USE CASE: DESIGNING & OPTIMIZING A SCALABLE SPEND MANAGEMENT OPERATING MODEL FOR A GROWING CONSUMER SERVICES COMPANY

How Lyndon Group helped a rapidly expanding organization redesign Travel, Expense, and Accounts Payable processes to improve control, usability, and scalability.

CHALLENGES

The organization's spend management processes had become loosely governed and difficult to scale as the business expanded. Travel, Expense, and vendor payment workflows operated with outdated guidance, inconsistent approvals, and limited visibility into spend activity. Weak segregation of duties—particularly around vendor setup and invoice approval—introduced significant fraud exposure and control failures. With policies misaligned to day-to-day behavior and tools unable to deliver value without clearer process design, operations grew increasingly error-prone, manual, and vulnerable at a time when stronger structure and oversight were urgently needed.

INEFFICIENT & FRAGMENTED SPEND MANAGEMENT

- Disconnected Travel, Expense, and vendor payment processes created inconsistent workflows
- Employees relied on outdated guidance, leading to frequent errors and confusion
- Limited visibility into spend patterns and drivers of exceptions

OUTDATED POLICIES & WEAK GOVERNANCE

- Policies had not kept pace with business growth and were difficult to operationalize
- Approval authority and exception handling were inconsistently applied
- Misalignment between written policy and actual day-to-day behavior

HIGH FRAUD RISK & LACK OF SCALABLE CONTROLS

- Inadequate segregation of duties enabled vendor manipulation and unreviewed invoice approvals
- Weak preventive controls allowed fraudulent activity to go undetected
- Finance teams spent excessive time correcting errors due to unclear processes and tool limitations

CLIENT OVERVIEW

A U.S.-based consumer services organization experiencing rapid growth engaged Lyndon Group (LG) to assess and redesign its Spend Management program. The company supported a highly distributed workforce, frequent travel, and a growing vendor population, placing increasing pressure on existing Travel, Expense, and Accounts Payable processes.

PRIMARY GOALS

- Define a clear, end-to-end Spend Management operating model
- Modernize Travel, Expense, and Accounts Payable policies
- Improve reimbursement accuracy and cycle time
- Eliminate segregation-of-duties gaps and reduce fraud risk
- Establish clear vendor governance and approval authority
- Reduce operational friction and rework
- Optimize existing technology to support continued growth

WHAT LG DISCOVERED

- Fraud exposure was driven by **control design failures**, not isolated user behavior
- Vendor setup, invoice approval, and payment activities lacked segregation of duties
- Collusion risk was systemic due to overlapping access and unclear ownership
- Incremental changes would not adequately address fraud risk
- Policies and workflows needed to be redesigned together to enforce controls
- A clearly defined future-state operating model was required before optimization

THE LG ENGAGEMENT

Lyndon Group conducted a comprehensive Spend Management Program Optimization engagement spanning Travel, Expense, Accounts Payable, and Purchasing. The work was delivered across three separate Statements of Work over a period of just over one year, totaling more than 400 consulting hours.

The engagement included:

- End-to-end process assessment across employee spend and vendor payments
- Identification of segregation-of-duties gaps and fraud risk points
- Redesign of vendor onboarding, maintenance, and approval controls
- Design of a future-state spend management operating model
- Development of 5–7 new written policies covering Travel, Expense, AP, and Purchasing
- Creation of RACI matrices defining roles, ownership, and decision rights
- Design of detailed VISIO workflow diagrams documenting intake, approval, exception handling, and payment
- Redesign of approval authority and escalation paths
- Implementation of preventive controls to mitigate collusion risk
- Optimization of existing technology configuration to enforce redesigned controls
- Development of end-user reference materials and training aids

LG partnered closely with Finance, AP, and Operations leadership to ensure the redesigned controls could be successfully adopted and sustained.

RESULTS & IMPACT

Stronger controls & reduced fraud exposure

Streamlined spend processes with less rework

Clear, enforceable policies aligned to real behavior

Scalable operating model to support continued growth

Improved visibility into vendor activity & approvals