

FORRESTER®

The Total Economic Impact™ Of Soldo

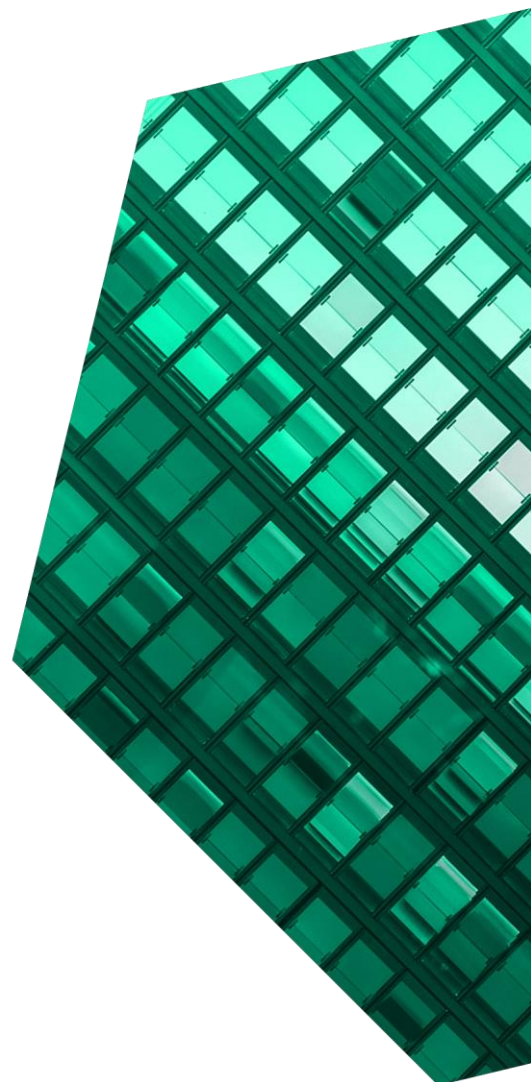
Cost Savings And Business Benefits
Enabled By Soldo

JUNE 2023

Table Of Contents

Consulting Team: *Miriam Oesterreich*
Josephine Phua

| | |
|---|-----------|
| Executive Summary | 1 |
| The Soldo Customer Journey | 6 |
| Key Challenges | 6 |
| Finance/accounting Manager Time Savings On Claims Management | 7 |
| Composite Organisation | 7 |
| Analysis Of Benefits | 8 |
| Finance/Accounting Manager Time Savings On Claims Management | 8 |
| Finance/Accounting Manager Time Savings On Monthly Reporting | 10 |
| Employee Time Savings On Expense Management | 11 |
| Operational Time Savings On Cash Management | 13 |
| Unquantified Benefits | 14 |
| Flexibility | 16 |
| Analysis Of Costs | 17 |
| Total License And Service Costs | 17 |
| Financial Summary | 19 |
| Appendix A: Total Economic Impact | 20 |
| Appendix B: Endnotes | 21 |



ABOUT FORRESTER CONSULTING

Forrester provides independent and objective research-based consulting to help leaders deliver key transformation outcomes. Fuelled by our customer-obsessed research, Forrester's seasoned consultants partner with leaders to execute on their priorities using a unique engagement model that tailors to diverse needs and ensures lasting impact. For more information, visit forrester.com/consulting.

© Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies. For additional information, go to forrester.com.

Executive Summary

A mobile and empowered workforce plays a significant role in business success. However, managing employee and business expenses often leaves employees and finance managers frustrated. The right tools and technologies are mission-critical for compliancy and efficiency. Today's businesses require modern expense management, which provides control over budgets, instant access to company money, company cards with spend rules, real-time transaction data, and efficient approval and reporting processes.

Soldo is an expense management solution for businesses of all sizes that combines company cards with a digital expense management platform. It is designed to not only give employees instant and controlled access to company money, but also an easy way to submit their expenses. Furthermore, it provides finance, operations, and departmental managers with real-time oversight and control over company spending and a streamlined way to manage cards, budgets, expenses, and monthly reports.

Soldo commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realise by deploying Soldo.¹ The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Soldo on their organisations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed four representatives with experience using Soldo. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organisation.

Prior to using Soldo, these interviewees noted how their organisations relied on using traditional credit or debit cards from banks, petty cash, or employees using their own money to make purchases. They used spreadsheets to conduct their expense management and monthly reporting manually. However, this left the interviewees' organisations with

KEY STATISTICS



Return on investment (ROI)
358%



Net present value (NPV)
€137K

too few cards for all potential users, reimbursement complaints, and virtually no oversight into transactions and budgets. These limitations led to time-consuming and cumbersome expense management and reporting; delays in distributing funds and cards to employees; and a lack of visibility and control over company spend. Additionally, it led to a poor employee experience in regard to expense management processes.

