



Human-Centered Finance

Building a better spend experience
for all employees

For the finance department, watching employees submit expense reports is much like watching five-year-old kids brush their teeth with slim toothbrushes.

Instead of asking employees to memorize and adhere to complicated policies, it's time we pose an important question: why are employees expected to follow processes that are built for accounting experts?

CFOs and finance leaders, this workbook is your guide to tailoring your purchasing process to the people who use it every day. We've provided exercises for your team to work through with a non-finance employee who makes business purchases often. Once you complete this workbook, you'll have a deeper understanding of the people you work with and the tools to design a purchasing process that better suits their needs.

“

In the mid-nineties, Oral-B asked leading innovation consultancy IDEO to develop a new toothbrush for kids. Rather than replicate what was already on the market—a slim, shorter version of an adult-sized toothbrush—IDEO went directly to the source; they watched children brush their teeth.

They realized in the process that kids were having a hard time holding skinnier toothbrushes because they didn't have the same dexterity or motor skills as their parents. What children needed were toothbrushes with a big, fat, squishy grip that were easier for them to hold onto.

'Now every toothbrush company in the world makes these,' said IDEO Partner Tom Kelley. 'But our client reported that after we made that little, tiny discovery out in the field—sitting in a bathroom watching a five-year-old boy brush his teeth—they had the best-selling kid's toothbrush in the world.'

— Harvard Business School¹

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How to complete this workbook:

For the exercises in this workbook, you'll need to schedule an hour to meet with your finance team, and invite a non-finance employee who makes business purchases.

We suggest that you read this document all the way through, and then send it to your team to skim prior to meeting.

If your team is remote, you can complete the exercises in this workbook virtually by opening this document on Adobe Acrobat (we designed it as a fillable PDF) and sharing your screen to collaborate with your team. If you're in person, feel free to grab a pen and print out the exercises!

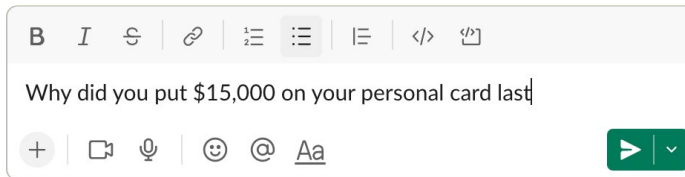
Awkward conversations

Tanya

It's May 21st when Tanya receives an expense report from Eric for a \$15,000 charge on his personal card back in April. She sighs, *Why am I just now finding out about this?*

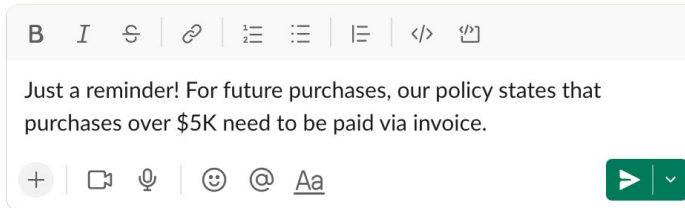
The April books have been closed for weeks now, so she'll have to reopen them to reconcile this purchase.

Tanya types Eric's name into Slack and begins to write:



She highlights the text and promptly empties the box. Pausing for a moment, she thinks, *What's the best way to phrase this?*

She types:



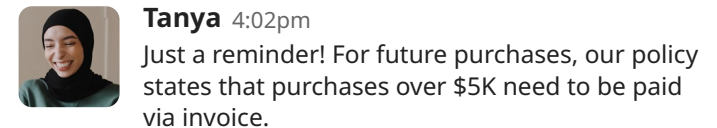
Tanya hits send.

Eric

Eric hears the pop of a new Slack notification on his screen. In bolded letters, Tanya appears in his side bar.

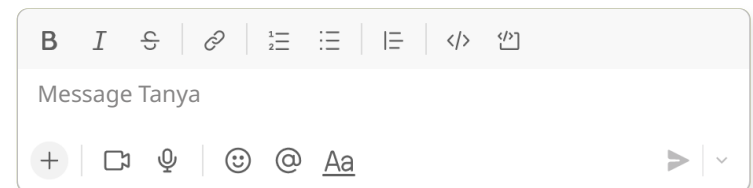


As he moves his cursor toward the notification, he feels a twinge of panic. He only hears from Tanya when he has done something wrong.



