companies around the world.

Questions to ask yourself:

- **What are my company's growth goals? How well are they understood across the finance function?**

- **What role is finance currently playing in helping us achieve those goals?**

- **What role could my team play if we had more time to focus on analysis, insights, and strategy?**
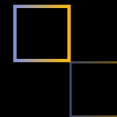
Elevating Business— and People

Perhaps even more importantly, on a human level, finance automation promises a fundamental shift in not only productivity but personal job satisfaction for both finance leaders and their teams. Imagine a world where the most mundane, repetitive tasks are automated, freeing teams to focus on more strategic priorities.

For senior finance leaders, it doesn't just improve efficiency—it fosters a work environment where teams are more motivated, empowered, and able to achieve their potential. Imagine being able to retain and attract top talent by creating a workplace where strategic thinking thrives and rote tasks are a thing of the past. For finance team members, it redefines roles from tracking data points to interpreting them, driving meaningful change and growth for the company. All of these things are what finance automation, at its best, can do.

Finance automation not only handles the most repetitive, time-consuming tasks but also elevates the business and the people who support it. However, before companies can begin to reap the full rewards of finance automation, they must first navigate what often feels like a host of imposing obstacles, the biggest of which is the natural human tendency to resist change.
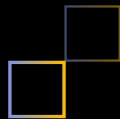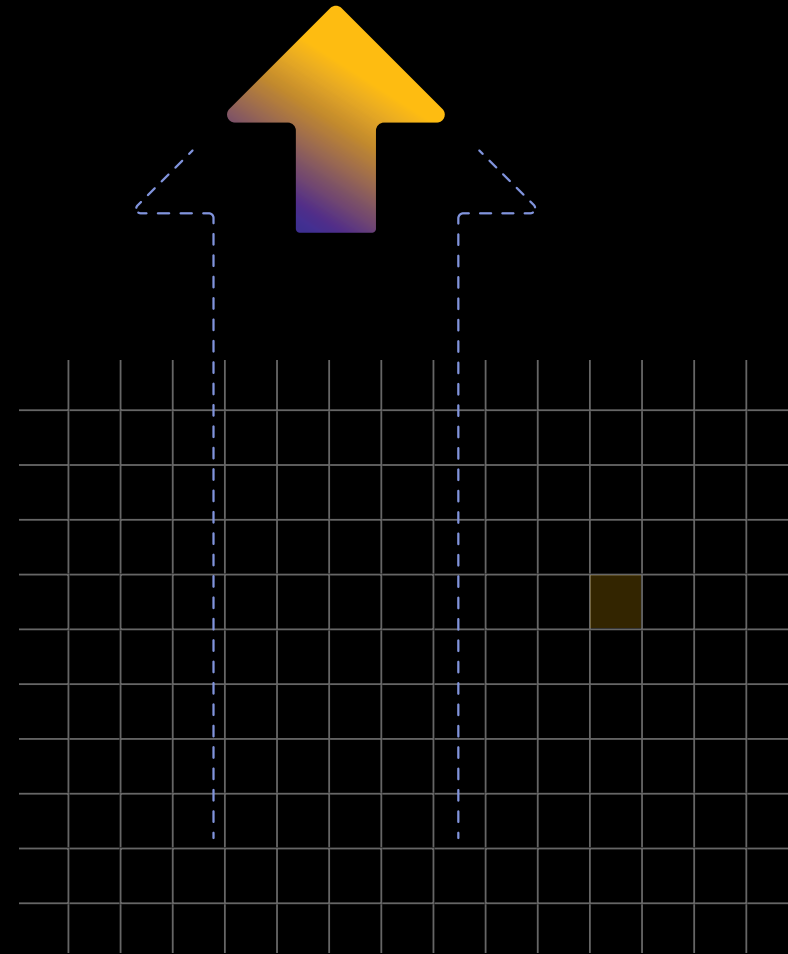
Navigating the Change Management Challenge

It's a well-known—but still staggering—statistic that, according to Deloitte, McKinsey, and Boston Consulting Group, <u>roughly 70%</u> of all digital transformation-related projects fail. McKinsey estimates that roughly nine out of 10 companies worldwide currently attempt some form of digital transformation or automation initiative, but historically only 31% of companies have reported achieving the full benefits they expected from these initiatives.

In other words, change is hard. Or at least, it often feels hard before you roll up your sleeves and dive into the details. But as we'll discuss in more detail below, not only are these perceived barriers to change manageable, but they're also more than worth the effort to work through them.