After the investment in Soldo, the interviewees said their organisations used virtual and physical cards to make purchases and conduct their expense management. Transferring money to and from cards, reporting, and analysing company spend was performed on the Soldo platform. Key results from the investment included improved employee efficiency and autonomy; increased productivity and flexibility amongst finance, operations, and departmental managers; better expense policy compliance; and more control over company spend.

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organisation include:

For finance/accounting teams:

- **Finance/accounting manager time savings on claims management, amounting to nearly €98,600.** For the composite organisation, Soldo reduces the time a finance manager spends on a claim by 62%, allowing more time for value-added tasks and projects. This results in savings of €98,600 over three years.
- **Finance/accounting manager time savings on monthly reporting, amounting to over €1,500.** Soldo enables the composite organisation's finance managers to cut the time spent reviewing and approving a report by 80%, and the time spent reviewing budgets aligns to company spend by 50%. This results in savings of €1,500 over three years.

For employees:

- **Employee time savings on expense management, amounting to over €73,400.** In the case of the composite organisation, employees save over 50% of the time they previously spent on submitting expense claims, which is a reduction of 48 minutes per claim on average. Overall, this adds up to time savings of €73,400 over three years.

For operations team:

- **Operational time savings on cash management, amounting to over €1,300.** Instead of distributing cash, operations managers at the composite organisation now issue virtual cards, whether permanent or temporary, to employees and contractors, saving around 50 hours per year. This results in savings of €1,300 over three years.

“We had evaluated other competitors, but Soldo was chosen for the best service-price ratio. The Soldo features were wider than those provided by other competitors, and the price was advantageous.”

— Treasury specialist, oil and gas/OEM

Unquantified benefits. Benefits that provide value but are not quantified in this study include:

- **Up-to-date view of company spending.** Since most interviewees had virtually no oversight into their company spend until bank statements arrived weeks later, they agreed that having instant visibility over all transactions, budgets, and overall company spend was a key benefit that allowed for better planning and flexibility in managing budgets.
- **Real-time management of cards, money, and budgets.** All interviewees found the ability to manage cards, money, and budgets in real time to be one of the most valuable features of Soldo. They reported that Soldo made their organisations flexible and quick, especially when topping up funds, issuing or unlocking cards instantly, or providing temporary virtual cards for one-off expense needs when supporting employees on the move.
- **Improved business spending policy compliance.** Interviewees highlighted that they mitigated the risk of fraud, theft, and inappropriate use of money because the Soldo solution replaced cash usage and enabled the setup of policies and easy detection of fraudulent or out-of-policy transactions.
- **Employee empowerment and autonomy.** The interviewees noted their employees no longer had to use their own money or cash to make payments, but instead had a modern card solution at hand. This provided flexibility and mobility and boosted employees' sense of financial security.
- **Easier, more secure, and more controlled way to allow contractors/external vendors to make payments.** Interviewees noted that providing temporary virtual cards offered a convenient and secure way to provide contractors and third

parties with a means of making payments during the time of their contracts.

- **Increased automation from integrations with accounting, administration, and budget software.** The two interviewees whose organisations had integrated Soldo with their accounting software noted benefits from the level of automation it provided. For example, their organisations experienced a reduction in manual tasks and easier reporting on financial data because transaction data was automatically transferred.

Costs. Three-year, risk-adjusted PV costs for the composite organisation include total license and service costs. The composite organisation experienced costs for card-user license fees, card setup costs, and initial integration efforts by third-party software providers. This results in a cost of €38,100 over three years.

The representative interviews and financial analysis found that a composite organisation experiences benefits of €174,900 over three years versus costs of €38,100, adding up to a net present value (NPV) of €136,800 and an ROI of 358%.



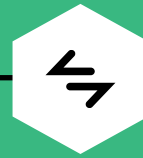
ROI
358%



BENEFITS PV
€175K



NPV
€137K



PAYBACK
<6 months

Benefits (Three-Year)



The biggest benefit was increased efficiency of employees and finance managers in managing expense claims.

Finance/accounting, operations, and departmental managers also experienced time savings on cash management and monthly reporting.

“Our biggest drivers were flexibility and security, which is why we went with Soldo in the end. Our branch managers can do a lot more now that we have Soldo and spend the saved time doing more meaningful things.”

— Finance manager, health and social care

TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organisations considering an investment in Soldo.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that Soldo can have on an organisation.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Soldo and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organisations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in Soldo.

Soldo reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

Soldo provided the customer names for the interviews but did not participate in the interviews.



DUE DILIGENCE

Interviewed Soldo stakeholders and Forrester analysts to gather data relative to Soldo.



INTERVIEWS

Interviewed four representatives at organisations using Soldo to obtain data with respect to costs, benefits, and risks.



