



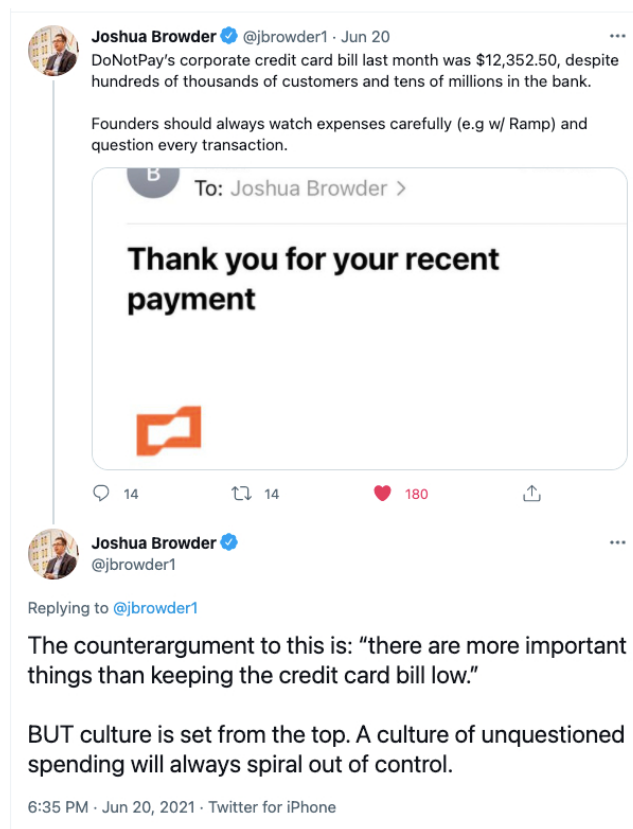
Towards a healthy spending—and savings—culture

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by The Ramp team

Whether you're focused on the finances of a ten-person startup or a 1000-strong company, you must spend to grow. How that money is spent, who spends it, and why can make or break your company's financial wellbeing.

As the CEO or head of finance, you may be seeking more control over these choices or still at a stage where spending goes mostly unchecked. Either way, as this tweet from DoNotPay's CEO indicates, how money gets spent is a key indicator of something important for every company: its financial culture.



Let's discuss the steps you can take to establish a healthy spend culture.

Why the culture question matters now

Instilling a healthy spend culture is more important than ever as new ways of purchasing software have emerged. Your finance team is no longer signing multimillion-dollar contracts for on-premises installations. It's now a breeze for individual team members to subscribe to software with a card-based payment or a digital payment. In an age where employees feel a strong sense of ownership over their work, your team members expect to be trusted to make responsible spending decisions. They won't have the patience to run every spending request up the ladder.

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But that's a problem for your finance team. It was easier to manage software spend in the days of licenses and renewals. This is why healthy spending cultures matter. As spending becomes more decentralized, it's critical that leaders help employees understand how their day-to-day spending decisions directly impact the company's bottom line.

The old ways: seek permission or forgiveness

Currently spend culture at most companies falls into two camps. Employees either beg for permission for funds to progress important work. Or they gamble without any approval to spend on key projects, asking for forgiveness later. In both cases, expense policies are housed in static documents that are rarely viewed.

Both approaches are slow, manual, and resource-intensive for finance teams. Permission and forgiveness cultures make it tougher to close your books on time and report company performance. And chasing expense reports and receipts is a waste of the finance's true expertise.

CFOs and financial controllers shine when their teams have more time to influence strategies that create successful companies. This is what Deloitte envisions in its [Finance 2025 forecast](#). The report predicts finance's partnership role in businesses will "shift upstream" from budgeting and reporting to scenario planning and [advanced forecasting](#).

Seeking permission or forgiveness served businesses for a time. These days, they are a brake on growth and a hindrance to effective collaboration.

A new way: encourage growth with guardrails

A better spend culture for modern organizations is one where employees feel trusted to spend responsibly. As a leader, you want to build a modern organizational culture where everyone feels empowered to take action, where collaboration is the de facto way of working.