Ultimately, finance automation isn't just about implementing technology; it's a change management challenge. And when viewed through that lens, the journey from transactional benefits to transformational impact suddenly becomes much more manageable.

Questions to ask yourself:

- **How is the finance function viewed at my organization?**

- **What are our cultural and competency barriers to change in terms of adopting finance automation?**

- **How well positioned are we to tackle the change management challenge of finance automation, and where could we benefit from additional guidance?**

Dispelling the Myths of Finance Automation

At its core, finance automation change management comes down to challenging a few fundamental myths and misunderstandings that people outside the finance function may have. Once you're able to do that, you can clear the path to allowing the finance team— and the entire organization—to reap even more rewards from the finance tools at your disposal.

Here are some of the more common myths and misperceptions around finance automation, especially with people outside the finance function.
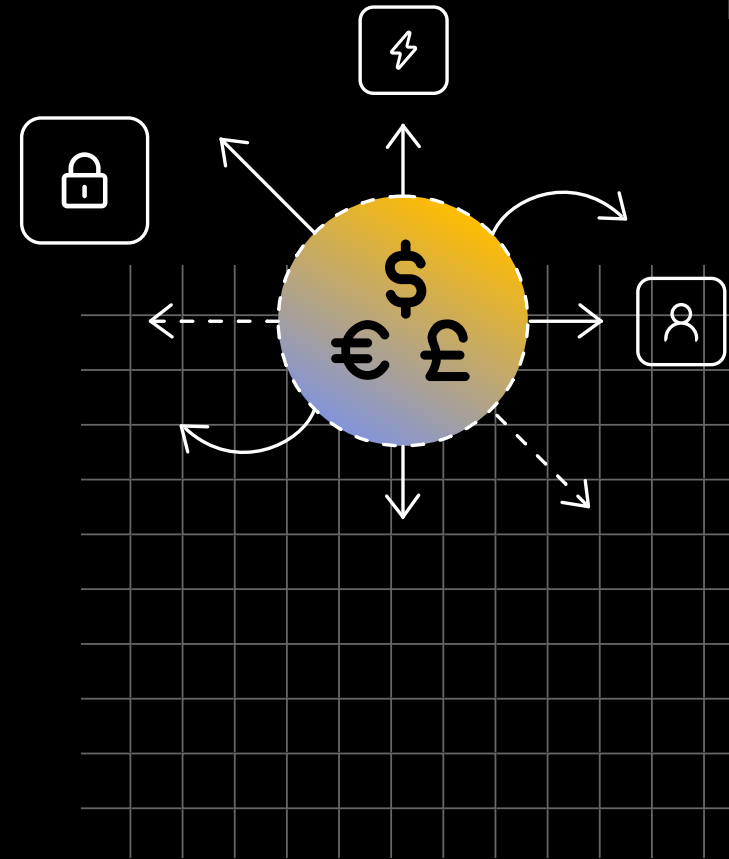
Accounts Payable:
Manual Control vs. Automated Efficiency

Myth #1: **A common myth in the finance world is that automating accounts payable means losing control over the payment process. Many believe that by sticking to manual workflows, they can maintain better oversight and reduce the risk of errors.**

In reality, AP automation doesn't take control away—it enhances it. Automation provides deeper visibility into every step of the payment cycle while eliminating the risk of human error, duplicate payments, and fraud. It allows finance teams to manage vendor relationships more efficiently, pay on time, and scale their operations, particularly globally, without additional headcount. In fact, by automating AP, finance leaders gain more time to focus on strategic activities, like negotiating better terms with vendors or improving cash flow management.

Procurement:
Bottleneck vs. Business Enabler

Myth #2: One of the most high-impact—though sometimes contentious—aspects of the finance function is procurement. The very concept of procurement—requiring another layer of permission for critical spending—may ruffle feathers for some employees and business unit leaders, but the impact of these processes in terms of cost-savings and spend visibility has been proven to be critical for driving value in companies of all sizes.

And while requiring purchase orders represents an additional oversight for finance teams, having the right tools in place to manage this and reap the rewards of better purchasing negotiations can be beneficial to a business leader's personal success.

Procurement is there to ensure that the organization, as a whole, has collective visibility into—and control over—what it's spending. It's there to make sure an organization's spending reflects its organizational priorities. It doesn't take control away; it makes control possible. In addition, procurement can also play an important role in securing higher-quality, lower-cost, and sometimes even more innovative goods and services for the organization by encouraging discipline and rigor in the vendor-selection process.

