



meridian



For a world class expense management
service Airbus turned to Expenseflo.



expenseflo

Case Study - In Brief

The Challenge

- To efficiently manage the back office processes associated with employee travel.
- To reduce T&E spend without impacting on business travel needs.
- To provide visibility into the T&E spend in order to empower management decision making.

The Solution

- A centralised managed service, providing dynamic T&E control.
- Consistent implementation of the Travel Policy across all entities.
- T&E spend reduction as a result of the expense claim audit.
- Increased cash flow as a result of maximised VAT recovery.

The Results

- Rolled out to 20,000 employees in 4 months.
- Almost 70,000 expense claims processed in year 1.
- Average €52 direct savings per expense claim through adjustments achieved in Y1.
- VAT identified equaling 1% of total T&E spend.



Managed T&E Services

- Document Management
- Data consolidation
- Logistical Solutions
- Reporting
- Archive & recovery services
- Integrated T&E processing and VAT reclaim
- Data analysis
- Traveller payment services
- Traveller communication automatic notification of workflow
- Audits
- User-friendly multi-lingual traveller helpdesk
- Centralised control and processing
- Enhanced data capture
- Scanning and e-Archiving
- Electronic Expense Claim capture

“Engaging with Meridian has enabled Airbus to work with real experts on expense claim control and VAT recovery solutions.”

Marie-Laure Moncamp
Head of Travel Management
Airbus in France

About Airbus

With more than 7,000 aircraft ordered by international customers, Airbus is an undisputed world leader in the civil air transport marketplace. It employs 57,000 people worldwide and has 16 manufacturing sites across Europe, Airbus in France is composed of Airbus Central Entity (ACE) located in Toulouse with over 4,000 employees and Airbus France (AIF) with 16,000 employees working in four locations (Toulouse, Nantes, St. Nazaire, Meaulte). It has a global network of over 200 customers, more than 1,500 suppliers worldwide and almost 80,000 expense reports annually.



The Challenge

In 2005 Airbus launched a global project to reengineer their corporate end-to-end Travel Management process. The project was called u.go: a one-stop shop for travellers to book travel requirements and submit expense claims.

The goals of the project included:

- Consolidate processes and tools
- Increase user adoption
- Increase spend visibility
- Increased reporting and analysis
- Reduce T&E spend
- Centralised Management

The aim was to realise these goals by implementing automated solutions, where possible, for the back office processing, traveller helpdesk, integrated T&E VAT recovery and effective management reporting.

The challenges faced by the u.go project included:

- Disparate processes / tools
- Heterogeneous data sources
- Disparate Fragmented supplier base
- Localised decision making processes
- Different travel policies, even within countries
- Sub optimal visibility / reporting
- Increasing travel costs

Tackling The Challenge

As part of the re-engineering Airbus required a partner to consolidate processes, reduce costs and increase spend visibility by implementing automated solutions for the back office processing - data transfer, expense management, helpdesk, VAT recovery and management reporting. Meridian's Expenseflo service was identified and selected following an RFT process as the solution best able to provide a harmonised Travel and Expense back office process.

"In contributing to the dual goals of cost-effectiveness and end user satisfaction in Travel Management, Meridian has enabled Airbus to have best in class expense management processes, self-financed through VAT recovery."

James Westgarth
Deputy Head of
Global Travel Management



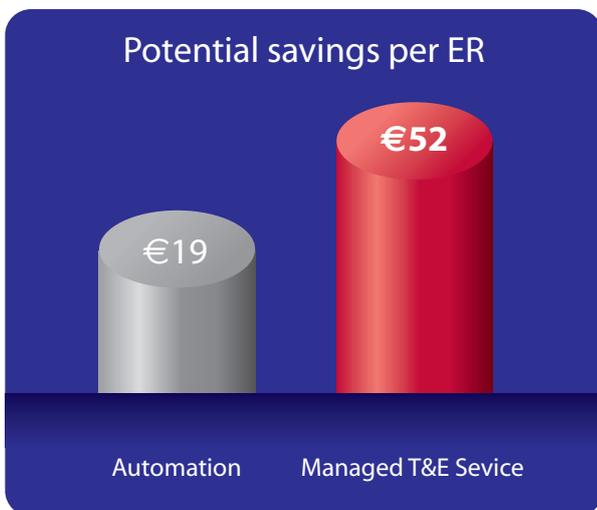
Expenseflo gives the traveller complete visibility and confidence in the process.