Eric stares at the screen. He knows Tanya is referring to that sponsorship deposit he put on his personal card back in April.

But Eric is sure she won't understand—finance just doesn't get it. He takes a deep breath and begins to type his reply.



What just happened?

Eric is an Event Marketing Manager at a Series C SaaS startup. From planning through execution, the success of his events is contingent on timely purchases, such as venue deposits, branded giveaways, or company banners. In this case, he used his personal card to secure a spot as a sponsor for an upcoming conference. If you snooze—or go through a lengthy approval process—you lose. Eric's fast-paced job often means asking for forgiveness instead of permission.

Eric hates receiving messages like this almost as much as Tanya hates sending them. While both of them are only trying to do their jobs, the above exchange left Eric feeling frustrated, and Tanya defeated. Unfortunately, awkward conversations between finance and employees are not uncommon at most companies.

Why are they still happening?



The way companies spend has changed

Why do these dreaded conversations between finance and employees happen in the first place?

Why wouldn't Eric, who buys things for company events almost every day, follow the expense policy?

When did Tanya, who geeks out over financial forecasting, become chief of the spend police?

Before we dive into how to adapt to these changes, let's take a look at a few of the key trends impacting company purchasing:

1 The explosion of SaaS subscriptions and online purchases

2 The shift in purchasing power from top-down to bottom-up

3 The increased reliance on freelance workers

1

The explosion of SaaS subscriptions and online purchases

Everywhere you look, there's another SaaS brand ready to revolutionize the way your team works. In the last decade, the market has become increasingly saturated with innovative software and on-demand services to bulldoze any business challenge—platforms for managing customer relationships, communicating internally throughout the day, streamlining HR processes, and even leading virtual brainstorming sessions.

And this has only been exacerbated by the pandemic. According to The Wall Street Journal:

“When Covid forced countries into lockdown, organizations accelerated their investments in modern workplace technologies. Videoconferencing, collaborative platforms, document management and other digital tools were rolled out in great haste.”²

The result: businesses are consuming at an exponentially higher rate than ever before. This SaaS explosion has not only caused an uptick in business purchases, but also in the number of people who are doing the purchasing.

2

The shift in purchasing power from top-down to bottom-up

A decade ago, we could probably count the number of purchasers at a given company on one hand. A few C-suite executives with corporate cards held all the purchasing power, and at the time, it worked.

But in the last decade, the way companies spend money has shifted from top-down to bottom-up. Now, purchasing power is distributed across a whole organization—it's a marketing coordinator who needs to buy gift cards for the speakers at yesterday's webinar, or a software engineer who needs to start a subscription to a project management platform, or a sales rep who needs to cover a client lunch. And as remote work has become the new norm, almost every employee has had to purchase home office equipment.

3

The increased reliance on freelance workers

As businesses are becoming increasingly flexible and agile, they have been outsourcing some of the necessary skills to facilitate time-sensitive projects by hiring more part-time employees. While freelancers are not technically full-time employees, they are often required to make purchases on behalf of the company to get their job done—further complicating the way businesses need to spend money.

It's time to implement a new system...

One that supports more purchases, by more people, in more places—a process that accelerates company growth by empowering Eric to buy whatever he needs, without creating extra work for Tanya. By designing a purchasing process that meets the needs of employees, we're making it easier for the finance team to reconcile expenses.

4 out of 5 non-C-suite employees now have a say in purchasing.³ Yet:



1 in 4

expense reports are sent back due to errors, resulting in additional work for finance and employees.



4 in 5

finance pros believe their employees are unaware of the spend policy.



2 in 3

finance pros say employees are more likely to violate policies than to follow them.⁴

What is human-centered design?

IDEO defines human-centered design as “a creative approach to problem-solving that starts with people and ends with innovative solutions that are tailor-made to suit their needs.”⁵

This approach is iterative, measurable, and results-driven, and begins with a deep understanding of one concept that is integral to its entire existence: [empathy](#).

“Empathy is the capacity to step into other people’s shoes, to understand their lives, and start to solve problems from their perspectives.

