Optimizing employee cards: 4 tips for establishing controls and maximizing spend power

As companies grow and transition away from using personal cards, many find themselves piecing together a handful of cards – each with its own dashboard, capabilities and due date. Others choose a single card program but fail to take advantage of all it offers. Given that running a business means having a never-ending to-do list, it can be easy to apply the old "if it ain't broke, don't fix it" adage to credit cards. Yet a little effort can have a big impact when it comes to optimizing your approach.

These four best practices can empower employees to make smart decisions with their cards and deliver economic benefits to your business.

1. **Streamline.** Moving to a single card program can give your accounting team huge efficiencies, as they have one dashboard to learn, one system for expense tracking and one set of controls of manage. When you centralize your approach to credit cards, you also have the consistency of a single due date for your bill each month, and that does more than just save the team time. It also helps make your cash flow more predictable and consistent.

2. **Focus on controls.** Just like no two businesses are the same, no two employees are either. Controls are essential, and you may have some that apply companywide. Take the time to consider more specifics too.

   - Do different departments have different spend needs? For example, one department may travel by vehicle often, requiring frequent purchases at gas stations or EV charging stations. Another department may need to purchase supplies frequently.

   - How does hierarchy within the company affect spend? While it's always important to have controls in place – even for officers of the company – some flexibility probably makes sense. The CEO will likely need more leeway to spend on expensive client dinners, for example, than the average employee.

   Once you've identified these needs, it's important to set controls: by department, by role or even by specific user. With the right credit card platform, setting controls and quickly making changes should be easy.

3. **Set expense report policies.** Modern credit card programs offer tools to simplify the expense reporting process, such as digital receipt capture. But there are still some decisions for your company to make. Ask key questions like these:

   - Does every expense need to be tied to a PO or job code?

   - Are receipts required for every purchase or only above a certain threshold, such as $50?

   - Does spend with certain vendor types require extra review?

   Establishing and clearly communicating these rules can simplify the process for everyone involved and help get your books settled more quickly.

4. **Think card first.** Once you're all set, it's time to think about how your company could transfer more of its spend to credit cards. Be granular in your thinking. Have you checked with all of your current vendors to see if they accept credit card payments? Is it part of your process to ask new vendors this question? The more you can move away from checks, the more you can reduce fraud risk and eliminate the cash flow inconsistencies that come with waiting for checks to be cashed. Using credit cards for every possible purchase can also help maximize your rewards.

When it comes to business credit card programs, there's a big difference between a good program and a great one. Good programs get the job done. Great programs give you important visibility into spend – companywide and individual – and help you truly get the most from your money.

Ready to find the right credit card program for your business? Set up a complimentary spend analysis with the Business Card Consultants at U.S. Bank. Visit businessbanking.usbank.com.