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Could politeness be harming your company?

Why UK companies are failing
to challenge suspicious expenses

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Introduction

How does your company manage its expenses? From putting in place a formal policy to the nuts and bolts of managing claims and remittances, it's an end-to-end process with many moving parts. It's also a process at the mercy of honesty, discretion and, as we'll explore, quintessential British politeness.

Is a desire to be polite costing your business money? Almost certainly, as we'll see. There is minimal research available on how companies challenge expenses. It's something that merely exists as an internal approach, bespoke to each firm.

So, we decided to try and find out more. It can be a difficult conversation, talking about internal power and our own willingness to be seen to be 'rocking the boat'.

The research commissioned for this report, therefore, provided complete anonymity to all the 1,042 managers and finance professionals who were quizzed for the survey.

The results help to reveal the true scale of the problem caused by employees being too afraid to challenge colleagues, of being too polite.

When asked if they thought over-politeness in the workplace was costing their company money, an overwhelming 78 percent said yes. Of those, 27 percent said it had 'definitely' lost them money.

Do you think that over politeness in the workplace could cost your company money?

51%	**27**%	**22**%
Yes to some extent	Yes definitely	No

A similar response was found when respondents were asked if they personally felt they were prone to being overly polite when dealing with tricky situations.
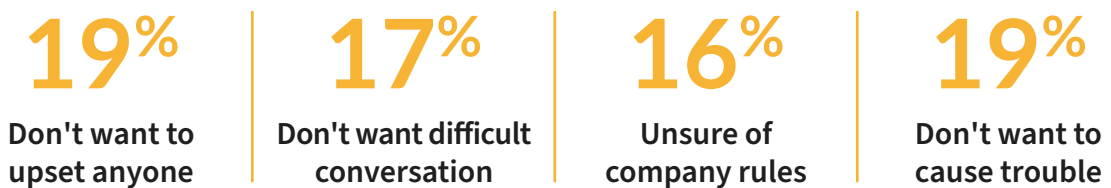
How much do you agree with the following statement, "I am too polite when managing difficult situations at work"

50%	**30**%	**6**%	**14**%
Strongly agree	Agree	Disagree	Strongly disagree

The survey asked people to name the specific areas where they had failed to challenge suspicious actions of employees. Among the most common answers were:

21%
Taking too
long on lunch

20%
Late arrival
at work

19%
Suspicious looking
expenses claim

22%
Excessive use of
social media

When asked why they had failed to challenge employees, the most common reasons were the fear of upsetting colleagues and not wanting an awkward encounter.

19%
Don't want to
upset anyone

17%
Don't want difficult
conversation

16%
Unsure of
company rules

19%
Don't want to
cause trouble

One notable aspect of the research findings was that there appeared to be no significant differences in the attitudes displayed by male and female managers. They were similarly reluctant to confront colleagues.

Conclusion

The results suggest there is a significant problem which exists within UK business culture. Managers throughout the country are failing to adequately challenge employees because of the perceived awkwardness it entails, and employees are unwilling to challenge colleagues and managers for the same reason.

For any company serious about minimising losses and protecting itself from fraud, this is an issue which can no longer be ignored.

Explaining expenses awkwardness

So why do we find it so hard to challenge suspicious actions in the workplace?

While the social and cultural factors influencing British 'politeness' are beyond the scope of this report, we can explore how these attitudes have taken root in the world of expenses.

If you look at the traditional way expenses have been managed by British businesses, you find a structure which is largely dependent on trust.

The 'analogue' world of paper receipts and manual processes creates 'grey areas' in which validating paper expenses is time consuming and inaccurate.

Finance teams have had little option, therefore, other than to trust the honesty of their employees. It meant that challenging a claim was to suggest that an employee was untrustworthy.

It's the lack of information which has created grey areas where verifying claims is difficult. Instead of challenging claims, finance teams have learnt to turn a blind eye, in no small part due to necessity.

By modernising these processes, businesses can reduce these ambiguities and foster a more transparent, policy-driven approach to expense management.

Digital expenses solution

New digital systems transform the way organisations can manage and monitor their employees' expenses. The old analogue ways of working are being replaced by faster and more efficient automated systems.

Deploying cloud technology, these systems provide finance teams with a much more effective way to handle expenses. They strip away those grey areas.

How we can help you

Automate your expenses. Enforce your policies. Control your costs. Trusted by more than 2,000 finance teams, Webexpenses' easy-to-use expense management system improves expense efficiency, controls employee spend and generates significant cost savings.

It also removes the guesswork and any reliance on social pressures. Don't leave it up to your employees to be polite, gather all of your expenses in a central system and rely on a single source of truth.

From there, you can measure expense claims against your policies automatically, raising potential red flags for further discussion with employees where necessary.