Human-centered design is premised on empathy, on the idea that the people you’re designing for are your roadmap to innovative solutions. All you have to do is empathize, understand them, and bring them along with you in the design process.

— IDEO, *The Field Guide to Human-Centered Design*⁶

Before you can design a process or solution that works, you have to understand the people you're designing for beyond their role and responsibilities.



What keeps them up at night?

What thoughts come up as they go about their day?

What moments bring them joy?

If human-centered design is a marathon, empathy is its starting line. Through empathy, we practice putting ourselves in others' shoes to connect with how they feel about a problem, circumstance, or situation. As a general rule, anyone impacted by a process should be included in its design.

Once you understand someone on this level, you can start to build something that adds immediate value to their life. However, there's an art to balancing innovation and usability. The most effective design feels both second nature and refreshingly new; innovative enough to make an impact, while intuitive enough for frictionless adoption.



"Good design is like a refrigerator—when it works, no one notices, but when it doesn't, it sure stinks."

— Irene Au

Applying human-centered design to your purchasing process

As finance experts, many of our accounting processes may feel intuitive to us, making it difficult to view them from the perspective of employees who have little to no finance experience.

However, every reconciliation begins with a purchase. When an employee makes a “mistake” in the purchase phase—such as not saving a receipt or spending out of policy—it creates headaches for finance down the line (think: murky audit trails, reopening the books, and awkward conversations). You can’t cure your team’s headaches without addressing the root cause: the employee buying experience.

As described by The Wall Street Journal:

“Typically, the accounting department purchases the expense-management software and rolls it out to all staff. Not surprisingly, the software is great for the accounting staff. But that’s because it offloads a lot of the work to the individual employees.

The result is clunky interfaces for inputting claims data and receipts together with non-intuitive processes, making for a lousy user experience. Instead, multidisciplinary teams need to first understand employees’ problems to be solved, so they can then build experiences that satisfy the needs of all stakeholders, whether they work in sales, accounting or wherever.”

By adopting a human-centered mindset, we're accepting employees as they are, and letting go of how we wish they would be. We're looking at weaknesses in the process rather than the person, and working together to build something better.

“

We must design for the way people behave, not for how we would wish them to behave.

— Donald A. Norman,
Living with Complexity

Getting started

Human-centered design typically consists of three phases:



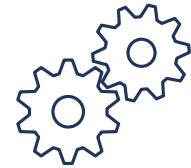
Inspiration:

Immerse yourself in employees' lives to deeply understand their needs.



Ideation:

Reflect on what you learned to identify opportunities for design, and prototype possible solutions.



Implementation:

Bring your solution to life, collect feedback, and iterate.

This workbook focuses heavily on the Inspiration phase.⁷

In the exercises that follow, you'll develop a strong sense of empathy toward employees and understand their perspective on what it's like making a business purchase. After completing this workshop, you should be able to connect the dots between the flaws in their purchasing process and the problems finance experiences down the line.

Before we jump into the first exercise, let's get in the habit of adopting a human-centered mindset when thinking about our employee-facing purchasing processes.

The purchasing process works better when we design it together

"It's not us versus them or even us on behalf of them. It has to be us with them."

— Tim Brown, Executive Chair at IDEO

At the end of the day, finance and the rest of the employees at your organization are all part of the same team. While Eric and Tanya may have different objectives, they share the purpose of contributing to company growth. By including employees in the conversation, you'll be able to design a process where finance can get what they need from every purchase.

1

Employees ignore purchasing processes that ignore employees

"People ignore designs that ignore people."

— Frank Chimero, Designer

Eric went around the invoice policy because it didn't support his need to make a time-sensitive purchase. Instead, he chose to use his personal card and await the inevitable repercussions. He had to do it wrong in order to get it done. Employees often have to ignore finance policies to get something done quickly. By leaning into a human-centered approach, we can empathize with Eric's situation and design a process that empowers him to make in-policy purchases at the speed he works.

2

Employees are humans, not rule-following machines

"In many cases, the real source of the error is the design rather than the human—someone created a product or system where proper usage depends on unrealistic or unattainable standards of behavior."