These positive behaviors should permeate every aspect of your company, from product development and go-to-market strategy—to financial operations. You don't want people to fear spending. Rather, you want people to understand the guardrails for healthy spending and saving, and what positive financial behaviors look like.

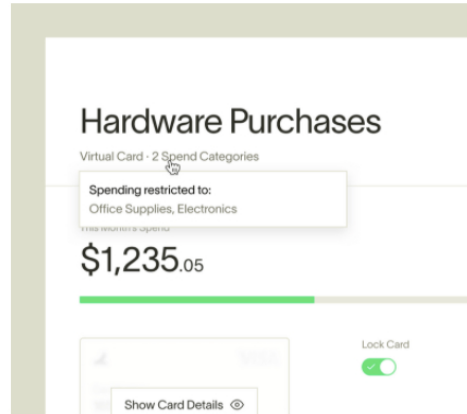
However, you're not just relying on people's good will. Founders and financial leaders are still responsible for monitoring expenses and ensuring teams stay within budget. But the reality is you can't — and shouldn't — get bogged down in the granular details of spending. In a healthy spend culture, you have proper systems in place to implement those guardrails and prevent unchecked spending.

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Modern spend management tools allow you to digitize your expense policy and block out-of-policy spend before it happens. Look for features like the following to encourage healthier spending and savings habits across your entire organization:

- Allow team members to easily request physical and virtual cards as project needs arise
- Use a single tool to manage card transactions and personal [reimbursements](#). A [2019 IDC survey](#) found 50 percent of organizations are still working with "fragmented applications" to manage spending.
- Establish approval workflows that delegate straightforward spend approvals to line managers, while looping in the finance team for bigger ticket requests

- Issue cards that lock spending to preset categories and limits
- Use your software to automate collection of receipts and memos from team members. Free your finance team for more strategic work.



Ramp card controls

These kinds of integrated solutions help team members to spend money responsibly without fear of a slap on the wrist. They also help your finance teams avoid the need to wade through expense claims based on guesswork and half-truths. Culture is strengthened when there is a feeling of mutual trust and empowerment. Technology can't replace that kind of alchemy—but it can enable it.

You'll start to notice some things about your company, as spending and saving culture improves:

- Your employees feel trusted that they are seen as capable and competent—they know what they need to do their job and to spend responsibly.
- Your teams and managers have open and honest conversations about the budgets they need, supported by tools and processes to progress key projects at the right speed.
- Everyone knows finance's policies, which are supported by tools that stop violations, not individuals forced to act as the 'bad cop' come month-end.

Culture change starts with you

At Ramp, we believe financial fitness starts with every employee. Your company's financial health will improve as you empower your people to become more financially savvy. Stop purely thinking about how you're going to make sure your budgets are intact, or how you're going to limit burn rate. Help your employees understand why they need to treat company dollars with care.

At the same time, clever companies don't leave things to chance. They nurture a strong culture of empowerment and responsibility that keeps spending and saving on the right track — and they call on the right solutions to support this push. See whether [Ramp](#) is the right solution for you.

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Streamline approvals.

Review requests, pre-approve expenses, and issue general expense cards in a few clicks – or directly in Slack. Delegate approvals and empower your team leads to spend on the things they need and control their team's expenses.

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Issue instant cards.

Unlimited virtual and physical cards with built-in spend limits, instantly available for everyone in your team. Define spend rules and let your smart cards enforce your policies automatically. No more surprises or under-the-radar spending.

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See spend as it happens.

Stop waiting on monthly statements or manual spreadsheets. Find, browse, and download real-time transactions from any employee, department, or merchant – on any device.

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Close your books 5x faster.

An accounting experience by finance teams, built for speed and efficiency. Automate manual processes and start enjoying instant reconciliation – Ramp does all the heavy lifting.

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Trim wasteful spend.

Ramp analyses every transaction and identifies hundreds of actionable ways your company can cut expenses and alerts your team via email, SMS, or Slack. It's like having a second finance team, laser-focused on cutting costs.

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Consolidate reimbursements.

Ramp makes it easy to reimburse your employees for any incidental out-of-pocket expenses. Review, approve, and pay employees back for anything that didn't make it onto a card with the rest of your Ramp transactions.

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