The presentation will begin shortly. Audio will be streamed directly via your computer speakers. Enjoy the webcast!
How to Quantify the Value of Improving your Travel & Expense Program
A Solution Series Webinar

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Agenda

1 Introduce the concept of using the value pillars of Spend Visibility, Internal Controls and Compliance, and Workforce Engagement to analyze and optimize the past, present and future management of Employee Initiated Spend.

2 Client Discussion
Shannon Bliss, Gordon Food Service
Bill Becker

- Client Executive/Strategic Account Manager
- Value Consulting Data Lead

“Not everything that can be counted counts;
Not everything that counts can be counted”

Albert Einstein
Value of Expense Automation

Value of Travel Automation

$31.90 decrease

$25.00 decrease
Value of Combined T&E

Spend Visibility  Internal Controls  Workforce Engagement
**The 3 Value Pillars - Definitions**

**Spend Visibility**
- The ability to see all spend details in a way that allows you to make better decisions and drive behavior.
- The opportunity to receive pre-negotiated rates on all spend (and improve your ability to negotiate with suppliers).
- The ability to see travel data before travel happens, and the ability to compare travel data with expense data.

**Internal Controls**
- The ability to use technology to apply rules, eliminate options, drive behavior, catch and reduce non-compliant spend in all spend areas.
- Safeguard against fraud and deceptive behaviors.
- Management of multiple spend channels.

**Workforce Engagement**
- Improvement of efficiency and effectiveness for the traveler, expense report submitter and back-office personnel.
- The reduction of traveler friction-improvement of the user experience.
The 3 Value Pillars - Examples and Quantification

**Spend Visibility**
- Negotiated rates
- Attendee analysis
- Ground Transportation
- “Misc” expense type

**Internal Controls**
- Audit percentages
- Ancillary fees
- FCPA
- Mileage padding

**Workforce Engagement**
- Traveler efficiency
- IT efficiency
- Back office efficiency
- HR costs
High risk spend example: Cash spend below receipt limit ($25-$50-$0)

Spend Visibility
- By requiring receipts on all cash spend you will have details to better monitor and change policies and behavior.
- Quantifying future value is challenging prior to analysis.
- *Is it reasonable* to suggest that if you had full visibility into undocumented cash spend that you could redirect spend and find efficiencies to reduce spend by 1%? 5%? 10%?

Internal Controls
- By eliminating the need to hand-enter cash expenses you will reduce the risk for NCS
- Common estimation for the existence of NCS is 1-5% of spend.
- Is it reasonable to expect a higher percentage is NCS if large % of spend is 1 penny below the receipt threshold?

Workforce Engagement
- Travelers spend, on average, 10.70 hours per year managing expense reports.
- How much time is saved/reallocated through making process more efficient for the user?
- Time savings by back office?
By having visibility into segment-level mileage spend we can better determine if we should be using FAVR, providing company car or renting vehicles for a specific population of travelers.

Calculation: Compare current costs to proposed by calculating the delta between current and potential costs based on historical data.

By having a set-it and forget it mileage capture tool, the ability to overstate mileage via error or fraud is reduced. Using GPS tracking validates mileage.

Industry estimates are that mileage typically is overstated by 10-15%.

Travelers spend, on average, 10.70 hours per year managing expense reports.

How much time is saved/reallocated through making process more efficient for the user?

Time savings by back office?
Gordon Food Service

Shannon Bliss
North American Travel and Expense Manager
About Gordon Food Service (GFS)

For over 120 years, we’ve delivered the excellence, expertise, and quality products our customers need to design successful food operations and experiences. We’ve grown to become the largest family-operated broadline food distribution company in North America by upholding the same business approach since 1897—being passionately committed to the people we serve.

SAP Concur Client Since August 2017
Background

Company Goals
• Create Comprehensive T&E Program
• Save Money
• Increase CC Rebate
• Engage Employees
• Streamline Processes

Approach
• Where can we make the biggest/quickest impact?
  o Travel/Expense
• Streamline Processes/Reporting
  o Policy Enforcement/Changes
  o Make things easier for employees
  o P-Card Program/CBS
  o Mileage Reimbursement Program
  o New Partnerships - Lyft/Uber

Challenges
• New Program
• Lack of Reporting
• Employees not liking change

What’s next?
• Reporting/Reporting/Reporting
  o Consultative Intelligence
• New Partnerships
  o Rocketrip
Spend Visibility:

- GFS decided to have one program that could help break apart the spend that was happening on the Travel and Expense Corporate Card.
- It has allowed us to better track taxes.

Internal Controls:

- The visibility into spend volume with vendors has allowed Purchasing to negotiate better rates and successfully source.
- GFS has approvals in place for P-Card spend as well as an Audit Rule to determine where/when can use the card.
- **Rebate Value:** From 2017 to 2018 our rebate increased by 152%, and from 2018 to 2019 it increased by 42%.

Workforce Engagement:

- We incentivized employees to utilize their P-Card by:
  - When a division puts the spend on their P-Card, the rebate GFS receives is given back to those business divisions.
The Solution - Drive

**Spend Visibility:**
- Allows GFS to get a true picture of mileage and track by destination vs. the employee submitting a spreadsheet with just the total miles listed.
- Creates a more standardized approach to help with auditing. Allows us to see clearer savings.

**Internal Controls:**
- We have seen a savings of 12% with just the Google Map integration.
- With Drive, we are seeing 11%.

**Workforce Engagement:**
- About making it as easy as possible.
- The app tracks automatically and at the end of the day stops when you are done. It will upload all of the mileage and takes the employee less than 5 min at the end of the week to submit the report.
- It not only streamlines the process but creates more accuracy in reporting.
Questions to Ask

Have you considered the impact of these three pillars (whether you call them the same names or not)?

Have you put a financial value on improving these pillars?

Has your organization considered how changes to one or more of these pillars impacts remaining pillars?

Have you agreed upon an appropriate balance based on corporate values?

Have you articulated this to your employees?
Next Steps

Don’t have combined travel and expense?
Talk to us about automating your processes and connecting travel and expense to allow for Value Pillar Analysis.

Can’t isolate your data to better understand and alter behavior?
Acquire reporting skills / Talk to us about Consultative Intelligence.

Want to optimize your Employee Initiated Spend program?
Talk to us about our extended services and partner applications that focus on the Value Pillars.

Have the infrastructure built already?
Talk to us about maximizing the value of the tools you have.
Questions?