— Marc Green

We must view employees as, first and foremost, humans. We must view their "errors" not as a fault of their own behaviors, but rather as a flaw in a process that was never really built for them. It's not Tanya's fault for providing inaccurate April financials, nor can we blame Eric for submitting a late expense report. We can't expect employees to follow rules that get in the way of their work. Similarly, it's unrealistic to assume employees know the policy by heart or that they'll hold onto receipts for purchases they made weeks ago. Instead, we need to look at how people actually make business purchases, and build a user-friendly process that guides them every step of the way.

3

Empathizing with employees

While everyone at your company has the same overarching goals, each individual role has different ways of contributing to the business.

While Eric is laser-focused on bringing in leads from events, it's Tanya's responsibility to provide accurate financials. Eric often has to scramble for quick workarounds to make event purchases on time, and Tanya is always stuck doing extra work when employees spend out of policy.

But neither of them is intentionally trying to make the other's life harder; both of them are just doing their jobs in the best way they know how. Before we can design processes employees will follow, we must understand their attitudes and behaviors—in other words, empathize with them.

For all the following exercises, you'll need to invite your finance team and one non-finance employee who makes a lot of business purchases.

In the example on the next page, we step into Eric's shoes to visualize what it's like to be an Event Marketing Manager at his company. We get an inside look into his personal goals, and what he often sees, says, hears, does, thinks, and feels.



As a group, read through Eric's completed empathy map on the next page, and reflect on the following:

Do you relate to anything that Eric thinks or feels?

Is there anything you find surprising?

Name: Eric

Role: Event Marketing Manager

Team: Lead Gen

What do they DO?

What tasks do they do & what decisions do they make?

Event promotion
Buy giveaways
Negotiate contracts
Last minute errands
Send emails
Book venues
Submit expense reports
Everything!

GOALS:



What are their main goals?
How do they measure success?

2 events per month
75 attendees per event
50 new leads per quarter

What do they see others do?
What do they read & watch?

What do they SEE?

Competitor events
Urgent messages from manager
Full calendar
Job listings
50+ emails in their inbox

What do they SAY?

What do they say to peers friends?

"Turnout was lower than expected"
"I'm so tired"
"Should I buy this?"
"What's the budget?"
"No one is getting back to me"

What do they hear peers & friends say?

What do they HEAR?

"Why didn't I know about this earlier?"
"How's work?"
"Do you have the receipt?"
"We need a deposit by EOD"
"Is the landing page live yet?"

What do they THINK & FEEL?

Pains

What are their fears, frustrations & anxieties?
This place is a mess
Hate waiting on other people
Am I bugging them?
Feeling ignored

Gains

What are their wants, needs, hopes & dreams?
Seamless processes
To feel appreciated at work
Better work-life balance
To start my own events business



Exercise 1: Empathy mapping

Have your non-finance employee fill in their name, role, and team. Then, have them work through each category on the map out loud in real time, with your finance team following along. A gentle reminder—you are there to understand, not to judge. Encourage vulnerability and openness.



Once your map is complete, have your finance team reflect on the following:

Are any of these thoughts or feelings relatable to you?

Is there anything you find surprising?

What did you learn from this exercise?

Name:

Role:

Team:

**What do they
DO?**

What tasks do they do &
what decisions do they make?

GOALS:



What are their main goals?
How do they measure success?

What do they see others do?
What do they read & watch?

**What do they
SEE?**

**What do they
SAY?**

What do they say to peers
& friends?

What do they hear peers
& friends say?

**What do they
HEAR?**

**What do they
THINK &
FEEL?**

Pains

What are their fears, frustrations & anxieties?

Gains

What are their wants, needs, hopes & dreams?

The employee purchasing journey

As an example, we documented the month-long journey of Eric making a specific purchase and Tanya reconciling it.

By mapping their actions chronologically on a timeline, we're able to visualize and break the process down into individual touchpoints. As a group, read through the completed journey map on the next page before working through the next exercise.

