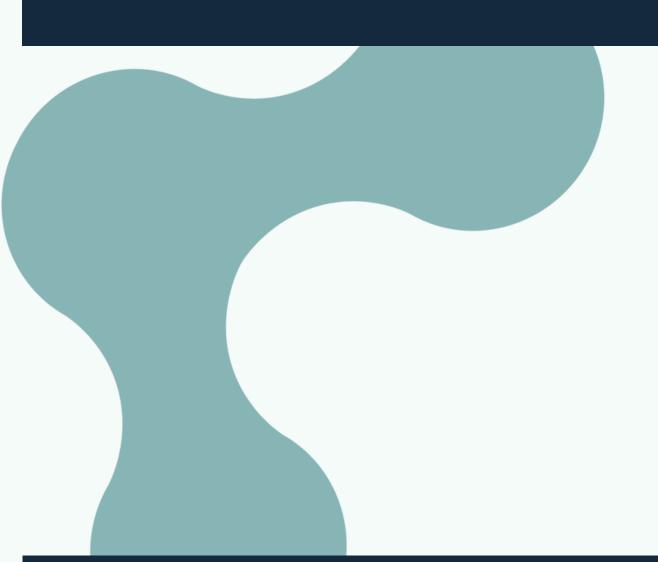Commutifi

THE EXECUTIVE'S GUIDE TO
COMMUTE CAPITAL MANAGEMENT™

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TRANSFORMING COMMUTING FROM COST CENTER TO STRATEGIC ADVANTAGE

Commuting is one of the most overlooked and under-optimized spend categories in the modern enterprise. With no centralized control, standard policies, or strategic objectives, organizations spend millions on commuting every year—often without any knowledge or visibility.

Commute Capital Management (CCM)

reclassifies workforce commuting as a strategic capital domain, placing centralized oversight under the control of the Finance department.

Companies that implement CCM:

1 Cut millions in spend, simply by eliminating inefficiencies —even after investment in software and consulting support.

2 Turn parking and commuting into a strategic advantage across finance, recruiting, retention, sustainability, compliance, and more.

This report introduces Commute Capital Management and the path to implementing it in your organization.

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WHAT IS COMMUTE CAPITAL AND WHY DOES IT MATTER?

A MASSIVE, HIDDEN COST CENTER

Many executives mistakenly think commute spend is a choice–something you can opt in or out of. But, like human capital, commute capital is baked into doing business.

It's generally expressed as a patchwork of operational line items: parking leases, transit subsidies, shuttle contracts, benefits programs. Together, these seemingly minor elements add up to a significant and under-leveraged category of enterprise capital: commute capital.

But how much you spend and, perhaps even more crucially, how well you spend it–this is where you can exert meaningful control. In the United States alone, employers and employees combine to spend more than $1 trillion USD annually on commuting. A typical 10,000-employee company (excluding costs shouldered by employees) spends more than $20 million USD annually on commuting.

That number applies to companies generally–not just those with sprawling commute teams or fleets of private shuttles. To see what this can look like in real life, consider the case study on page 10.

THE CURSE OF FRAGMENTATION

How can such a major spend go unnoticed? The culprit is fragmentation.

HR and Benefits oversee return-to-office policies, talent retention, recruiting, and commuter benefits.

Workplace runs amenities including bike rooms, shuttles, and carpool programs.

Real Estate and Facilities lease and purchase parking and operate EV charging.

Sustainability quantifies and works to reduce commute emissions—which can account for more than half of a company's total carbon footprint.

Legal and Compliance navigate a complex, often hyper-localized web of commute-related regulations

Commuting costs span the organization, but no single leader is held accountable for its success.

If you've never seen these costs presented in one place before, that's not surprising. In fact, less than 1% of commute-related corporate spend is connected into systems that senior leaders have visibility into. The resulting blindspots let poorly allocated commute expenditure fall through the cracks. It's impossible to see where problems exist–or opportunities lie.

