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Expense-Account Tightwads Take the Road Less Expensive --- Traveling on Business, They Seek Out Cheap Eats, Hotels, but Do Bosses Notice?

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When Boris Siperstein travels for work from his home in Austin, Texas, he often does so with a folding bicycle tucked under his arm.

He expensed the \$180 Dahon model, bought on sale, to his private-equity firm, but biking to meetings in such locales as New York City, Mumbai and Mauritius, he says, has saved his company a few thousand dollars in cab fare. Mr. Siperstein, 38 years old, was also known to sleep on the floor when he visited the company's former Manhattan headquarters rather than pay upward of \$200 -- his personal cutoff for a hotel.

And forget about flying business class. He folds his 6'3" frame into a coach seat -- even on 16-hour hauls to India, where many of his company's investments are based.

"I would never in my wildest dreams spend an extra thousand dollars to stay in a hotel room that's slightly more comfortable than the bed I get in a \$100 hotel room," he says. "Why would I do that with an airline seat?"

Welcome to the world of expense-account tightwads. Citing everything from habit to principle to commitment to their employer's bottom line, these workers go out of their way to keep expenses low, staying in bargain hotels, swearing off room service and scouring the Web for cheap flights.

In an era of belt-tightening, employers would presumably be thrilled with staff who scrimp on travel and entertainment expenses, which average 8% to 12% of corporate budgets, according to research firm Aberdeen Group. But that isn't always the case. Some managers don't care, while other bosses think it odd or worry about how clients will react.

One of three partners at his Hoboken, N.J.-based firm, Mr. Siperstein says his thriftiness has occasionally raised "perception issues" among the partners. But he sees it as a competitive advantage for the firm. "If a client doesn't see what this says about me, then they're missing one of the things I bring to the table."

Still, many of them just think "Boris is a different kind of bird," says Mr. Siperstein, who describes his income as "comfortable," but is frugal with his own money too, keeping a roll of toilet paper in his car for spills and runny noses, rather than a "packaged fancy tissue box," and frying up anything in the fridge that is in danger of spoilage.

On business trips to Shanghai, Christopher Kao, a videogame producer for digital entertainment firm Break Media, says he skipped foreigner-friendly restaurants, instead picking up orange juice and dumplings at local convenience shops, usually for less than \$2.

"My expense reports had receipts for \$2.11, \$1.45, 71 cents. I'm sure the HR people thought it was really funny," he says. At one hotel where his team stayed, each room had laundry machines. So Mr. Kao, 31, spent a Sunday morning washing his clothes, "sitting in my underwear and reading 'Hunger Games'," rather than sending them out to be professionally cleaned.

Mr. Kao says co-workers commented on his thrifty choices -- "You're braver than me," he recalls one saying of his penchant for local food stands.

He was laid off in January when Break closed its U.S. gaming operations to focus on core Web properties.

Andy Tu, Break's vice president of marketing, says the company has "a corporate ethic to be responsible with our spending" and appreciates frugal employees.

David Payne, 41, travels extensively in his job as contract trainer for a Brooklyn software firm, but says he is too cheap to have hotels do his laundry. For a while, he washed clothes in the bathtub.

Now he travels with a 32-oz. or 64-oz. bottle of detergent in his checked bag, and heads to coin-operated Laundromats. He estimates he spends \$10 per trip this way, compared with \$30 or \$40 for hotel service.

Does he think executives value his efforts? "I don't think they notice one way or the other," he says. The only time he got a reaction, he says, was when an accountant called to say he wouldn't be reimbursed for dryer sheets and other laundry-related expenses. When he explained, he says the accountant relented.

For frugal employees, spending can provoke what some economists call "pain of paying," a psychic discomfort every time their cash or credit card leaves their wallets. "It's such a well-learned response that it's hard to shut off" even on an expense account, says Scott Rick, a professor at the University of Michigan's Ross School of Business.

But some say the impulse can go too far.

In his autobiography, "The Mind of Wall Street," the renowned, late investor Leon Levy recounted a time he and a colleague were driving to a crucial meeting with a California regulator. Mr. Levy noticed their car was low on gas, but his co-worker insisted on driving another 30 miles to reach a discount station. "Of course, we ran out of gas," he wrote.

Tim Gardner, director of operations at Vancouver, Wash.-based Bergstrom Nutrition, skips convention-sponsored hotels for trade shows, instead searching Priceline for lodgings at "half the price." On a recent customer visit to Boca Raton, Fla., he asked his employer to reimburse him for only half of his airfare to Florida -- because he tacked on a pleasure trip to the U.S. base at Guantanamo Bay, where a friend was stationed.

When he drives to meetings, Mr. Gardner, 55, calculates the better value: using his car and requesting the federally determined reimbursement of 55 cents per mile, or renting a car with mileage included. If he uses his car, he subtracts the 16 miles round-trip from his home to his office.

Asked about Mr. Gardner's thrifty ways, Bergstrom President Jim Hughes, said, "Sometimes you worry until you get to know someone and understand their habits. It's just who he is as an individual. He's responsible and he takes good care of company funds."

Sometimes it's the boss pushing extreme measures. When Jeff Yeager was executive director of the American Canoe Association from 1991 until 2002, he "endlessly lectured" his staff about staying with the group's volunteers and board members when they traveled. "They hated it, but the volunteers were thrilled," he says.

Mr. Yeager, who now writes books about low-cost living, observed the policy himself. "I can't tell you how many board members I convinced to vote my way because I was sleeping in their spare bedroom."