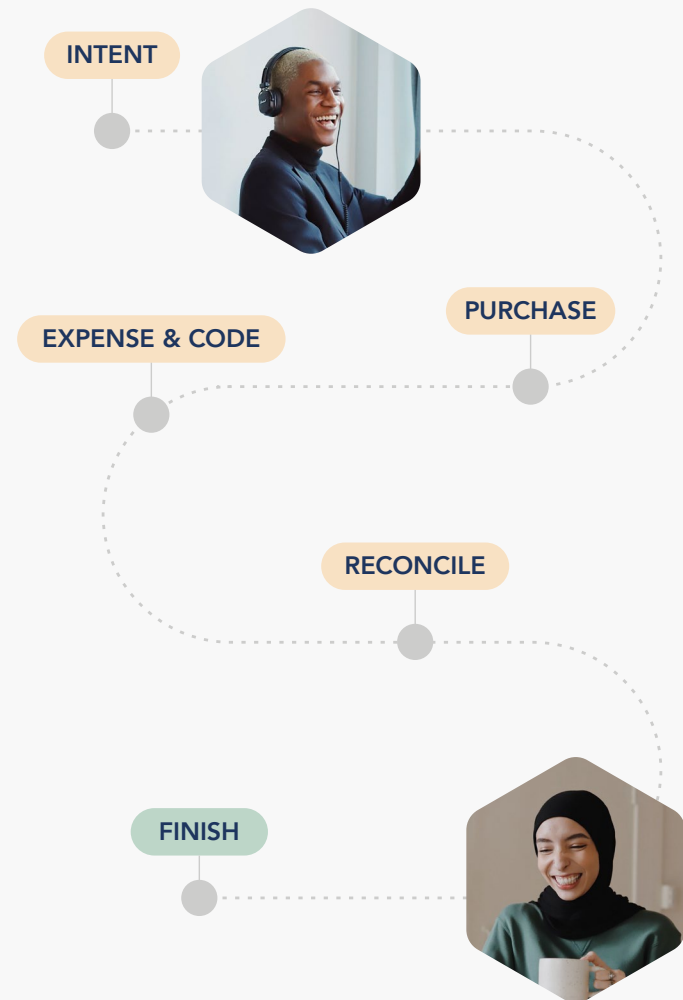


Reflect on Eric and Tanya's journey:

How is it similar to the process at your company?

How is it different?

Why did Eric use his personal card?



Journey map



Start date: April 27th, 2021

End date: May 21st, 2021



Exercise 2: Journey mapping

For this exercise, you'll need to map out a purchase and reconciliation process using a specific example.

Have your non-finance employee walk you through their experience of a time they bought something for their job. In the "Employee" row, document every touchpoint at each stage of the purchasing process, from intent to buy to making the purchase to expensing it. As you go, ask your finance team what the process looked like for them, and document that in the "Finance" row. Like in the example above, provide loose dates for every touchpoint in order to visualize the overlapping timelines.

Lastly, try to be as objective as possible while documenting each stage of the journey. For this step, we're mapping out behaviors, not our feelings toward them, so we'll leave the pain points row blank for now. We'll have plenty of space to discuss those during the next exercise (3).



Once complete, reflect on your journey map and answer the following:

What did you learn about the employee experience of making a purchase?

Did any parts of the employee journey surprise you?

When did finance start month-end close? How did that timeline interact with the employee's purchase?

INTENT

PURCHASE

EXPENSE & CODE

RECONCILE

<p>EMPLOYEE</p> <p>Name: Role:</p> <p>Purchase:</p>				
--	--	--	--	--

<p>FINANCE</p> <p>Name: Role:</p>				
--	--	--	--	--

<p>PAIN POINTS</p>				
---------------------------	--	--	--	--

Start date:

End date:

Identifying pain points

Now that you've documented these objective behaviors, it's time to look at the subjective feelings that may have come up along the way.

Pain points are the problems, negative emotions, friction, or obstacles that may occur, from the intent to purchase stage all the way through reconciliation.