Expense Management:
Ad Hoc vs. Big Picture

Myth #3: **Another common myth is that expense solutions are best deployed on an ad hoc, individual basis. Everyone recognizes that expenses are a prime breeding ground for fraud and that expense management is important. But many believe that because everyone has their own preferred way of working, it's best to let everyone choose their own method of expense management.**

The truth is that expense management solutions deliver the most value when they're deployed as a global platform that everyone uses. That gives you the ability to see big-picture patterns, anticipate problems, identify improvements, and take a more strategically holistic approach to how you spend and reimburse money. Plus, with a uniformly adopted tool, it's easier for everyone to learn and interact with just one system, further lowering the barrier to adoption.

Finance:
Not Just Tracking Growth—Driving It

Myth #4: **Perhaps the biggest misunderstanding of all is the fundamental role that finance itself plays. Finance is not just there to say "no" to budget requests, track numbers, or report results. Finance has a fundamentally strategic role to play in the future of the organization it serves.**

Finance professionals have the potential to be entrepreneurs, innovators, change agents, and problem-solvers—but only when they're freed up from the backlog of manual tasks and calculations that would be better handled by an automation platform.

Questions to ask yourself:

- What myths and misperceptions around the role of finance are we dealing with at my company?

- Where would clearer internal communication and tangible examples of our strategic value help us shift those perceptions?

- What becomes possible for us— and what additional value could we provide to our organization—if we were freed up from some of our most time-consuming, repetitive tasks?

**Tipalti:
A Heritage of
Rapid Growth**

The reason Tipalti can help customers drive so much value from finance automation is that we know this terrain intimately. In fact, Tipalti has been on its own transformational journey since the company was founded by Oren Zeev and Chen Amit in 2010. Tipalti was created to solve a single problem—automating high-volume payouts. As that original mission expanded to include other aspects of finance automation, one thing remained the same—the importance of elevating the work and the strategic potential of the finance professionals we serve.

As it turns out, there's a massive global demand for accelerating profitable growth through finance automation. And that's why from its inception, Tipalti has been on a path of rapid growth. In 2010, with a new office and $3 million in Series A funding, Tipalti launched its first product—global payouts. By 2016, it had established its headquarters in California, raised two additional funding rounds, and introduced an invoice automation solution to the portfolio.

Future-focused and with his sights set on the next funding round, CEO Amit knew it was time to hire a strategically minded chief financial officer. With $5 billion in annual transactions and three million suppliers in its network, Tipalti welcomed Sarah Spoja as the company's first CFO in 2018.

Spoja joined Tipalti from global investment firm KKR, where she worked directly with portfolio companies in the financial services sector. Armed with degrees in mathematics and economics, Spoja brought an analytical acumen that transformed the company's approach to business. Her expertise fueled innovative fundraising strategies, sharpened financial forecasting, and offered deep insights into the company's spending habits—uncovering pivotal insights for smarter, more efficient operations.

How the Tipalti Finance Team Embraced Finance Automation

Much like the high-growth customers Tipalti serves, its finance team manages daily operational challenges, such as onboarding and processing an ever-expanding list of suppliers, invoices, and payments, executing payouts in multiple currencies, reducing fraud risk, achieving tax compliance, and increasing financial controls— all while safeguarding the company's data and funds.

Leveraging its unique position as the in-house focus group for all current and future products, the Tipalti finance team was ideally situated to enhance the company's financial operations by using Tipalti's own software solutions. Tipalti has automated its most critical finance processes— procurement, AP, global payments, corporate credit cards, and expense management.

By embracing the same innovative solutions Tipalti offers customers, CFO Sarah Spoja and her team were able to accomplish some truly noteworthy results—not only in terms of driving efficiency, but in terms of freeing the team up to see the bigger picture and drive more strategic value. Here's a breakdown of how Spoja and her team tackled their automation challenges across the finance department.

Questions to ask yourself:

- **What has our own growth journey been like so far, and what is our future growth trajectory?**

- **What role has finance historically played in helping us drive profitable growth so far?**

- **How does that role need to shift to help drive the next chapter of our growth?**

Accounts Payable

How We Did It — **Accounts payable is often one of the riskiest operations in finance due to large volumes of payments and compliance with tax and regulatory requirements. Any errors can have serious consequences. At Tipalti, AP was a critical function that needed automation. The finance team wanted to continue prioritizing timely payments to suppliers while simultaneously adding controls over invoice approvals.**

4,700
invoices automated per year

1,500+
hours saved per year

For the finance team, the primary goal was to decrease the team's manual workload, including invoice capture, payment authorization, and payment execution. This critical reduction in manual work would lead to a faster payments workflow and improved audit trails for all outgoing payments.

