



IDC Case Study

Driving Business Value Through Travel and Expense Management Maturity at CareerBuilder

Sponsored by: Concur

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IN THIS CASE STUDY

This IDC Case Study is based on an interview with Jeff Cole, a United States-based senior director of Information Management at CareerBuilder, the largest online job site in the United States. This Case Study details CareerBuilder's implementation of Concur Travel and Expense Management (TEM) software solutions, the particular challenges the implementation solved for this travel-heavy organization, and the benefits derived across the organization.

SITUATION OVERVIEW

Organization Overview

CareerBuilder is the largest online job site in the United States. Founded in 1995, more than 24 million unique visitors a month visit CareerBuilder to find new jobs and obtain career advice. CareerBuilder partners with 140 newspapers and has a global presence, operating in the United States, Europe, Canada, Asia, and South America. The company has 3,000 employees.

CareerBuilder views itself as a global leader in human capital management and also as a data company that can leverage its global footprint to analyze employment trends across regions and industries.

IDC spoke with Jeff Cole, a United States-based senior director of Information Management, who manages the travel and expense management function for CareerBuilder. Cole has been managing the Concur implementation since 2010.

Challenges and Solution

Challenges

Prior to implementing Concur Travel and Expense Management software solutions, CareerBuilder had three separate processes for handling its travel, invoicing, and expense management functions. For expense, it used Concur Expense. For invoicing, the company had an imaging system that accounting staff would load all invoices into with a process that involved business users individually approving each invoice. CareerBuilder used Orbitz for Business as a travel booking tool. Finally, purchase order requesting was completely manual and spreadsheet based. With all these disparate systems, it was difficult for both accounting and business users who had to manage more than one of these processes. Cole cites:

We had multiple tools to use and expected our business users to know where to go for each of them. It wasn't very easy.

The company's growth, travel patterns, and volume, along with prior experience with Concur, drove CareerBuilder to seek out one partner that could offer an integrated set of travel and expense management solutions:

The main decision point was that we're a heavy sales organization, so we have a lot of travelers, which obviously means a lot of expenses to go along with that. The vast majority of our company travels frequently. When you have a situation like that, I think you need to have the best tool in the market. It was pretty clear to us that Concur was the best tool and had the most experience in the space. That was really the main impetus for us to say, "Hey, we need to use Concur."

Solution

CareerBuilder implemented Concur Travel and Expense in 2010. The company's Concur deployment supports 1,500 regular business travelers (half of the total organization) and expense reporting for all 3,000 employees. On average, each employee generates 12-15 expense reports annually. For travel, the average is from 5 to 10 trips annually.

Up-front cost savings weren't the top concern the Concur deployment addressed. Rather, it was the ability to streamline travel and expense management and realize soft and hard cost savings across a newly integrated ecosystem:

The biggest value was in bringing all these various [processes] together. For the amount of significant enhancements and functionality we received [from Concur], the value was probably five times even though we were paying about the same amount. I think just simplifying the user experience initially with just travel and expense ... made everything very simple ... Then as you look to start adding other pieces to [Concur], it just continually added more and more value. The invoicing process was a big nightmare for us, especially for one we didn't have a complicated workflow in. It was just a horrible process we had to deal with. The ease of use Concur brought to that was amazing.

Results

Since CareerBuilder utilizes Concur across all of its employee base, there were several immediate benefits related to the user experience with the applications that ensure consistent (and compliant) usage.

Ease of Use

Cole continues to find that most employees enjoy using Concur applications. The fact that Concur regularly adds updates and new features is a key difference in user engagement when compared with other applications:

We were pretty quickly able to get to a point where we were happy with the functionality that was there, so any new feature or enhancements really were enhancements to us. Users always mention the new features. Getting to that point was great compared with being in a situation where "these 10 things are killing us, and I hope that Concur fixes them." We never had to be in a position where we needed enhancements to bring us up to par. We've always been really happy with the functionality, and then leveraging a tool like Concur where you keep looking for more ways to make things easier and better is where we want to be.

Cole also cites that the Concur deployment runs so well that it has faded into the organization's cultural background:

We don't even want to think about that stuff – we can just focus on our business. The expenses and travel booking process can really be a simple one without requiring a ton of administrative time. That's one of the main benefits.