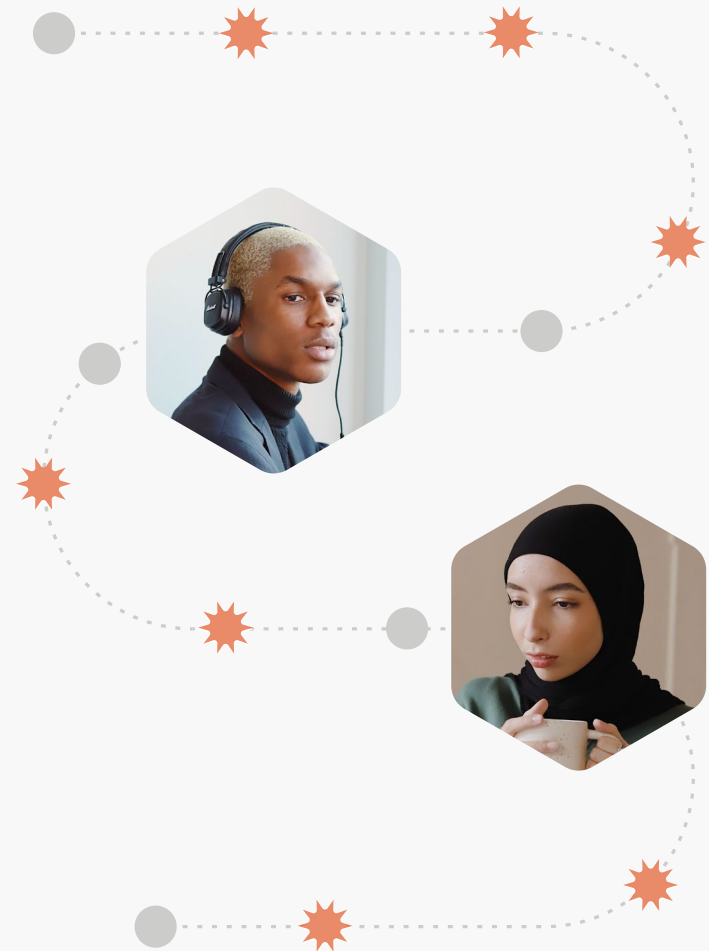


Before completing the next exercise, take a look at the pain points Eric and Tanya experienced:

Do any of these pain points resonate with you?

Do any of them surprise you?

How is Eric's fear of losing the sponsorship connected to Tanya's frustration?



	INTENT			PURCHASE	EXPENSE & CODE		RECONCILE					
<p>EMPLOYEE</p> <p>Name: Eric Role: Event Manager</p> <p>Purchase: Sponsorship package for upcoming conference</p>	<p>1</p> <p>April 27th Behind on leads, Eric receives a Slack message from his manager with a link to an upcoming conference to sponsor.</p>	<p>2</p> <p>April 27th Eric looks at the conference page and emails the listed contact about being a sponsor.</p>	<p>3</p> <p>April 28th Eric gets an email back. There's only one sponsorship spot open and he needs to put down \$15k right away to secure it.</p>	<p>4</p> <p>April 28th In a time crunch, Eric uses his personal card for the \$15k deposit, and plans to submit a reimbursement request later.</p>	<p>5</p> <p>May 20th Eric gets an email that his card statement is ready, which makes him remember to submit the expense report.</p>	<p>6</p> <p>May 20th Eric attaches the receipt, codes it under "General Marketing" and submits the expense report.</p>	<p>7</p> <p>May 21st Eric receives a Slack message from Tanya about violating the expense policy.</p>					
<p>FINANCE</p> <p>Name: Tanya Role: Senior Accountant</p>				<p>1</p> <p>April 30th Tanya begins month-end close.</p>	<p>2</p> <p>April 30th Tanya closes the books on April without the sponsorship charge.</p>	<p>3</p> <p>May 21st Tanya receives the expense report and sees that it's not only a charge back in April, but it's also been coded incorrectly and shouldn't have been on Eric's personal card.</p>	<p>4</p> <p>May 21st Tanya reopens the books to reconcile the charge and codes it under "Events". There's nothing she can do about the charge being on Eric's personal card, so she approves the expense report.</p>	<p>5</p> <p>May 21st Tanya sends Eric a Slack message to remind him that the expense policy states that purchases over \$15k must be paid via invoice.</p>				
<p>PAIN POINTS</p>	<p>E</p> <p>Eric is afraid he hasn't been performing well at work and feels stressed about getting this done.</p>	<p>E</p> <p>Eric panics and feels pressure to act quickly.</p>	<p>E</p> <p>Eric is worried that an invoice won't get paid in time. He doesn't want to miss out on an opportunity to generate leads and revenue for the company.</p>	<p>E</p> <p>Eric doesn't want to put the charge on his own card but doesn't have time to go through the invoice process.</p>	<p>T</p> <p>Month-end close is the most dreaded part of Tanya's month-end work!</p>	<p>T</p> <p>Tanya feels uneasy doing best-guess accounting to make the numbers add up for April.</p>	<p>E</p> <p>Hunting down receipts is time-consuming and Eric is frustrated to still be dealing with this event two weeks later.</p>	<p>E</p> <p>Eric is busy working on another event, and just wants to get this done quickly.</p>	<p>T</p> <p>Tanya feels frustrated to just now be finding out about this charge.</p>	<p>T</p> <p>Tanya feels defeated. She is still working on April while gearing up for May's month-end close.</p>	<p>T</p> <p>Tanya feels annoyed that Eric has caused her extra work, and wants to prevent it from happening again.</p>	<p>E</p> <p>Eric feels targeted. Not only did he have to front personal money but now he looks bad.</p>