COMPOSITE ORGANISATION

Designed a composite organisation based on characteristics of the interviewees' organisations.



FINANCIAL MODEL FRAMEWORK

Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.



CASE STUDY

Employed four fundamental elements of TEI in modelling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

The Soldo Customer Journey

■ Drivers leading to the investment in Soldo

| Interviews | | | |
|---------------------|------------------------------|-------------------------|-----------------|
| Role | Industry | Region | Size |
| CFO | Transport and logistics | Headquartered in France | 270 employees |
| Finance manager | Railway, space, and aviation | Headquartered in Italy | 1,700 employees |
| Finance manager | Health and social care | Headquartered in the UK | 700 employees |
| Treasury specialist | Oil and gas/OEM | Headquartered in Italy | 430 employees |

KEY CHALLENGES

Prior to the investment in Soldo, interviewees reported that their organisations typically issued traditional credit or debit cards from banks. But there was a limit to how many cards the organisations could have, which meant that few employees were offered one. Since there weren't enough cards for all potential users, employees often received cash to spend on expenses or had to use their own money and get reimbursed later. Expense management and monthly reporting were conducted manually in spreadsheets, using (sometimes paper-based) bank statements provided by the bank after month-end.

The interviewees noted how their organisations struggled with common challenges, including:

- **Time-consuming and cumbersome expense management.** Interviewees noted that, before Soldo, employees spent hours submitting expense claims manually, including collecting and scanning physical receipts. Finance managers equally spent hours reviewing those expense claims manually, checking policy compliance, and chasing missing receipts and details.
- **Inefficient and manual monthly reporting.** According to interviewees, at the end of each month, finance managers spent a significant amount of time going through bank statements to manually create, review, and approve a monthly report in spreadsheets and compare it to planned budgets and company spend.
- **Delays in distributing funds and cards.** The finance manager at a health and social care company stated, "Topping up traditional bank cards could sometimes take two to three days, which was really stressful when our employees urgently needed the funds." Similarly, it took up to a week to issue a replacement for a blocked card. In addition, interviewees reported that withdrawing, counting, and distributing cash to employees was a very clumsy and time-consuming process, not to mention prone to errors and theft.
- **Lack of visibility and control over spend.** Another key challenge noted by interviewees was the lack of real-time monitoring of transactions. Several interviewees noted their finance managers had to wait 15 days to get access to bank statements to review transactions and conduct spend analysis. Another highlighted that it was difficult to resolve suspicious transactions when they only detected them weeks later and it was too late to block the card.

FINANCE/ACCOUNTING MANAGER TIME SAVINGS ON CLAIMS MANAGEMENT

The interviewees' organisations searched for a solution that enabled:

- **A modern, efficient way of making purchases and managing expenses.** Interviewees noted the primary catalyst driving the investment in Soldo was the need to make cash payments and reimbursements obsolete, empowering employees to make purchases and claim expenses in a more efficient, easy, and secure way. The finance manager at a health and social care company stated: "Making payments with a big stack of cash isn't normal behaviour. We wanted [an easier process] for our employees, [which is] why we wanted to [modernise our] technology."
- **Flexible, independent, and real-time management of expenses, cards, and funds.** Interviewees noted that their organisations were required to verify expenses and adjust card limits instantly without the need to call the bank or visit a branch. They pointed out their need to have non-nominative or team cards and how this was one of Soldo's big advantages, compared to all other competitors they looked at.
- **Easy access to historical and current spend data.** Interviewees wanted the ability to view and analyse spend data to make real-time adjustments and better-informed financial decisions — something that traditional (and sometimes paper-based) bank statements provided after the end of each month didn't offer. The CFO at a transport and logistics company said, "The possibility to see what's pending and what is already processed helps us manage the right claims and track expenses associated with each project."

COMPOSITE ORGANISATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organisation is representative of the four interviewees, and it is used to present the aggregate financial analysis in the next section. The composite organisation has the following characteristics:

Description of composite. The composite organisation is a large business with 775 employees located across Europe and is comprised of both office-/home-based and frontline workers on the move. Prior to the investment in Soldo, purchases were paid for with petty cash and/or employees' own money, and expenses were managed manually.

Deployment characteristics. The composite organisation has a centralised finance team responsible for overseeing the expense platform and for managing cards, expenses, budgets, and financial reports. As the organisation expands, it needs a more scalable solution to manage expenses for a growing workforce. The organisation deploys Soldo cards to nondesktop employees who are constantly on the move, need petty cash for the purchase of materials and supplies, and submit travel expenses frequently.