The Solution

Expenseflo has enabled Airbus to implement a single back office processing solution that ties together data from the travel booking, expense management system and lodge card supplier. A key driver of consolidation and consistency has been achieved allowing a single point of management of the expense claim process.

Using the expertise of Meridian's implementation team, a best in class "end-to-end" process has been implemented to ensure the smooth and efficient movement of the physical and electronic expense claims from submission to payment. Expenseflo provides Airbus with complementary services to the SAP TM system and their other supply chain vendors to ensure full audit and compliance checks can be performed on all trip expenses and duplicate data within the Airbus solution.

At the core of the Expenseflo service is a 100% audit of all expense claims submitted by travellers. By carrying out a comprehensive audit of the actual receipt against the amount claimed, both non-compliance to the policy and miss-keying errors are identified and rectified. These balance adjustments have delivered substantial savings. Any adjustments made to claims are communicated back to the employee explaining the reason for the adjustments so that travellers understand why claims have been adjusted and the travel policy is reinforced.



A key tool in ensuring traveller adoption and satisfaction is the communication driven workflow. At each point in the process the employee is communicated with to inform them of the status of their expense claim. The previous process had been completely manual, with little or no information provided to the employee from the time the report was submitted to when the money was paid into their bank. Expenseflo gives the traveller complete visibility and confidence in the process. Resulting in a significant increase in the overall satisfaction rating for the solution among Airbus employees.

VAT reclaim

To add to the operational efficiencies and actual spend savings, Expenseflo seamlessly integrates VAT identification and reclaim into the solution. Meridian is the recognised world leader in VAT reclaim and by integrating our VATflo service with Expenseflo Airbus has benefited from the identification of significant values of VAT for reclaim, sums previously never recovered.

The Benefits

Airbus Employee

- Significantly reduced, submit to pay time.
- Clear and consistent independent application of policy
- Multi-lingual help desk
- Full visibility of expense claim status

Airbus Approver

- Simple "one click" approval process
- Increased control and visibility
- 100% audit in advance of approval
- Significantly reduced time spent on approvals

Airbus Administrator

- Efficiency and cycle time improvements
- Reduction in average expense report processing from 15 days to less than 4.5 days
- 85% of all claims processed within 3 days
- Clear and consistent independent application of policy
- Help desk handled 15,000 calls on traveller queries in 1 year

Airbus Management

- Integrated local and foreign VAT recovery equal to 1% of total T&E spend
- Increased user satisfaction and adoption of T&E procedures
- Reduction in operational & administration costs
- Visibility of actual spend reporting
- Insight into actual traveller behaviour. 20% - 25% of all claims were queried as out of policy in year 1
- Reporting and feedback on all areas enables decision making to shape overall T&E strategy

Tax

- Comprehensive VAT compliant reporting on recoverable VAT expenses
- Accurate local VAT calculated reports
- Maximised recovery of T&E VAT
- Reliable data
- Fiscal protection

Finance

- Reduced actual T&E spend by 5%
- VAT recovery (cash inflow), 1% of total T&E spend
- Reduced administration costs
- For every €1 spent on this solution over €6 have been returned in direct savings.

Key Results:

- 5% T&E Spend Reduction
- 1% of T&E spend identified in Local and Foreign VAT
- Submit to Pay time reduction from 15 days to 4.5 days
- 85% of all claims processed in 3 days
- Increased Travel Policy Compliance
- Enhanced User Communication and Process Visibility
- Common Processes and Tools across the Regions
- Detailed Reporting to Empower Management Decision-Making



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Tallaght Business Park, Tallaght, Dublin 24, Ireland.

T: +353 1 4590 500 F: +353 1 4590 540 E: ireland@meridianglobalservices.com

W: www.meridianglobalservices.com / Search: expenseflo