Start date: April 27th, 2021

End date: May 21st, 2021



Exercise 3: Identifying pain points

As a group, revisit your map from exercise 2 and reflect on the journey your team outlined.

Pause at each touchpoint, and in the pain points section below, record any negative feelings that may have come up while that action was happening in real time.



When complete:

What negative feelings did you write down?

What's one employee pain point that's directly connected to a finance pain point?

How might you frame these pain points as opportunities to improve the process?

Key takeaways

1

Modern businesses make more purchases, by more people, in more places—therefore, we need processes that support this new way of working.

4

There is a direct correlation between flaws in the employee purchasing process and the pain points finance experiences down the line.

2

If we don't update our purchasing process, finance will spend more time doing best-guess accounting, chasing down receipts, or having awkward conversations with employees—leaving less time to focus on business growth.

5

Before we can design a new purchasing process, we must empathize with all the people who will be using it, including employees with little or no finance experience.

3

We must view employee “errors”, or purchasing workarounds, as flaws in the process, not the person.

6

To ensure employees comply with what we need them to do, we must empower them to make good business decisions without jumping through hoops or getting in the way of how they work.

The Inspiration phase of human-centered finance gave us the tools to immerse ourselves in the lives of non-finance employees and explore their needs.

Now that you've pinpointed some painful areas in your company's purchasing process, you're ready to dive into the next two phases: Ideation and Implementation. It's time to reflect on what you've learned, identify opportunities for improvement, and implement a new way to make purchases.

We've practiced empathizing with employees, but give yourself some empathy, too.

While it's not possible to make big changes overnight, you now have the tools under your belt to implement human-centered finance processes. Working through these exercises shows a strong commitment to making things better for your team, and you should be proud of those first steps.

Humans are always evolving, and the same goes for the way we work. Consider using this workbook as an annual check-in, or as a way to stay accountable to keeping communication open between finance and employees.



What's next?

Organizations with skilled development teams may be able to solve for these pain points internally. However, many companies incur unexpected costs and frustrations when trying to build a new solution from scratch—and end up investing time and money into revamping their process only for it to break down with one misstep.

For growing businesses, partnering with an all-in-one purchasing platform is the most effective way to build a seamless purchasing experience and customize your process to meet your team's needs at every touchpoint. By automating your approval workflows, you're empowering employees to quickly buy what they need to grow the business, all while staying in policy.



Teampay helps high-growth companies streamline the purchasing process across virtual cards, physical cards, invoices and reimbursements.

The only purchasing software designed with employees in mind, Teampay's automated workflows empower employees to quickly buy what they need while staying in policy. The platform issues secure payment methods with built-in controls and reconciles transactions into the customer's accounting system in real time. This modern approach to purchasing eliminates unauthorized and out-of-policy spending, provides full visibility for finance and helps build better relationships between finance and employees. Teampay was founded in 2016 and is headquartered in New York City.

Visit us at teampay.co to learn more.

Endnotes

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