Key Assumptions

- **€110M annual revenue**
- **775 employees**
- **155 card users (20% of employees; increases to 30% as adoption expands)**

Analysis Of Benefits

■ Quantified benefit data as applied to the composite

| Total Benefits | | | | | | |
|----------------|--|---------|---------|---------|----------|---------------|
| Ref. | Benefit | Year 1 | Year 2 | Year 3 | Total | Present Value |
| Atr | Finance/accounting manager time savings on claims management | €32,141 | €40,176 | €48,211 | €120,528 | €98,644 |
| Btr | Finance/accounting manager time savings on monthly reporting | €622 | €622 | €622 | €1,866 | €1,547 |
| Ctr | Employee time savings on expense management | €23,905 | €29,881 | €35,857 | €89,643 | €73,366 |
| Dtr | Operational time savings on cash management | €540 | €540 | €540 | €1,620 | €1,343 |
| | Total benefits (risk-adjusted) | €57,208 | €71,219 | €85,230 | €213,657 | €174,900 |

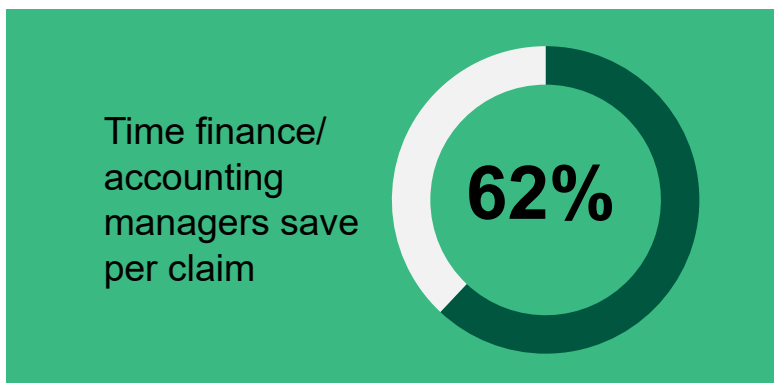
FINANCE/ACCOUNTING MANAGER TIME SAVINGS ON CLAIMS MANAGEMENT

Evidence and data. Interviewees noted that Soldo increased finance managers' productivity due to the ability to review expense claims. The solution reduced time spent checking receipts, chasing missing receipts and expense details, and checking policy compliance. Because the Soldo platform reflected transactions in real time, finance managers didn't have to wait long periods of time to verify expense claims.

- For most interviewees, the only method of verifying expense claims and making decisions on reimbursement before using Soldo was to manually compare expense claims to paper-based bank statements. The treasury specialist at an oil and gas/OEM company stated: "It was then our job, from a really lengthy and manual point of view, to verify all the expense claims and also justify those that could in fact be reimbursed. Before Soldo, it took us two days to manage all expense claims, whereas now it's a few hours."
- The treasury specialist at an oil and gas/OEM company added: "It used to take about 30 minutes every time there was a receipt or

information missing, because all receipts had to be collected and reviewed physically by the finance team. Now, that just takes 5 minutes because in Soldo it is easier to identify the transactions for which we did not receive all necessary information."

- The finance manager at a company in the railway, space, and aviation industry noted: "Our bank took around two weeks after month-end to provide the paper-based bank statements for our company credit cards, and we had to compare them manually to employees' expense claims. It was certainly very difficult to find and verify expenses completed so long ago in these printed



statements. Now, thanks to the real-time visibility of transactions in Soldo, there is no need to wait until long after the end of month to review claims.”

Modelling and assumptions. For the composite organisation, Forrester assumes the following:

- Of all employees, only those in operational roles or in roles that require frequent travel are users and get a Soldo card. The percentage of employees with cards is around 20% in Year 1, expanding to 25% in Year 2 and 30% in Year 3 as adoption increases.
- Employees submit an average of two claims per month, adding up to 24 claims per year per card user.

- The finance team manages all claims, adding up to 3,720 claims in total in Year 1, 4,650 in Year 2, and 5,580 in Year 3.
- Finance managers save 48 minutes per claim on average compared to the previous approach — a reduction of 62%.

Risks. Risks that could impact the realisation of this benefit include the following:

- The number of claims submitted each month.
- The number of employees at an organisation.
- The time spent checking and approving claims before Soldo.
- The amount of productivity recaptured.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of €98,600.