With Tipalti's accounts payable solution, the finance team significantly reduced its manual workload and removed the need to hire additional headcount. By providing modern technology that eliminated repetitive work, Tipalti also up-leveled and retained its highly skilled team.

"The seamless automation of Tipalti redefines productivity by streamlining processes, enhancing accuracy, and empowering growth. With Tipalti's accounts payable solution, my team is able to eliminate manual work, remove double data entry, and focus on more value-added activities."

Faye Wang
Director of Accounting,
Tipalti

Procurement

For the finance team, the main goal was to create a single source of truth for all procurement operations and improve internal purchasing processes and collaboration, while saving money in the process. The first step was improving spend management by increasing budget controls across the company.

1,800
POs automated per year

500+
hours saved per year

For Tipalti, approving or rejecting purchase requisitions (PRs), managing purchase orders (POs), and matching POs to invoices was highly manual and time-consuming. It was essential to automate these critical tasks to improve overall procurement operations and increase visibility into company spend.

With Tipalti's procurement technology, the finance team was able to add budget controls in the PO approval process. With better data visibility into company spend, Tipalti found millions of dollars in savings and improved financial stewardship across the company. In addition, budget owners and critical purchasing stakeholders like legal and IT have increased collaboration and process visibility.

"Here at Tipalti, our procurement application tool has automated our company's purchasing workflow, from requisition to purchase order creation all the way to invoice payment. It has sped up our purchasing, improved internal communications, and minimized financial risk."

Terry LaRock
Head of Procurement, Tipalti

Global Payments

How We Did It   **Tipalti's eyes were always set on global growth, so it was important to avoid the scaling and globalization burden that many companies have when entering new countries. The increased complexity of global operations also required best-in-class currency management practices, another top priority for the finance team. By managing all conversions and intercompany balances in one place, they could find ways to save money on international fees while mitigating forex volatility risk.**

5	5
currencies	operational entities

With Tipalti's global payments technology, the company was able to seamlessly add four global offices in three years because its systems for managing global finance operations were already in a shared system for automated, centralized payments that made it easier to manage payments worldwide.

The finance team also automated the collection of tax forms, achieved global compliance, and improved integrations with other finance systems and institutions. Most importantly, a centralized payment solution allowed the team to pay out suppliers and employee expenses quickly regardless of currency or global location. Having all of this company spend data in a single location with seamless ERP integration improved business decision-making and helped accelerate Tipalti's monthly close.

"Having a centralized payments platform provides us with increased visibility to improve cash flow management and make strategic decisions with better reporting and analytics. With Tipalti's global payments technology, we can scale and support the overall growth of our company by optimizing processes, reducing costs, mitigating risks, and improving operational efficiency."

Reena Patel
Corporate Controller,
Tipalti

Corporate Credit Cards

How We Did It

For Tipalti, global payments wasn't the only process that could benefit from utilizing a single platform. It was also critical for the Tipalti finance team to consolidate credit card usage across the company and eliminate the threat of rogue spending.

De-risking this process was paramount, and an automated system would provide the ability to easily turn off credit cards in case of employee departure, lost cards, or fraud. Plus, spend management would improve with added budget controls and purchase oversight.

3,500+
credit card transactions annually

$100K+
in rebates earned in 2023

Tipalti's virtual and physical credit card solutions improved spend visibility across the organization. Simple and easy to use, employees were happier with the credit card reconciliation process, and the finance team was able to generate additional savings by paying suppliers via virtual card payments. Those rebate savings funded new projects across the company while ensuring suppliers were paid faster.

"Using Tipalti Cards has revolutionized our credit card approval and receipt collection workflows while earning rebates. Its intuitive interface and automation capabilities have drastically reduced the manual efforts in chasing receipts and manager approvals, which has saved us valuable time. It's truly a game-changer."