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WHAT IS COMMUTE CAPITAL MANAGEMENT™ (CCM)?

THE NEXT FRONTIER OF CAPITAL MANAGEMENT

Commute Capital Management is all about taking back control of this previously uncontrolled spend. Specifically:

COMMUTE CAPITAL MANAGEMENT reclassifies workforce parking and commuting as a strategic capital domain, centralizing authority over spend under the Finance department. CCM treats commute-related spending as an asset class: one with tangible returns when optimized and real risks when ignored.

With CCM, organizations can unify the fractured approach that typically spans the organization. Rather than each function acting in isolation, CCM elevates oversight to Finance, which can hold disparate actors accountable and create a centralized and standardized approach.

Let's consider an analogous set of strategies: Human Capital Management (HCM). HCM revolutionized the way businesses approach large-scale spend. Imagine if every one of your office locations handled employee health benefits, hiring practices, PTO policies, and compensation plans independently. With redundant work, inconsistent policies, and no oversight of or visibility into the way regional decisions impacted the bottom line, it would be chaos–expensive chaos. HCM platforms centralize, standardize, and optimize these approaches. Commuting is now ripe for exactly this kind of rethink.

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ESTABLISHING A BASELINE

It's not that the relevant data doesn't exist. In most cases, it does. The problem is that it's entirely siloed, confined to disparate tools run by disparate teams.

Centralizing data from these far-flung sources and unifying it

(that is, ensuring it speaks the same language) is essential to establishing your baseline. Only when your data is fully contextualized can you gain true visibility into your company's commute landscape, with all its unmanaged inefficiencies.

CONVERTING VISIBILITY TO ACTION

Complete visibility is an essential prerequisite, but insight without action won't change anything.

Commute Capital Management is the one-two punch of visibility and action. It gives you a baseline, then uses it to chart a path and continuously improve.

CCM is far more than more effective management of commuting programs. It's about redefining the approach to commuting as enterprise capital —something to be stewarded, measured, and improved.

THE PATH TO EFFECTIVE CCM

Mature Commute Capital Management doesn't happen overnight.

Much like HR policies, commuting is a deeply local concern. What makes sense in central London won't translate to suburban Ohio, and vice versa. Effective CCM balances local nuances with the need for central, standardized oversight.

That's why it happens concurrently on two planes, the local and the global.

LOCAL

This layer considers every worksite individually, identifying and prioritizing those with the biggest savings upside for immediate action. For each site, optimization processes determine how you can minimize spend and maximize ROI.

For example, an analysis might find that a particular office is paying for 400 unused parking spaces. Doing away with such an expense could save millions immediately.

GLOBAL

The process of working through local sites also adds to the global view. With more and more context, systemic challenges and problem areas will begin to emerge, as well as bright spots, each of which will inform broader strategy. It's at the global stage that the real magic happens.

For instance, after investigating parking practices across 100 sites, it might emerge that your organization is being charged wildly inconsistent rates by 12 different vendors, each of which requires a separate relationship to be managed. Or perhaps it becomes clear that offices in one country operate under an entirely different set of policies than those in the rest. By slashing your vendor list, shrinking the total number of people overseeing contracts and policies, and allowing those who have ultimate oversight to make contextualized decisions, you'll immediately reduce inefficiencies.

The beauty of these concurrently operating domains is that you're able to grab quick wins while simultaneously setting up your ability to make long-term strategy decisions.

LOCAL

Much of the nuances of commuting exist at the local level, which is part of why we kick things off at individual locations. The other reason is that it's a great way to notch some quick wins that will inform the global strategies you develop later. Going site by site, we identify where inefficiencies—and opportunities—lie. These sites will be reviewed in parallel, with some needing detailed attention while others progress quickly.

PHASE I: ASSESS

During the Assess phase, it's all about building your baseline so we can see where you are. We'll review your existing policies, budgets, and vendor contracts– as well as get a handle on how your employees are currently getting to and from work. How long are commuters spending today, compared to what is possible? What kind of emissions are being released? What is it costing them and you?