| Finance/Accounting Manager Time Savings On Claims Management | | | | | |
|--|--|--------------|--|---------|---------|
| Ref. | Metric | Source | Year 1 | Year 2 | Year 3 |
| A1 | Employees | Composite | 775 | 775 | 775 |
| A2 | Percentage of employees with cards | Composite | 20% | 25% | 30% |
| A3 | Card users | A1*A2 | 155 | 194 | 233 |
| A4 | Average number of claims per user | Interviews | 24 | 24 | 24 |
| A5 | Total number of claims | A3*A4 | 3,720 | 4,650 | 5,580 |
| A6 | Time spent on checking and approving a claim before Soldo (hours) | Interviews | 1.3 | 1.3 | 1.3 |
| A7 | Time spent on checking and approving a claim after Soldo (hours) | Interviews | 0.5 | 0.5 | 0.5 |
| A8 | Time savings on managing each claim (hours) | A6-A7 | 0.8 | 0.8 | 0.8 |
| A9 | Fully burdened salary of finance managers (hourly) | TEI standard | €24 | €24 | €24 |
| A10 | Productivity recaptured | TEI standard | 50% | 50% | 50% |
| At | Finance/accounting manager time savings on claims management | A5*A8*A9*A10 | €35,712 | €44,640 | €53,568 |
| | Risk adjustment | ↓10% | | | |
| Atr | Finance/accounting manager time savings on claims management (risk-adjusted) | | €32,141 | €40,176 | €48,211 |
| Three-year total: €120,528 | | | Three-year present value: €98,644 | | |

FINANCE/ACCOUNTING MANAGER TIME SAVINGS ON MONTHLY REPORTING

Evidence and data. The interviewees noted that Soldo generated monthly reports automatically and let users export or transfer them to other accounting systems and software. This allowed finance managers to reduce the previously manual workload required to create such reports each month. Since the reports provided a clear overview of the monthly spending, finance managers also increased their efficiency in comparing budgets aligned to company spend, ensuring accuracy and compliance.

- The treasury specialist at an oil and gas company stated: “We significantly improved one core aspect of our business due to the investment in Soldo. Soldo’s dashboard made our financial reporting much more agile and faster. Before Soldo, our monthly reporting was sent as an account extract from the bank to a spreadsheet. Now, we can download it ourselves directly from the platform.”
- The finance manager at a company in the railway, space, and aviation industry noted: “I used to allocate a day a month in budget revision, now I put it in half a day, around 4 hours. It’s very impactful. And the cadence changed. Now, I can do it in real time at the end of the month, rather than 15 days later when the bank statements used to arrive, so I have the possibility to anticipate some additional checks.”

Modelling and assumptions. For the composite organisation, Forrester assumes the following:

- Finance/accounting managers review one report per month, adding up to 12 reports per year.
- The time a finance manager spends reviewing and approving a report is cut by 80% from 1 hour to 12 minutes.

- The time spent reviewing budgets aligned to company spend is reduced by 50% – from eight to four hours per report.

Risks. Risks that could impact the realisation of this benefit include the following:

- The level of integration with other existing finance/accounting platforms.
- Time spent reviewing reports before Soldo.
- The time spent reviewing budgets before Soldo.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of €1,500.



| Finance/Accounting Manager Time Savings On Monthly Reporting | | | | | |
|--|--|-----------------|---|--------|--------|
| Ref. | Metric | Source | Year 1 | Year 2 | Year 3 |
| B1 | Reports | Interviews | 12 | 12 | 12 |
| B2 | Time spent reviewing and approving a report before Soldo (hours) | Interviews | 1 | 1 | 1 |
| B3 | Time spent reviewing and approving a report after Soldo (hours) | Interviews | 0.2 | 0.2 | 0.2 |
| B4 | Time spent reviewing budgets aligned to company spend before Soldo (hours) | Interviews | 8 | 8 | 8 |
| B5 | Time spent reviewing budgets aligned to company spend after Soldo (hours) | Interviews | 4 | 4 | 4 |
| B6 | Time savings on monthly reporting and budgeting (hours) | (B2-B3)+(B4-B5) | 4.8 | 4.8 | 4.8 |
| B7 | Fully burdened salary of finance manager (hourly) | TEI standard | €24 | €24 | €24 |
| B8 | Productivity recaptured | TEI standard | 50% | 50% | 50% |
| Bt | Finance/accounting manager time savings on monthly reporting | B1*B6*B7*B8 | €691 | €691 | €691 |
| | Risk adjustment | ↓10% | | | |
| Btr | Finance/accounting manager time savings on monthly reporting (risk-adjusted) | | €622 | €622 | €622 |
| Three-year total: €1,866 | | | Three-year present value: €1,547 | | |

EMPLOYEE TIME SAVINGS ON EXPENSE MANAGEMENT

Evidence and data. Interviewees noted that Soldo enabled improvements in submitting expense claims, reducing the time employees spent on collecting and uploading receipts, manually entering expense details, resolving issues, and waiting for reimbursement.

- The CFO at a transport and logistics company stated: “Soldo enables our employees who have purchases to make like plane or train tickets, accommodation, and restaurants to have an immediate means of payment, rather than having to use their personal funds.”
- The treasury specialist at an oil and gas/OEM company noted: “In the old system, each claim would take an employee around an hour and a half, whereas now it’s about 40 minutes. Receipts used to be paper based. It took employees a long

time to collect and allocate them and often they were missing. Now, they can just upload a picture in just a few seconds.”

