

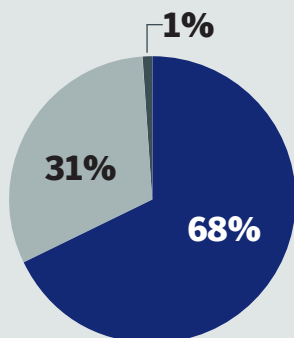
Efficiency Matters: Why Smarter Payments Pay Off

University Business (UB) and American Express partnered to explore issues related to business processes and procurement in higher education, by developing and deploying a survey of the UB audience in November 2017. Over 330 college and university executive leaders responded, from public, private, two-year and four-year institutions of varying sizes around the country.

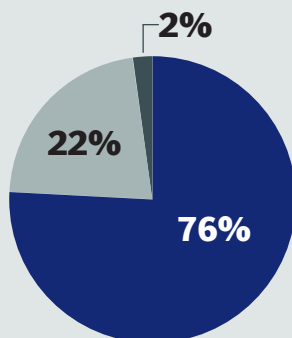
The need to reduce expenses, and drive revenue

When asked how much of a concern it was to contain or reduce operating expenses at their institution, 68 percent described this as a “Serious concern” while 31 percent said “A concern, but not a top priority,” and just 1 percent said “This is not a concern” at their institution. When asked about revenue growth or finding new sources of revenue, the level of concern was even higher, with 76 percent saying this was a “Serious concern,” 22 percent saying “A concern, but not a top priority” and 2 percent saying “This is not a concern.” When it came to declining revenue, 60 percent said this was a “Serious concern,” 25 percent said “A concern, but not a top priority” and 15 percent said “This is not a concern” at their institution.

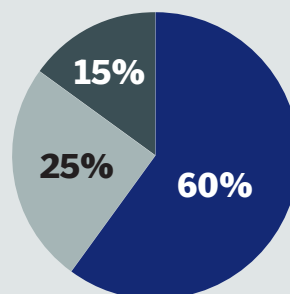
How much of a concern is **containing or reducing operating expenses** at your institution?



How much of a concern is **driving revenue growth or finding new sources of revenue** at your institution?



How much of a concern is **declining revenue** at your institution?



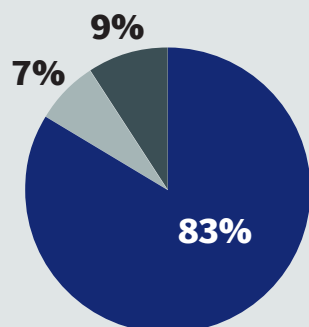
■ “Serious concern” ■ “A concern, but not a top priority” ■ “This is not a concern”

“Many higher education institutions face a variety of challenges, including increased expenses, declining enrollment, tuition discounts and lower returns on endowment investments,” said Walter Jackson, Vice President & General Manager, American Express Global Commercial Payments. “It’s no surprise then that these challenges are serious concerns for higher education leaders, driving them to look for ways to operate more efficiently. American Express seeks to be a trusted partner for higher education professionals, helping to turn back-office payments into an efficient source of bottom-line savings.”

The importance of operational efficiency

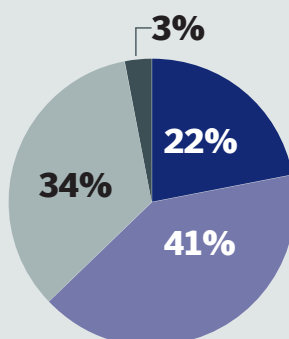
A wide majority (83 percent) of respondents said they have made improving operational efficiency a priority, while 63 percent said they believed that operational inefficiency will be a barrier to the future success of their institution. Some 89 percent also believed that technology will be an important component of improving operational efficiency in the future.

Have you or has the leadership of your institution made **improving operational efficiency** a priority for now or in the future?



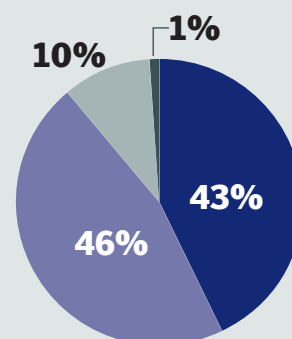
■ Yes ■ No ■ Unsure

Do you believe that **operational inefficiency** will be a barrier to the future growth and success of your institution?

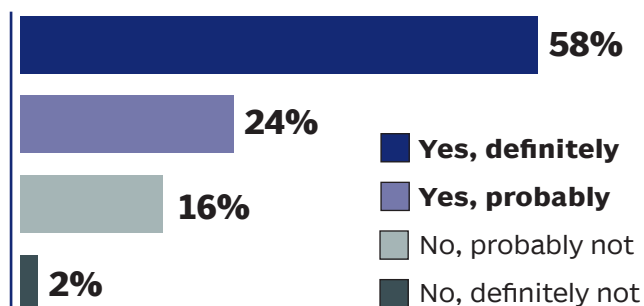


■ Yes, definitely ■ Yes, probably
■ No, probably not ■ No, definitely not

Do you believe that **new technology will be an important component** of improving operational efficiency at your institution in the future?



When it comes to procurement, would a solution that eliminated the need for paper checks, automated the payment and reconciliation processes, and provided new sources of revenue through rebates benefit your institution?



■ Yes, definitely
■ Yes, probably
■ No, probably not
■ No, definitely not

The procurement process

When asked to describe the procurement process at their institutions in general, the vast majority (76 percent) said "Some aspects could be improved," while another 18 percent said the procurement process was "Highly inefficient, and in significant need of improvement," and 88 percent said they rely on paper-based processes in procurement.

Respondents were then asked if they believed a solution that eliminated the need for paper checks, automated the payment and reconciliation processes, and provided new sources of revenue through rebates would benefit their institution. A total of 82 percent said that they thought this type of solution would benefit them.

"One excellent option to improve efficiency when it comes to procurement is online payments, which are more cost-effective than manual systems and checks," said Jackson. "In addition to the cost savings, online payments can help institutions get a better read on spending and improve supplier relationships. Our solutions strive to help give our higher education partners greater spend visibility to cut costs, save time, and manage expenses so they can focus on larger goals of their institution."

ABOUT AMERICAN EXPRESS GLOBAL COMMERCIAL PAYMENTS

Through its Global Commercial Payments division, American Express offers a suite of payment and lending products that help businesses and organizations of all sizes gain financial savings, control and efficiency. Global Commercial Payments provides solutions for travel and everyday business spending, cross border payments, global currency solutions, and business financing.



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