

# eClinicalWorks

## Best Practice Case Study

### Improving Cost Control and Spend Visibility at eClinicalWorks



Recently joining eClinicalWorks, **Sibuthomas**, developed its travel program and relies on his combination of prior travel industry experience and his analytical

background to lower the company's travel and expense cost.

Based in Westborough, Mass., **eClinicalWorks** is a privately held leader in the ambulatory clinical systems market.

**eClinicalWorks annual travel spend** is approximately \$1.6 million - \$900,000 in air spend, \$400,000 in car rental, and \$300,00 in hotel bookings.

In a few short months, eClinicalWorks' travel purchases went from being completely unmanaged, and essentially out of the company's control, to being consolidated, well-managed and overwhelmingly in-policy. The resulting cost and productivity savings the company has achieved have been nothing short of amazing.

### Taking eClinicalWorks' Travel Program to the Next Level

Seven months ago, eClinicalWorks' preferred agency was being used for just 15 percent of travel purchases. Travelers were booking through online consumer agencies and directly with suppliers without any form of policy enforcement. Only the corporate card reports and expense submissions offered any insight into where the company's travel dollars were being spent.

Recognizing that it needed a travel manager to 'clean up' the travel program, eClinicalWorks recruited Sibuthomas, a former Air France, Amadeus and Priceline.com travel specialist to take on the challenge.

"I have to say at the beginning, it was overwhelming," says Sibuthomas. "We had over 100 travelers who felt certain they were finding the best travel values on their own, but didn't have access to the breadth of travel options required for that to be true. They also lacked the support of corporate agents if they ran into trouble. We literally had employees sleeping in airports because their flights were cancelled and there was no one to help them."

### Steps to Success

Here are the key steps taken at eClinicalWorks to achieve its goals of consolidation, visibility and cost control.

#### Identify an Agency Partner

Sibuthomas immediately began a search for a new agency partner that could provide the right combination of robust online booking technology, full service agent phone support and low service fees. After reviewing a number of providers, he identified Egencia<sup>™</sup> as his partner of choice.

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## Identifying Travel Program Goals

eClinicalWorks' top goals for managing travel costs were:

- **Consolidation**  
Having travelers book each air, car and hotel transaction through a single agency portal would improve the company's ability to recoup travel costs from clients and increase the support provided to travelers.
- **Visibility**  
Accurate travel spend reporting would allow Sibü to properly manage the program and leverage the company's spend to procure preferred rates from travel suppliers.
- **Cost Control**  
Enforcing a firm but reasonable travel policy against the largest breadth of travel options available would help to bring eClinicalWorks' average air and hotel costs under control.

According to Sibü, "As a company, a significant portion of our travel expense is directly billed back to our clients. We wanted to provide sufficient accountability to them regarding our travel expenses and ensure they were only paying as much as was required."

## Generate Executive-Level Enthusiasm

After Sibü shared his plans, the entire management team, including the CEO, was enthusiastic about getting the new agency portal in place and the costs under control. Once launched, this executive buy-in helped him to convince any reluctant employees that consolidation was best for the company even if they occasionally might come across a lower fare elsewhere.

## Set Up Initial Travel Policy

Using his own experience and some excellent advice from Karen Lutz, his Egencia Account Manager, Sibü chose the initial travel policy settings for the company's account. His goal was to create a new travel policy that was neither 'too tight' nor 'too loose'. "The policy parameters available actually helped us to determine what factors were most important to include in our new policy," says Sibü.

## Implement TripController

The TripController<sup>™</sup> pre-trip approval functionality was set to require approvals for any out-of-policy bookings as well as any domestic fares that exceeded \$500. Very few approval requests have actually been received; however, as employees are informed at the time of booking that approval is required, and they choose an alternative in-policy option. "Plus," says Sibü, "our clients are medical practices and facilities that are as cost conscious as we are. If an expensive flight is necessary, we can now explain the reason for it using the data provided in the approval request. It also allows us to catch any missed savings before the travel is purchased."

## Set Hotel Per Diems

Leveraging average hotel rate data provided by Karen and his own experience with hotels from his previous positions, Sibü set hotel per diems for 101 different cities. Employees who select hotels above those per diems require approval prior to booking, which helps eClinicalWorks to control hotel costs and identify where the per diems may be overly restrictive.

## Add Client/Practice Custom Data Field

To streamline eClinicalWorks' billing of client-related travel expenses, a custom data field was added to capture the name of the client or practice at the time of purchase.

## Run a Pre-launch Pilot Group

At this point, the company's new travel portal was ready to launch. Before rolling out to all employees, Sibü recruited twenty of the company's most active travelers to use it for two weeks and provide feedback. Their responses allowed him to make initial adjustments to the travel policy and to develop a list of FAQs that he could provide to all employees about the new travel program. He also used this pilot group to prove to employees that they had access to all the travel options they required through the new agency.