Streamlining All Financial Processes Through Consistency

Another benefit of Concur is that it offers a level of consistency for employees – both the finance teams that support the solution and the employees booking travel and submitting expense reports. They will book travel, report expenses, or approve/code invoices all in the same system. If a business user submits a purchase request, they'll do that there as well. Concur is viewed not as a set of apps but as a platform for business process consolidation:

We're trying, as much as we can, to consolidate there. We now have our wellness reimbursement going through Concur. That's one of the benefits that Concur offers. Anything that is reimbursement related or where there is a payment to be made, we leverage Concur. We try to make sure that we simplify that for our end users.

Mobility as Differentiator

The Concur mobile apps add unique value to the user experience that having a PC or a Web based-only set of applications could not match. Prior to Concur, it would normally take 15 minutes to book an average trip. Now it's 5-7 minutes, a two to three times faster rate, usually driven off of the mobile app. For filing an expense report, it used to take 30-60 minutes and now takes closer to 5-10 minutes. Users are less likely to use the traditional applications at this point since specific tasks can be completed far more quickly from mobile:

[Mobility] makes it a really seamless experience for our users, and they don't have to feel disconnected. I've had users tell me that they get an email on their laptop that they have to approve an expense report, and they grab their phone and approve it there because it's just easier to do that. The Concur mobile app has really become what our users look for in mobile applications. It has essentially become the bellwether for mobile apps, and our users feel every app should function like Concur mobile!

Fewer Errors

From both an expense side and an invoice side, CareerBuilder had error issues prior to Concur. For invoicing, there were an average of five daily errors that would have to be manually fixed by the accounting team. Now there is zero error. On the expense side, it wouldn't be formal errors that need to be fixed, but it may end up requiring someone in accounting to move funds from one account to another because of a misallocated expense.

Streamlining Compliancy

Since over 90% of CareerBuilder trips are booked through Concur, the company's travel director has access to all the data she needs in one system. She provides regular compliance reports for company leaders so that each division is accountable for its team's spending. That has led to higher rates of compliance simply because each division knows that the granular data exists. Cole cites:

If they do something incorrectly, someone is going to follow up with them and ask them about it. That's without even using pretrip approval ... The system guides you to keep you in policy. You have to go out of your way to be out of policy. On top of that, the monitoring and reporting make it even more apparent when travelers are in violation. You have to kind of go out of your way in some cases to go out of policy actually. On top of that, the monitoring and reporting make it even more apparent when people are violating policy.

Reallocating Head Count to Higher-Value Activities

Prior to Concur, the company had two full-time resources reviewing expense reports. After Concur, that commitment has shrunk to half of one person's time, a savings of 75% just for expense reporting alone. This time is now allocated to data analysis and reporting. For invoicing, the company shrank its head count from three to half of one. Over the years, CareerBuilder has made numerous acquisitions, increasing its volume of expense reports by at least 25% over that time without increasing head count in the accounting department. Cole goes on to say:

We didn't actually eliminate any positions. At the time, there was no one in the accounts payable department that actually did analysis. Now we have one FTE focused on analysis for all our spend. The rest of the team is able to easily manage processing for all expense reports and invoices.

