

# Travel Policy – Key Strategies & Best Practices

Presented by:

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| Program Overview                                      |
|---|
| Global Travel & Sourcing Team                         |
| T&E: \$130M   |
| Airline Spend: \$65M                                  |
| Office: 60 Countries                                  |
| People: 3,500   |
| Agency: Travel & Transport/<br>American Express/Other |
| Online Booking Tool:<br>Rearden/e-Travel              |
| Corporate Card: American Express                      |

| Managed Travel Categories / Compliance Metrics |   |
|--|---|
| Travel Agency                                  | <ul style="list-style-type: none"> <li>• Transaction Cost</li> <li>• Travel Savings/Cost Avoidance</li> </ul>                                   |
| Airline  | <ul style="list-style-type: none"> <li>• Carrier Market Share</li> <li>• Net Effective Savings</li> </ul>                                       |
| Hotel  | <ul style="list-style-type: none"> <li>• Supplier Market Share</li> <li>• Savings through negotiated program</li> </ul>                         |
| Car Rental/Ground Transportation               | <ul style="list-style-type: none"> <li>• Supplier Market Share</li> <li>• Savings through negotiated rates</li> <li>• Cost avoidance</li> </ul> |
| Corporate Card                                 | <ul style="list-style-type: none"> <li>• Program Optimization / Usage</li> <li>• Delinquency /Credit Loss Management</li> </ul>                 |
| Online Booking Tool                            | <ul style="list-style-type: none"> <li>• Online Booking Adoption</li> <li>• Touch less Rates</li> </ul>   |
| Business Assurance                             | <ul style="list-style-type: none"> <li>• Traveler Tracking</li> <li>• Emergency Travel Servicing</li> </ul>                                     |



# What do we want travelers to do? the 10 commandments of travel compliance...

1. Read the travel policy!
2. Book ALL travel (air, car, hotel) through the company's preferred channels (preferably using lowest cost option), online
3. Book in advance
4. Utilize preferred suppliers
5. Take the lowest available airfare, unless there are acceptable reasons not to according to travel policy
6. Book lodging at a preferred hotel, using the corporate negotiated rates
7. Understand what is included in negotiated agreement (example: know if insurance coverage is already included in the rental car rates)
8. Use an approved method of payment (corporate card, not personal card)
9. Process your expense report in a timely manner to avoid delinquencies
10. Take necessary precautions to ensure personal safety, have all necessary contact information with you when traveling in the event of an emergency



*Compliance results in traveler security, cost savings, and greater negotiating leverage with suppliers*

# How compliant can you get? There are options depending on the organizations goals



# What do we want suppliers to do? The wish list....

1. Know the client, know your customer
2. Partner, understand what each partner needs
3. Understand and follow the hierarchy
4. Educate on the program offerings
5. Understand the booking channels, do not market non-preferred channels
6. Enable access to content
7. Provide data analytics and not just reporting
8. Provide a great program...customers have to want the product, build loyalty
9. Provide great service and support
10. Offer solutions



*Suppliers play a large part in the success of the corporate travel program*

# BDO USA, LLP

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# BDO USA, LLP

- Accounting, Financial & Consulting Services
- 42 US offices, 2500 employees, 1,000 travelers
- Consolidated Travel in 1998
- Travel brought into procurement in 2003
- Configuration – Onsite, 2 agents & remote, ½ agent



# BDO USA, LLP

- 2011 Corporate Spend
  - Air – 5M
  - Car – 400K
  - Hotel – 4M
  - Transactions – 9,700
- 2011 Group Spend
  - 2.9M
  - IACC conference centers



# BDO USA, LLP

## What Impacts our Travel Program?

- Client service industry
- Consumer Technology
- LLP = Limited Liability Partnership
- WIIFM



# BDO USA, LLP

Compliance 212: Yeah, Right!

## Building Compliance

- Regular Travel Policy Updates
- Communication
  - daily web news, agents, bulletin board, Yammer
- Acknowledge the winners
- Internal Audit
- Pester, pester, pester

*We Build Compliance through Education, not Enforcement*



# Questions for Discussion

- Is our data clean and accurate?
- What parts of my travel program should I measure?
- How does our program compare to others?
- Where can we save money and keep the travelers happy ?



# Characteristics of Smarter Analytics

- Quickly identify the strengths and opportunities of your travel policy.
- Goes steps beyond traditional corporate reporting to answer the following questions:
  - How is your travel program performing?
  - What areas are doing well?
  - Which areas could you improve upon?
  - Are you trending in a positive or negative direction in each area?
  - How do you compare against your user-defined peer group (companies of similar size, region, industry, travel policy)?

# Pushing Compliance through Rewards

A list of policy behaviors to consider tracking and rewarding:

- Booking preferred suppliers.
- Use of value-priced/limited-service hotels.
- Booking air and hotel well in advance.
- Not checking a bag for a short trip.
- Using off-airport parking.
- Taking a free shuttle or public transportation to the hotel.
- Checking in with home office when arriving at a high-risk destination
- Rating hotels/car rental companies on the company social network.
- Completing expense reports 48 hours after the trip.

The logo for 'REWARDS POINTS' is displayed in a white rectangular box. The word 'REWARDS' is in blue, and 'POINTS' is in blue with a green star above the 'I'.

REWARDS  
POINTS



# Social Media: Creating Travel Policy Awareness

*Constant exchange of information between employees is having a profound impact on travel management*

- Re-defining who is the travel expert—the travel manager or the road warrior?
- Gives travelers a louder voice in the process, tools and suppliers they favor.
- Fosters a sense of investment in the travel process because travelers share wisdom and experiences.



# Communicating The Value

- Pay close attention to the basics like good communication with your travelers.
- Utilize smart analytics to reinforce “Travel Smarter...Not Less” approach to maximize savings.
- Capitalize on the cultural shift with mobility & social.
- Communicate new technologies and program successes companywide.
- Satisfied and engaged travelers will be more likely to support program objectives.