## eClinicalWorks' Baseline Policy

### Air

<b>Class of Service</b>	All non-coach classes out of policy
<b>Advance Purchase Settings</b>	None
<b>Lowest Fare Tolerance</b>	Up to \$100.00 more than lowest logical fare
<b>Web Fare</b>	In policy
<b>Reasonable Flight Parameters</b>	+/- 120 minutes departure time window 60 minutes longer is reasonable Maximum of 1 connection

### Hotel

<b>Hotel Per Diems</b>	\$115 per diem 101 city-specific per diems
<b>Negotiated Rate Policy</b>	Non-negotiated rates are in policy
<b>Negotiated Rates</b>	79 Individual properties have negotiated rates

### Car

<b>Preferred Vendors</b>	One preferred vendor
<b>Car Class Policy</b>	Economy, Compact, Midsize allowed
<b>Car Search Results</b>	Display rates from all vendors

### TripController - Pre-Trip Approval

<b>Settings</b>	Out-of-policy air, car and hotel bookings, approval required Domestic fares greater than \$500, approval required
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## Rollout to All Employees

Recognizing he would likely face some 'push back' from employees who'd been able to book anywhere they wished, Sibü concentrated on selling them on the benefits of consolidation, including:

- Access to 24/7 corporate agents, as compared to the consumer level service they typically received when booking on their own
- Internal assistance with their travel planning if they needed it, as Sibü now had access to their profiles and reservations
- In the future, the company would leverage the consolidated spend to acquire negotiated rates at hotels that offered a higher level of service to travelers

Employees were very receptive to these messages as they directly related to their level of comfort and security while traveling.

## Identify Non-Compliant Employees

Using the agency reporting tools and eClinicalWorks corporate card reports, Sibü identified employees who were booking outside of the agency account or had yet to create a profile and contacted them directly to remind them of the company's new travel program.

## Adjust Policy to Match Travel Requirements

Over the first few months, Sibü monitored the out-of-policy purchases and made adjustments to the hotel per diems and air policy parameters to better match the reality of business travel at eClinicalWorks. Employees noticed their feedback was being valued and appreciated that the company was making adjustments to make their life easier on the road.

## The Post-implementation Results

In the short time since Sibü took over eClinicalWorks' travel program, the company has already achieved its main goals:

### Consolidation

Approximately 95 percent of all travel bookings are now taking place through the company's Egencia account, and online adoption has reached an amazing level of 98 percent! "Our service fees are dramatically lower than they used to be," says Sibü.

### Visibility

"Prior to booking through the portal, we had a difficult time billing clients for travel expenses because we simply didn't have the information we needed. Now I can run a weekly report that links each purchase to the associated client or practice and provide it to accounting. Cost recovery has increased significantly and the time savings is enormous."

### Key Online Reports used by eClinicalWorks

- **Air Bookings Detail**  
Used frequently for accurate billing of client-related travel
- **Air Pre-Trip Detail**  
To track recent purchases
- **Air In-Progress Detail**  
Allows him to see who's traveling that might be affected in adverse situations
- **Unused Tickets**  
To identify expiring unused tickets and contact employees to encourage re-use

The online reporting allows Sibü to identify when he can approach travel suppliers for negotiated agreements. "Before, management wondered why we didn't have more agreements in place. Now we can understand where options do and don't exist based on actual spend patterns and focus our efforts accordingly. We've already been able to secure new negotiated agreements."

Unused ticket use has increased significantly thanks to the reports and traveler reminders in place. "Our customers put the health of their patients first, so our traveling employees often have to change their travel schedules at the last minute. As a result, the potential to have unused tickets is very high. In the past we honestly didn't know how much we were losing due to unused tickets expiring."

### Cost Control

Since consolidating its travel, eClinicalWorks' **average airfare has dropped to just over \$400 and missed air savings are now less than 3 percent of total purchases.** "It's a lot less than the \$700 to \$800 fares we were used to seeing," says Sibü, "and **air policy compliance is consistently 90 percent or higher.**"

Thanks to the expanded hotel options available, the company's average hotel rate is now just over \$100 and employees have not had to sacrifice the quality of hotels they choose in order to remain in policy. Hotel policy compliance for the past quarter averaged 85 percent.

For car bookings, eClinicalWorks' preferred supplier representative was amazed at the immediate increase in bookings there were receiving from the company's employees. Talks are already underway to increase the discount provided as a result of the increased business.

"Overall," says Sibü, "our costs are down, I have the visibility I need to achieve further savings for ourselves and our clients, and our travelers have gone from being resistant to fully embracing our new program as they've seen the value to both themselves and the company."

### A Few Words of Advice from Sibü

"Get as much support as you can from upper management and anyone in a position to influence employees because that will be the key to consolidation. Learn your agency portal inside and out so you can support your travelers and show them what they can do. Take the time to evaluate and adjust the policy based on the bookings you're seeing to make sure it matches the reality of your business. And finally, leverage your account manager and the expert advice they can offer. If you combine your insight with their expertise you will be able to reach your goals much sooner than if you simply go it alone."

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