This is, at its core, a fact-finding mission. We're not finding

evidence to prove our assumptions. Instead, we are gathering extensive data to see what rises to the surface. Each site is different, and only good data can reveal where inefficiencies truly lie. Some sites will have extensive problems, while others might be as optimized as they'll ever be. While the problem-filled sites are ripe for immediate wins, all findings are valuable at the global level, when we'll need to build a more standardized approach.

During the Assess phase, we'll:

Aggregate data.
Pulling from HCM systems, like Workday, and existing siloed data sets, as well as conducting employee surveys where needed, we'll bring all available data together to paint a complete picture.

Pinpoint inefficiencies and compliance risks.
In reviewing your existing policies, we'll see where operations aren't running as smoothly as they could be. We'll also flag potential risks that come with local regulations, tax laws, and more.

Identify quick-wins.
Through the process, we'll find the best opportunities you have to save money and increase ROI.

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ASSESS
IN ACTION

$1.5M/yr Saved

Opportunities for savings sometimes appear in the last place you'd expect.

A global technology company would have been justified in assuming the biggest opportunities existed at its HQs. However, a baseline analysis of each of its worksites pinpointed a minor downtown office as the biggest opportunity for a quick win. This office, though small, leased a collection of parking spots–many of which, it turned out, sat empty day after day.

Despite the relatively low number of spaces in question, this misalignment was costing an enormous sum. In parsing the site's parking lease, Commutifi consultants identified an opportunity to offload these unused parking spaces, saving $1.5 million USD yearly–all without changing the amenities it provides its employees.

PHASE II: ROADMAP

With a clear understanding of your challenges and the areas in which you can save, it's time to plan the path to action. In the Roadmap phase, we'll build a plan that includes immediate wins, as well as a long-term, multi-year strategy to optimize programs and processes at each site.

During the Roadmap phase, we'll:

Build your multi-year CCM roadmap.
This comprehensive plan will comprise investment strategies, policy adjustments, program plans, vendor engagements, and more.

Deploy and configure a CCM platform.
Powerful CCM software will form the backbone of your success. It will allow you to centralize data and visualize insights, as well as procure tools and services and run your programs.

Offer strategic consulting or embed an expert strategic advisor as needed.
Depending on your level of in-house expertise, we'll support you with expert consulting, or even embed a strategist full-time on your team to handle things entirely.

ROADMAP
IN ACTION

$2M+/yr Saved

The team at a major, multi-state healthcare provider's largest location in the Pacific Northwest had been handling parking and commuting for decades. Though it technically worked, the resulting system was complex and inefficient, requiring four people simply to keep all of the technology and processes running day-to-day. More significantly, the system was an opaque one, which made it nearly impossible to see how money could be better spent and collected.

Through the Roadmap phase, Commutifi built a two-year plan to optimize the sprawling commuting tech stack and plug the holes through which revenue was routinely lost. The two-year tech overhaul involved multiple integrations to streamline processes and released three out of four professionals overseeing the system to focus on strategic work.

The plan for advanced, automated access, tracking, and payment infrastructure eliminated sources of revenue leakage from, for example, employees accidentally receiving doubled benefits or underpaying for parking. Newfound clarity and centralization eliminated the costly mistakes that once fell through the cracks. The identified approach saves $2+ million USD annually.

PHASE III: EXECUTE

With data-backed plans in place, you're ready to execute on the roadmap. During this phase, we'll build out your tech stack and configurations, make policy changes, consolidate vendors, and continually monitor your progress so you can course-correct along the way.

During the Execute phase, we'll:

Launch and monitor programs.
We'll roll out new, data-backed programming and track its performance over time in order to make real-time adjustments.

Optimize spend using real-time insights.
Live data offers continuous views into where money is going and whether you're getting back more than you're putting in. As it becomes clear what works and what doesn't, we'll adjust your investments to maximize your return.