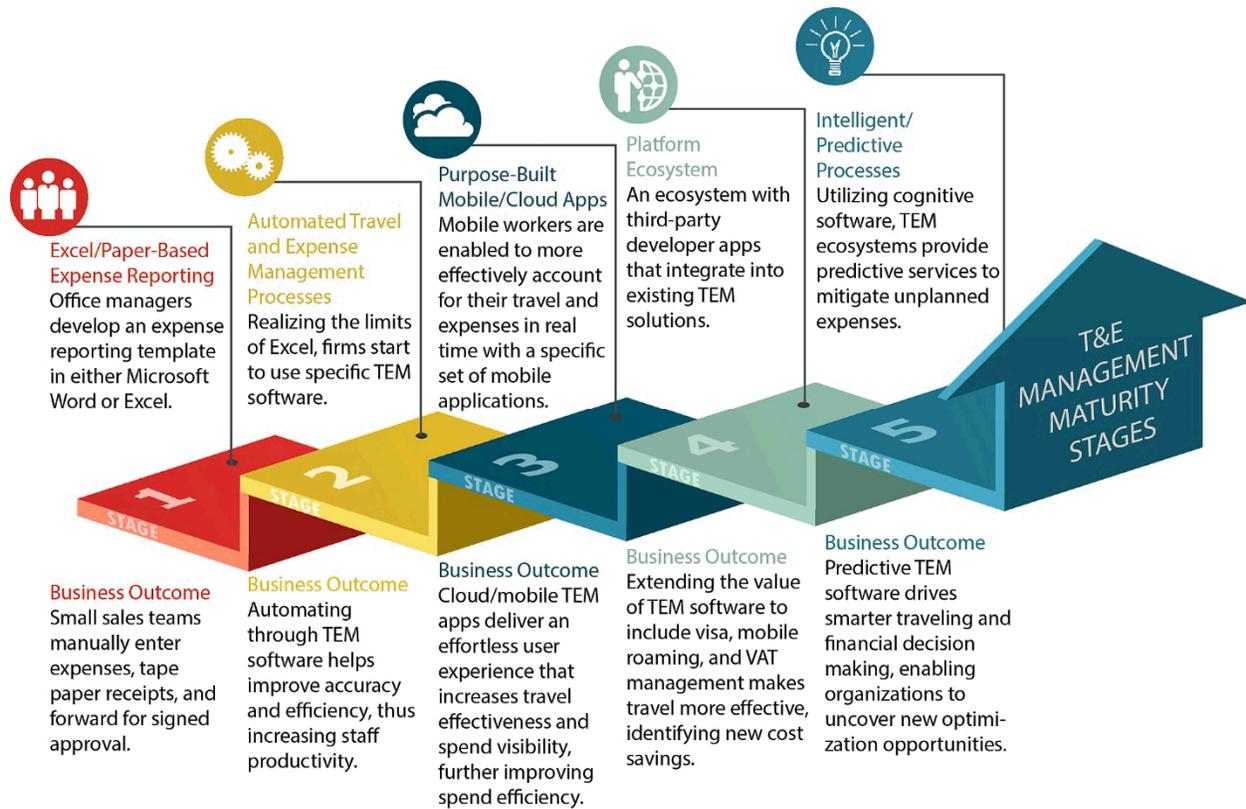
IDC's Travel and Expense Management Maturity Model

According to IDC's Travel and Expense Management Maturity Model, CareerBuilder demonstrates a consistent stage 3 approach to its TEM processes (see Figure 1). The company's adoption of a cloud-based TEM solution from Concur, along with mobile apps that provide a direct benefit to a travel-heavy workforce, is indicative of the stage 3 Purpose-Built Mobile/Cloud Apps Phase. Employees enjoy effortless user experience that increases travel effectiveness and spend visibility and at the same time improves companywide spend efficiency. IDC notes that one of the key values in CareerBuilder's Concur engagement is that the Concur service is delivered via cloud and does not involve a costly on-premise deployment. The key benefit Cole sees in the cloud deployment model is that a service like Concur can serve as an aggregator for a wide set of data, including financial data and user booking patterns, and also has the ability to act on that data to ensure regular access to best-in-class pricing. IDC advises that companies looking for a travel and expense management partner should look at those like Concur that can offer a cloud delivery model and at the same time deliver a wide set of services that increase the depth and breadth of actionable data:

The only way you're really going to be able to move forward these days is to have these kinds of applications in the cloud. From a booking perspective, that's where all the publicly available data will be anyway. You want the ability to quickly understand if there are pricing issues going on and that can quickly be brought to the front so you're aware of it ... At that point you kind of need to be in the cloud to make that happen. I'm not sure I look at it as an advantage, but more of a must-have.

FIGURE 1

Travel and Expense Management Maturity Stages



Source: IDC, 2016

ESSENTIAL GUIDANCE

Automating a process is about making a transaction faster, but this Case Study demonstrates that there is far more value in travel management and expense reporting beyond faster transacting. CareerBuilder was able to address the needs of its high-growth business and travel-heavy workforce by consolidating three separate processes into one system, resulting in high levels of user engagement, reduced financial management overhead cost, and the ability to use expense reporting data as a way to ensure companywide compliance.

For a detailed look at each of the five maturity stages, refer back to the Travel and Expense Management Maturity Model in Figure 1.

When planning to adopt a new travel and expense management solution to replace a paper- or Excel-based process, or to modernize a pre-existing system, IDC advises that organizations work with a partner that can fully host the service and accompanying data. While many smaller vendors have travel-related mobile apps or expense reporting tools, organizations need to work with a partner like Concur: one with a long track record of successfully managing both large and small customers and also demonstrates that it has the ability to link apps with back-office systems, all in an easy to deploy

service that allows administrators the ability to run reports on the data that can meet a wider set of organizational needs. For more information on the Travel and Expense Management Maturity Model and organizational benefits, see *Driving Business Value Through Travel and Expense Management Maturity* (IDC white paper #US40880116, January 2016).

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