



Consolidation of all global travel services for multi-national oil and gas company

The client

World's largest publicly traded oil and gas company.

The challenge

Reduce the cost of travel by consolidating all global travel services into two global reservation centres (one in the USA; one in Europe).

The approach

Analysis and rationalisation of TMC operations, standardisation of services, implementation of workflow management tools, and centralised communication facility.

Results

Implementation of the new service configuration demonstrated an average return of 32% saving per air ticket and 45% total costs saving per total transaction.

Overview

New service configuration equates to 45% cost savings: The world's largest publicly traded international oil and gas company needed to reduce their cost of travel globally. In addition to holding an industry-leading inventory of global oil and gas resources, the company are also the world's largest refiner and marketer of petroleum products, their chemical company ranks among the world's largest and they are also a technology company, applying science and innovation to find better, safer and cleaner ways to deliver the energy the world needs. For all of these business-expanding accolades, the company's global travel spend became a focus within the organization and through a rigorous process, 3SIXTY helped them reduce their travel footprint and save the company 32% per air ticket and 45% total cost-saving per total transaction.

The Challenge

Prior to 3SIXTY's cost-reducing project, the company was using 30 different travel agencies in the EMEA region alone, and many divisions operated autonomously from the global travel programme and policies. The challenge for this global giant was not only how to gain control of spend, but also to keep compliance and traveller safety and security in-check on a global level. To effectively reduce the cost of travel globally, 3SIXTY recommended consolidating the organisation's travel needs and migrating all travel requirements to just two global reservation centres – one in the United States and one in Belgium.

The 3SIXTY global approach

With full support of senior management, 3SIXTY laid out a detailed programme of pre-bid activity that included meetings with the internal teams from key countries, as well as meetings with potential TMC bidders, to ensure everyone involved had a good understanding of the objectives and implications on existing supplier relationships. We undertook a travel policy review before embarking fully on the project. We also worked with our client to devise a change management plan with a robust communication strategy and helped answer questions on culture and likely timescales. The pre-bid section of the project took three months but it was time

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well spent – it reduced the need for detailed explanation and discussion at the later award stage. The actual implementation was phased across the EMEA region starting with the larger-spend countries first and included difficult service locations such as Russia, Romania, Czech Rep, and Nigeria, to name just a few. The fully developed cost reduction programme and KPI's were met with broad approval from the client.

The Result

By consolidating our client's travel needs into two global service centres, the company not only achieved economies of scale through improved travel consultant utilization and productivity enhancements from the new technology available, but also improved response times to travellers and service standards across all borders. Crucially, the implementation of this service configuration demonstrated an average return of 32% saving per air ticket and 45% total costs saving per total transaction.

The consolidation programme benefited the oil and gas company's cost reduction needs through:

- Rationalisation of TMC operations
- Standardisation of services and processes globally
- Increased steering capabilities, allowing the company to optimize supplier contracts
- Optimum consolidation of data
- Increase in travel policy compliance
- Highest economies of scale
- Centralised communication facility
- Implementation of a Traveller Safety and Security Programme
- Better leverage of (costly) new technology such as:
 - Call distribution technology
 - Workflow management tools
 - CDI pop-up technology
 - Self-booking tools and automated authorization processes

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