Embed managed services.
From strategic planners and data analysts to day-to-day operations managers, we can embed anyone you need to bring CCM to life.

EXECUTE

IN ACTION

$22M/yr Saved

Before the major corporation's state-of-the-art world headquarters were fully open, a pressing problem had already emerged: the site was on track to max out parking demand. Adding yet another parking structure seemed like the only viable solution, even though it would cost tens of millions of dollars.

Not so fast, said the Commutfi team.

Before long, data-backed models had unveiled an alternative. They proved that working with the local public transit agency to build new lines in the city, launching strategically designed private shuttle routes throughout the city and into the neighboring suburbs, and doubling the amount of campus bike parking would entirely negate the need to break ground on additional parking spaces. Even after the cost of the new initiatives, the company will save a minimum of $22 million USD per year for at least five years.

GLOBAL

As each site is being put through its paces in the local phases, they'll also be connected into a global view. As savings materialize in local sites, you can accelerate these findings and use them as jumping-off points for universal mandates and policies.

Commutifi is the only solution that can effectively manage this process. We deploy expert teams armed with proprietary software to determine the strategies uniquely suited to your sites and workforce, then work alongside you to build lasting solutions.

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GLOBAL

Commutifi's experts and tech will draw on the insights generated during the Local phases to scale CCM globally and unlock large-scale savings by:

Centralizing data and programs.
As we move through local sites, we'll be filling in the map, connecting data across your sites, and piecing together a truly global view of your commute spend. Once you have this view, you'll be able to make the systemic change that yields the most significant financial impact.

Consolidating vendors and streamlining policies.
With complete visibility and control, you'll be able to consolidate vendors, working, for instance, with a handful of shuttle providers instead of a dozen. You'll also be able to standardize policies according to your priorities and proven successes to create consistent wins.

GLOBAL
IN ACTION

$10M/yr Recovered

With more than 100 sites, a global real estate and co-working firm had more than its fair share of parking headaches. After optimizing practices at each site individually, it was time to zoom out and think about how the same could be done at a global scale. The first step was to centralize contracting with parking operators. Instead of dealing with each of the vendors separately, the firm ran all of the contracts through Commutifi. Now, they'd have to deal with one vendor, not 65.

Because all contracts now lived in one place, Commutifi could easily identify which prices were unreasonable and where leakage was draining resources. More importantly, it became clear that the rates the company charged its real estate and coworking clients for parking spaces were wildly unaligned with market prices. Only this global lens could unveil the reasons certain sites were doing well while others were chronic underperformers. With this information in hand, the firm could rightsize parking policies.

The result of such an investment of energy paid off: parking went from losing $8 million USD annually in the United States alone to making an annual profit of $2 million USD—a $10 million swing.

THE MATURE CCM ORGANIZATION

Within five years, your organization should have:

- Complete oversight of company-wide commute expenditures

- Optimized policies with proven ROI, standardized at a global level and tailored to local needs

- A reduced commute spend, plus higher ROI from the remaining investment

- The power to continuously monitor, forecast, and improve programs in response to changing circumstances or business objectives

At this stage, CCM is no longer a project or initiative, it's a core element of a wider operational strategy.

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TAKEAWAYS: FROM COST CENTER TO COMPETITIVE ADVANTAGE

For too long, commuting has been an invisible, fragmented cost. But forward-thinking enterprises are now turning it into a connected, measurable, and high-performing capital domain with Commute Capital Management.

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NEXT STEPS:
GETTING STARTED WITH COMMUTIFI

At Commutifi, our unique blend of powerful technology and human expertise is singularly capable of helping enterprises take control of their commute capital at scale.

Our enterprise-grade software is built for complexity with flexible and secure infrastructure and extensive integrations. Our clients include Fortune 50 companies, health systems, and universities.

Our expert consultants are proud TDM-CP certified professionals who offer strategic advising and managed services, and can even embed within your organization.

Commutifi's software is available as a standalone platform or a fully embedded Built on Workday solution.

Speak with an expert