Faye Wang
Director of Accounting,
Tipalti

Visibility and Control

How We Did It **Like its customers, Tipalti's finance team benefited from the increased time and cost savings that finance automation provided. But one of the most profound benefits of the technology was having a centralized source of truth across all finance operations.**

As complexity increased for Tipalti, it was inefficient to have different systems managing separate payments functions. Without these modern automation solutions, the Tipalti finance team would be forced to work in silos, which could prevent them from having the complete data visibility needed to truly understand the company's financial performance. By providing invaluable feedback on everyday pain points, Tipalti's finance team could help inform an evolved vision for the company—to unify all varied finance workflows in a modular solution that connects seamlessly and scales as its customers scale.

As a result of using a unified system, the Tipalti finance team fully leaned into its new role as an impact driver and business strategist while shifting its impact from transactional to transformational. Tipalti's own technology gave them the time back to focus their energy on moving the company forward.

Questions to ask yourself:

- **How could we leverage automation to do more with less and control costs more effectively?**

- **How could we leverage automation tools to safeguard our business more consistently?**

- **What kinds of insights would empower our finance teams to increase our business agility?**

- **What role could finance automation play in helping us scale our business faster?**

Expense Management

By 2022, Tipalti had grown from 200 to 1,000+ employees in three years. As a result, reimbursing expenses became increasingly time-consuming for the finance team. It was necessary to improve the expense management process by consolidating everything in one system while reducing potential fraud.

700+
active users

45-day
ramp-up

Employee reimbursements were a necessary business operation, and it was important to streamline them as efficiently as possible. By automating a typically manual, interdepartmental process, approval times could be reduced, allowing employees to be reimbursed faster.

With Tipalti Expenses, the finance team was able to offer an automated and user-friendly app to employees. And with expenses now integrated into the same system as other payout operations, employees could receive reimbursements in real time.

"Embracing an employee expense module isn't just about managing costs—it's about revolutionizing the way we manage our finances and workflows. Tipalti's expense management solution allows for seamless expense tracking, swift reimbursements, capturing receipts on the go, and automating approval processes. It empowers our team to focus on core tasks—driving success and not paperwork."

Elvis Nti
Accounts Payable Manager, Tipalti

The Benefits of Breadth, Depth, and Simplicity

Helping finance professionals achieve their full potential, individually and organizationally, was the inspiration behind the founding of Tipalti. We don't just offer finance automation solutions, we use them. It's a perspective that helps us understand our customers' needs.

- We know this change management journey inside and out, and we know firsthand what it's like to be on a mission of profitable growth, even in the most turbulent of times.
- We know first-hand the common misperceptions around the finance function and what becomes possible when you embrace finance automation on more than just a transactional level.
- We know first-hand how to glean every last ounce of value out of finance automation and how to help our 4,000+ customers around the world do just that, each and every day.

The core value of finance is to help drive profitable growth. And the central focus of Tipalti is to elevate your business and the people who work in the finance function. That's been core to who we are from day one.

4,000+
global customers

$65B+
in annual payments

99%
customer retention

It's even in our name.

"Tipalti" is a Hebrew expression meaning "we handled it," and it's a reflection of the fact that Tipalti manages every step of what was once a manual effort and process, making it painless for finance departments to streamline their entire operations.

Tipalti discovered that having the breadth of a comprehensive suite of global financial solutions gives both the company and its customers the best of both worlds: the depth of capabilities its teams need to support rapid scale, and the simplicity of an intuitive, connected suite of solutions that allows companies to adopt the solution they need today and add more over time as their business needs grow.

The contributions that Tipalti's own finance organization was able to make to the company's success have only strengthened the company's conviction that when you free up finance teams from administrative minutia and repetitive tasks, they can focus even more on discovering new innovative ways to drive profitable growth.

Creating Your Own Success Story

Finance automation can also become a driver of your growth, just as it has for thousands of finance professionals around the world. By identifying your own cultural barriers and dispelling the myths and misperceptions within your own organization, you can get even more buy-in, more momentum, and much faster time to value from your investment in finance automation.

Ultimately, once you free up your finance teams from the tasks that get in the way of strategic value, you unlock a whole new world of possibilities for your organization— and for your people.

Questions to ask yourself:

- **What kind of success story could my team and I write for our finance organization?**

- **Where could we automate, de-risk, and simplify our finance operations?**

- **What kind of strategic value could my team and I be driving for our organization?**

- **What's the cost of not figuring out our finance automation journey, and what impact would that have on our organization— and our finance team?**
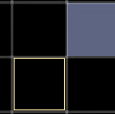
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To discover what kind of growth, agility, efficiency, and strategic potential our finance automation solutions could unlock for you and your organization, click here or contact us at: **tipalti.com**