



Multi-country consolidation of Travel Management Company services

The client

Leading European energy company with group sales of €42 billion and about 27,000 employees

The challenge

Consolidate travel spend of 18 countries into single TMC

The approach

Clearly define priorities, pre-bid activities, form core project team in key countries, and use 3SIXTY's expertise to determine best providers and conduct streamlined bid process to achieve goals.

Results

Within six months of awarding the business to a single TMC, 90% of total volume was consolidated.

Overview

In Europe, we helped our client, a well-known Energy Company, consolidate their travel spend into a single travel management company (TMC). Despite having a significant pan-European presence, they maintained independent relationships with TMC's in each country. Although they were generally happy with the service they were receiving in the majority of countries, they wanted to see improvements in data management for better supplier negotiations, duty of care and, finally, savings through improved TMC fees and less duplication of internal travel management functions. Eighteen countries were involved in the exercise, predominantly in Central and Eastern Europe, also including parts of Iraq and Pakistan.

The Challenge

Travel had historically been managed by procurement, so we recommended a core project team be formed to include a senior procurement manager from each of the three key spending countries, together with the 3SIXTY consultant. Many of the countries were also immature markets and new to the benefits of consolidating their travel spend with one TMC. 3SIXTY mapped out these benefits to get buy-in from the key stakeholders in each country before the tender was issued to make sure the programme would get off to the right start.

The 3SIXTY global approach

Even with full support from 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 also worked with our client to devise a change management plan with a 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 well spent – it reduced the need for detailed explanation and discussion at the later award stage.

The Result

Board approval was gained before the project commenced. The detailed pre-bid process meant that implementation was swift and within six months of awarding the business to one TMC, 12 countries – which represent 90% of total volume – were successfully consolidated.

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