

# Managing Travel in the Mid-Market

## *Managing TMC's*

**Presenters:**

Tom Wilkinson, President, TRW Travel Consulting LLC

Ellen Moens, CTE, Travel Analyst and Procurement, CARE

Rene Wilkins, MBA, CTE, Global Category Manager/Travel,  
Catalent Pharma Solutions

**NBTA** San Diego/09

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# Key Question?

- Is the Mid Market different?
- Many key similarities:

*Goals:* Service, Savings, Controls, Safety

*Resources:* Agency, Card, Policy, Automation

*Negotiations:* Air, Hotel, Car, TMC

# Key Differences

- But there are unique challenges for 'smaller' accounts
  - Companies less likely to allocate resources to travel management
  - Little budget for outside services
    - automation, consulting

# Good news!

- Greater ability to review individual trips
  - review all or specifically defined itineraries
- Direct control over travel policy and spend
- Often have direct connection to high level internal Management

# Brings its own challenges

- Direct pressure from cost-center managers
  - particularly in a challenging business environment
  - surcharges have disproportionate visibility in the MM
- Greater visibility of travel to Senior Executives
  - A double-edged sword
  - Nowhere to run...nowhere to hide!

# Little Fish in a Big Pond



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# Little Fish...

- Vendors have to respond to bigger volumes
- TMC's dependent on transaction volume
- Economies of scale amortize large investments
  - facilities
  - automation

# The Real Answer

- Not completely unique
- But some differences that make it harder in some important ways
  - mainly lack of leverage

# The Real Question

- How can Mid-Market Travel Managers adapt to their unique challenges
  - to bring equivalent value to their companies?

And the good news is....we have answers!

# Rene Wilkins, MBA, CTE

Global Category Manager/Travel  
Catalent Pharma Solutions

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# Background

- Education
- Catalent Pharma Solutions
  - Leading provider of advanced technologies, and development, manufacturing and packaging services for pharmaceutical, biotechnology and consumer healthcare companies in nearly 100 countries. Catalent applies its local market expertise and technical creativity to advance treatments, change markets and enhanced patient outcomes.
  - Roughly 9,000 employees throughout U.S., Puerto Rico, Europe, Latin America, Australia, and Japan
- Career at Catalent Pharma Solutions

# Catalent Pharma Solutions Travel Program

- Approximately \$8MM in travel spend
- Over 800 travelers
- Program implemented in September/October 2007 in U.S., Puerto Rico, and Europe
- Travel program managed with Corporate Card program and T&E Policy Management
- Rely on agency partner for industry benchmarking

# TMC Challenges

- Implementation
- Fee Consistency
- Account Management
- Technology

# Solutions

- Implementation: established working relationship with implementation teams throughout Europe and fiercely communicated deadline
- Fee Consistency: worked with European Account Managers to establish consistency and detailed fee descriptions within Europe
- Account Management: one account manager for Europe, one account manager for UK, and one account manager for U.S.
- Technology: many releases since implementation and technology platform has greatly improved, especially in the U.S.

# Suggestions for Managing the TMC Relationship

- Communication
  - Proactively solicit feedback from travelers and key stakeholders
  - Quarterly Business Reviews/Scorecarding
- Build Strategic & Dynamic partnership
  - Get to know the senior leaders of the TMC
- Attend TMC sponsored Webinars to gain insight from other TM's using TMC
  - Learn the technology inside and out

# Ellen Moens, CTE

Travel Analyst and Procurement  
CARE

## Mid-Market (<\$10 Million Air): Your TMC Relationship

### CARE's Travel Management Company Vision

Develop a **consolidated, service-oriented** travel program that promotes **cost savings** while recognizing the complexities of our travel habits and the personal and professional toll of complex and sometimes dangerous trips.

Provide travelers with the resources they need to do their jobs better, **ensure safety** to the extent possible and **communicate** savings opportunities within the context of **maximizing funds**.

# Challenges

- **Security and Safety**
- **Personalized Service and Attention to Details**
- **Compliance**
- **Maximize Resources**
- **Real-time Analysis**

# Solutions

- **Safety and Security**: linked to a risk intelligence system; 24 hr. emergency TMC assistance
- **Personalized Service**: dedicated agents
- **Compliance**: incorporated into travel process
- **Maximize resources**: take advantage of discounts and hotel strategic management program
- **Analysis**: use excellent travel tools and resources through TMC

# Suggestions for Managing the TMC Relationship

- Visit their office, meet the team and understand their operations
- Provide as much lead time as possible on changes or unique situations
- Give the TMC the benefit of the doubt.
- Stay in frequent contact with them

# Patty Pae

Senior Manager, Business Development  
American Express Business Travel

Effective TMC Relationship Management

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# Conduct Internal Needs Assessment

- Quantify and qualify key objectives for service, savings, controls and TCO
- Build internal champions/supporters to support strategic travel program initiatives
- Define ROI associated with T&E and how that impacts the procurement scorecard
- Be active in industry organizations for meeting colleagues and vendors – network!!!

# Engage TMC Personnel Early

- Build relationships with all TMC personnel:
  - *sales, operations, service delivery, account management, senior management*
- Understand TMC infrastructure, programs and corporate culture – ensure stability
- Be willing to introduce TMC Management to your key decision makers/influencers

# TMC Selection – How will the agency fit my needs?

- Understand all roles, responsibility and accountability
  - *conduct site visits and speak to the those directly that will support your account*
- Keep an open mind to solution and approach by TMC - pro's and con's on what is offered
  - *discount programs, technology, servicing options and what is handled internally and/or outsourced*
- Understanding value or service and solution vs. how you are evaluating offer

# Contract Agreement

- Engage legal counsel early to define business travel language
- Define needs specifically for each market
- Confirm SOW and price points to ensure consistency with proposal and objectives
  - *Make sure the contract includes important service requirements specific to your company*

# Implementation/Internal Communication

- Engage Senior Management and Internal Champions for program roll-out and communications
- Communicate timelines and expectations of resources
- Identify resources/contacts for all markets and engage early

# TMC Partnership – Proactive Relationship

- Communicate expectations of roles provided by account management and service delivery with measurable results
- Vendor vs. consultant provider
- Establish regular schedule of business reviews and develop agendas for key meetings
- Track issue resolution – don't let things get lost in the shuffle
- Keep an open mind in the development of a new partnership

# Summary/Recap

Tom Wilkinson  
TRW Travel Consulting, LLC

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# Summary/Recap

- Selection:
  - Document all services and requirements
  - get to know all the key players in the TMC's you consider
  - visit TMC offices relevant to your account
- Service Configuration:
  - get (at least) some dedicated agents
  - test systems and services before implementation
- Contracts:
  - make your contract a management document
  - record expectations and commitments of TMC & client

# Summary/Recap

- Implementation:
  - Engage your own Sr. Executives ASAP
  - Communicate expectations internally
- Fees:
  - use the same fee structure in all regions
  - Calculate the Total Cost of Ownership based on your projected use of all services
- Management:
  - Keep open mind; be blunt but not contentious
- Account Management:
  - define key POC's and their responsibilities

# Summary/Recap

- Communication:
  - Meet regularly; not just in crisis
  - use quarterly scorecards; track issues & resolution