- The finance manager at a health and social care company noted: “The solution is a lot more user-friendly than [our previous provider] and the functionality of things like the chat is very useful to resolve transactions. We didn’t really have that option before when we had an issue.”

Modelling and assumptions. For the composite organisation, Forrester assumes that employees with a Soldo card submit an average of two claims per month, adding up to 24 claims per year per card user.

Risks. Risks that could impact the realisation of this benefit include the following:

- The complexity of expense management needs.
- The number of card users.

- The amount of time spent submitting an expense claim before Soldo.
- Employee resistance to change.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of €73,400.

Employee Time Savings On Expense Management

| Ref. | Metric | Source | Year 1 | Year 2 | Year 3 |
|----------------------------------|--|--|--|---------|---------|
| C1 | Card users | A3 | 155 | 194 | 233 |
| C2 | Average number of claims per user | Interviews | 24 | 24 | 24 |
| C3 | Time spent on submitting an expense claim before Soldo (hours) | Interviews | 1.5 | 1.5 | 1.5 |
| C4 | Time spent on submitting an expense claim after Soldo (hours) | Interviews | 0.7 | 0.7 | 0.7 |
| C5 | Time savings on submitting each expense claim (hours) | C3-C4 | 0.8 | 0.8 | 0.8 |
| C6 | Fully burdened salary of average employee (hourly) | TEI standard | €17 | €17 | €17 |
| C7 | Productivity recaptured | TEI standard | 50% | 50% | 50% |
| Ct | Employee time savings on expense management | $C1 \times C2 \times C5 \times C6 \times C7$ | €26,561 | €33,201 | €39,841 |
| | Risk adjustment | ↓10% | | | |
| Ctr | Employee time savings on expense management (risk-adjusted) | | €23,905 | €29,881 | €35,857 |
| Three-year total: €89,643 | | | Three-year present value: €73,366 | | |

OPERATIONAL TIME SAVINGS ON CASH MANAGEMENT

Evidence and data. Interviewees pointed out that virtual cards (whether permanent or temporary) cut the time and effort operations managers spent withdrawing, counting, preparing, and distributing cash to employees and contractors as a means of making payments for work-related needs. In addition to saving time, operations managers also avoided the hassle that goes along with cumbersome bureaucratic processes related to currency exchanges and security measures. Furthermore, as more businesses transitioned to cashless operations, cash payments were becoming even more inconvenient and challenging.

- The finance manager at a health and social care company noted: “Previously, our branch managers were the only ones with a card, so they had to go out very frequently to do cash withdrawals and distribute them to employees and contractors. But their time can be spent doing better things. Not needing to get cash gives them a lot more flexibility now and that’s why we went with Soldo in the end.”
- The treasury specialist at an oil and gas/OEM company said, “Soldo enabled us to reduce the amount of cash in circulation, helping us be more efficient and overcome many issues associated with different currencies, security, and bureaucracy.”

Modelling and assumptions. For the composite analysis, Forrester assumes the following:

- Operations managers issue 150 virtual cards (permanent or temporary) each year. Previously, this money was distributed via cash envelopes.
- The operations manager used to do one cash withdrawal trip to fill three cash envelopes (i.e., three disbursements).

“We realised just how compromised our branches were only having access to cash, so we decided to swap over to a facility that would allow us to be more flexible and independent with cards and enable us to access our funds a lot more easily.”

Finance manager, health and social care

- Operations managers save 1 hour per cash withdrawal, including counting and distributing the cash to employees or contractors.

Risks. Risks that could affect the realisation of this benefit include the following:

- Resistance from both contractors and operations managers to deploy more virtual cards because contractors prefer to use cash.
- The inability to replace petty cash in all instances, since virtual cards cannot be used for purchases in physical stores.
- The number of virtual cards issued.
- The number of cash withdrawals.
- Time spent counting and distributing cash per withdrawal before Soldo.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of €1,300.

| Operational Time Savings On Cash Management | | | | | |
|---|---|--------------|---|--------|--------|
| Ref. | Metric | Source | Year 1 | Year 2 | Year 3 |
| D1 | Virtual cards issued | Composite | 150 | 150 | 150 |
| D2 | Cash withdrawals | D1/3 | 50 | 50 | 50 |
| D3 | Time spent per cash withdrawal (hours) | Interviews | 0.8 | 0.8 | 0.8 |
| D4 | Time spent counting and distributing cash per withdrawal before Soldo (hours) | Interviews | 0.2 | 0.2 | 0.2 |
| D5 | Time savings on cash management (hours) | Interviews | 50 | 50 | 50 |
| D6 | Fully burdened salary of operations manager (hourly) | TEI standard | €24 | €24 | €24 |
| D7 | Productivity recaptured | TEI standard | 50% | 50% | 50% |
| Dt | Operational time savings on cash management | D4*D5*D6 | €600 | €600 | €600 |
| | Risk adjustment | ↓10% | | | |
| Dtr | Operational time savings on cash management (risk-adjusted) | | €540 | €540 | €540 |
| Three-year total: €1,620 | | | Three-year present value: €1,343 | | |

UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their organisations experienced but were not able to quantify:

- **Up-to-date view of company spending.** All interviewees highlighted that, since Soldo shows transactions and expenses in real time, they could instantly and continuously monitor and review what was being spent. The finance manager at a health and social care company reported: “We can monitor spend a lot easier now. We can run reports, we can see who’s used their cards, and how and where they’re being used, whereas we didn’t have any visibility with our previous provider.”
- **Real-time management of cards, money, and budgets.** Many interviewees noted increased flexibility as one of Soldo’s most valuable features. It enabled the activation or blocking of cards, as well as the adjustment of funds and

“The integration with our accounting software was quite simple. We only had to implement a series of connections.”

Treasury specialist, oil and gas/OEM

budgets in real time. One interviewee noted: “Having many employees on the move, it can happen that a card gets blocked, or the funds run out and the person gets stuck. Real-time data in the platform enables us to instantly understand the problem and unlock or top up the card, which is not nearly as simple with other credit card providers.”

- **Improved business spending policy compliance.** Some interviewees reported that

Soldo helped enforce expense policy compliance and enabled a significant reduction in the volume of fraud and theft. One interviewee noted: “Soldo helped us mitigate the risk of fraud associated with credit cards. Employees can spot suspicious or fraudulent transactions a lot quicker than they would have done previously and block cards by themselves without calling the bank or the finance team to intervene.” The finance manager at a health and social care company stated, “We really like the fact that we can tailor each card specifically and block things on the card that we’ve had problems with before, [such as] alcohol or gambling transactions.”

- **Employee empowerment and autonomy.** Equipping employees with a modern, intuitive solution instead of having them use cash or their own money offered more convenience and autonomy. As a result, interviewees’ organisations that implemented Soldo experienced increased employee satisfaction.

- **Easier, more secure, and more controlled way to allow contractors/external vendors to make payments.** Interviewees said that temporary virtual cards could be used as a quick and secure way of allowing third parties to make payments with money allocated to them. The CFO at a transport and logistics company noted, “I don’t always have the contractors’ names but, with temporary virtual cards, I can easily provide them with an immediate means of payment.”
- **Increased automation from integrations with accounting, administration, and budget software.** The interviewees whose companies had integrated Soldo with other systems noted increased efficiency through the reduction of manual tasks. The treasury specialist at an oil and gas/OEM company noted, “The main advantage has been the integration with [our accounting software], because it has automated the transfer of expense data.”

“Soldo enables us to create wallets for specific projects that require multiple business trips and link user cards to the wallet. That makes it easier to track expenses associated with each project.”

— Finance manager, railway, space, and aviation

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Soldo and later realise additional uses and business opportunities, including:

- **Advanced analytics to better predict, manage, and optimise cash flow.** In addition to analysing historic and current spend, the interviewees' companies used the collected data to run advanced analysis to predict future spend and employee behaviour so they could optimise their cash flow. Interviewees anticipated that Soldo will enable their organisation to make better-informed financial decisions, noting, "It will help us identify where our money *should* be spent."
- **Increased automation of processes.** While the interviewees' financial teams benefitted from improved efficiency, there were similar opportunities for other teams if integrations were set up appropriately. For example, one interviewee noted their organisation is planning to work with Soldo to improve the integration with their HR and payroll tool, which integrated all corporate processes of people management. The interviewee stated, "Expenses could automatically be presented in the HR management tool that we already have to manage travel activity."

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in [Appendix A](#)).

Analysis Of Costs

■ Quantified cost data as applied to the composite

| Total Costs | | | | | | | |
|-------------|---------------------------------|---------|---------|---------|---------|---------|---------------|
| Ref. | Cost | Initial | Year 1 | Year 2 | Year 3 | Total | Present Value |
| Etr | Total license and service costs | €1,864 | €11,718 | €14,851 | €17,780 | €46,213 | €38,149 |
| | Total costs (risk-adjusted) | €1,864 | €11,718 | €14,851 | €17,780 | €46,213 | €38,149 |

TOTAL LICENSE AND SERVICE COSTS

Evidence and data. The interviewees reported total costs that were made up of card user license fees, initial card set-up fees, and initial integration efforts by third-party software providers. License fees were paid per card user per month. The initial setup included a one-off payment for each physical card, as well as a one-off payment to third-party software providers to set up the integration.

Modelling and assumptions. For the composite analysis, Forrester assumes the following:

- License and card fees, which include virtual and physical user cards and the initial card setup, total €775 initially and €11,160 in Year 1. This value grows to €16,934 by Year 3 as adoption grows.

- The composite integrates Soldo with their accounting system, incurring integration efforts totalling €1,000.

Risks. Risks that could affect the magnitude of this cost include:

- The complexity and cost for integrating Soldo with other systems.
- The interviewees reported that their own employees spent time on setting up the integrations but were not able to quantify the effort.

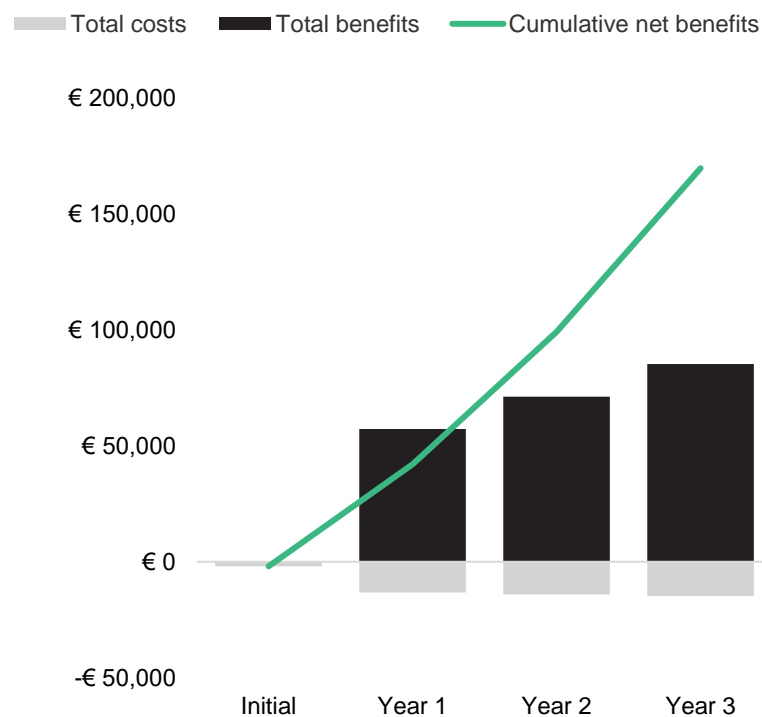
Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV of €38,100.

| Total License And Service Costs | | | | | | |
|----------------------------------|---|------------|--|---------|---------|---------|
| Ref. | Metric | Source | Initial | Year 1 | Year 2 | Year 3 |
| E1 | License and card fees | Interviews | €775 | €11,160 | €14,144 | €16,934 |
| E2 | Integration efforts | Interviews | €1,000 | €0 | €0 | €0 |
| Et | Total license and service costs | E1+E2 | €1,775 | €11,160 | €14,144 | €16,934 |
| | Risk adjustment | ↑5% | €0 | €0 | €0 | €0 |
| Etr | Total license and service costs (risk-adjusted) | | €1,864 | €11,718 | €14,851 | €17,780 |
| Three-year total: €46,213 | | | Three-year present value: €38,149 | | | |

Financial Summary

CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

Cash Flow Chart (Risk-Adjusted)



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite organisation's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted Estimates)

| | Initial | Year 1 | Year 2 | Year 3 | Total | Present Value |
|----------------|----------|-----------|-----------|-----------|-----------|---------------|
| Total costs | (€1,864) | (€11,718) | (€14,851) | (€17,780) | (€46,213) | (€38,149) |
| Total benefits | €0 | €57,208 | €71,219 | €85,230 | €213,657 | €174,900 |
| Net benefits | (€1,864) | €45,490 | €56,368 | €67,450 | €167,444 | €136,751 |
| ROI | | | | | | 358% |
| Payback | | | | | | <6 months |

Appendix A: Total Economic Impact

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realise the tangible value of IT initiatives to both senior management and other key business stakeholders.

TOTAL ECONOMIC IMPACT APPROACH

Benefits represent the value delivered to the business by the product. The TEI methodology places equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organisation.

Costs consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.



PRESENT VALUE (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.



NET PRESENT VALUE (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made unless other projects have higher NPVs.



RETURN ON INVESTMENT (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.



DISCOUNT RATE

The interest rate used in cash flow analysis to take into account the time value of money. Organisation's typically use discount rates between 8% and 16%.



PAYBACK PERIOD

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

Appendix B: Endnotes

¹ Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realise the tangible value of IT initiatives to both senior management and other key business stakeholders.

FORRESTER®