

# Travel Procurement

May 2021

FORD TACKLES  
MOBILITY  
COMPLIANCE  
page 12

CVENT READIES  
TRANSIENT RFP  
CHANGES  
page 15

TAX IMPLICATIONS  
OF TRAVEL'S  
RETURN  
page 20

## PAYMENT PRECISION

Samanth van Leeuwen integrated virtual card  
and tightened approval hierarchy to lead PwC  
U.K.'s meetings management transformation

page 16

# BUSINESS TRAVEL SHOW AMERICA

**MAY 25-26, 2021**

“The best virtual  
event of 2020!”

Dorian Stonie, Senior Director Global Travel, Salesforce

The industry's largest virtual event for corporate travel  
managers and procurement/sourcing professionals

Join your business travel peers and experience  
unparalleled trademark BTN Group content featuring:



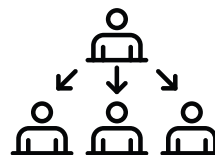
**60+**  
speakers



**20+** live  
education  
sessions



**6** interviews with  
the industry's  
leading CEOs



**2** days of  
networking with  
**75+** exhibitors

Register at  
[www.businesstravelshowamerica.com](http://www.businesstravelshowamerica.com)

PRESENTED BY

**BTNGROUP**  
CONFERENCES & EVENTS

PUBLISHERS OF

**BTN**  
BUSINESS TRAVEL NEWS

**BTN**  
BUSINESS TRAVEL NEWS  
EUROPE

**TravelProcurement**

**The Beat**

# Travel Procurement

## EDITORIAL DIRECTOR

ELIZABETH WEST

ewest@thebtngroup.com  
732.494.1955

## EDITOR-IN-CHIEF, THE BEAT

JAY BOEHMER

jboehmer@thebtngroup.com  
646.380.6249

## MANAGING EDITOR

CHRIS DAVIS

cdavis@thebtngroup.com  
646.380.6248

## EXECUTIVE EDITOR

MICHAEL B. BAKER

mbaker@thebtngroup.com  
646.380.6250

## SENIOR EDITOR

DONNA M. AIROLDI

dairoldi@thebtngroup.com  
646.380.6264

## EDITOR

ADAM PERROTTA

aperrotta@thebtngroup.com  
518.859.5117

## STAFF WRITER & ASSISTANT EDITOR

DAWIT HABTEMARIAM

dhabtemariam@thebtngroup.com  
646.380.6267

## ART DIRECTOR

JAMES JARNOT

jjarnot@thebtngroup.com  
646.380.6252

## BTNGROUP

The BTN Group also publishes:

### BUSINESS TRAVEL NEWS

### BTN TRAVEL MANAGEMENT

### BTN GLOBAL

### THE BEAT

Travel Procurement (USPS 025-279, ISSN 21506582) is published four times per year (March, May, August and December) free of charge for qualified procurement executives by Northstar Travel Media, LLC, 100 Lighting Way, 2nd floor, Secaucus, NJ 07094. Paid subscriptions are available for non-qualified subscribers for U.S. one year \$25, two years \$40; International one year \$40, two years \$70. Periodicals postage paid at Newark, NJ, and additional mailing offices. POSTMASTER: Send address changes to Travel Procurement, PO Box 2007, Skokie, IL 60076-2007. Copyright © 2021 Northstar Travel Media, LLC. All rights reserved.

## SUBSCRIPTION SERVICES

800.231.3776 • trp@omeda.com  
Travel Procurement  
PO Box 2007, Skokie, IL 60076-2007  
<https://ntg.dragonforms.com/init.do?omedasite=TRPnew>

## REPRINTS

Robbie Ray • Wright's Media  
northstar@wrightsmedia.com • 877.652.5295

## LIST RENTAL

Danielle Zaborski • MeritDirect  
dzaborski@meritdirect.com • 914.368.1090

# CONTENTS

May 2021  
Vol. 16, No. 2

## 6 News

U.S. carriers become more confident of corporate travel's return • Several major deals take place among travel agencies • Hotel chains see U.S. leisure demand begin to surge • Extended Stay America battles over a potential sale • Hertz charts a course out of bankruptcy



## 8 By the Numbers

Better-than-projected 2021 demand boosts STR's U.S. hotel forecast • Air passenger metrics show Covid-limited cross-border market

## 16 PAYMENT PRECISION

Building out the capabilities of a meetings partner's existing technology platform pays off for PwC U.K.'s program.



## 12 Mobility Compliance Driving Ford Motor Co.'s Travel Strategy

Auto company strategizes around international freedom of movement.

## 15 Cvent Plans Changes to Transient Hotel RFP Tool

Meetings and travel tech firm Cvent invests in major modifications.



## 10 Southwest Airlines Collecting 'Ingredients' for Recovery

**Q&A with Southwest Business VP David Harvey**

The U.S. carrier expands its network and details its plans to expand its corporate business.



## 20 Opinion: For a Remote Workforce, New Rules for Business Travel in 2021

**By Global Tax Network's David Livitt**

As travel comes back, the push toward a global workforce is creating a riskier tax landscape.

# Building Back Better

The prospect of business travel and meetings has returned. After 14 months of immobility, business travelers are stirring around the globe. While domestic business travelers in some regions, including China and Australia, already have dusted off their luggage a few times, the rest may only now be gearing up for our first business travel flights since the industry went into its Covid-19 lockdown. Certainly, there are several regions that continue to struggle with recovery, and the whole business may prove a bumpy ride.

That said, travel and meeting buyers are up to the task. Many have taken on a higher profile since the pandemic began, with travel serving as an integral voice in return-to-work teams and business enablement strategies. This higher profile has already resulted in better programs, and the editors of Travel Procurement profile two of those programs in this issue.

Senior editor Donna Airoidi profiled PwC head of U.K. hotels and venues Samantha van Leeuwen in our cover story. Van Leeuwen took a payment process initiative that began prior to the pandemic and used it to transform an entire meetings program. She and her team collaborate closely with Capita Travel & Events to build out its MeetingsPro tool from primarily a booking tool into a meetings management platform. It resulted in driving meetings compliance from 80 percent to 98 percent since it launched just prior to the global meetings shutdown. The centralized data rationalized the Covid-19 cancellation process. As the industry returns, she said, the tools are supporting the team in moving quickly back into action. Find the story on page 16.

On the transient travel side, Europe-based contributing editor Amon Cohen profiled Ford Motor Co.'s APAC and EMEA travel manager Stephen Swift. This travel management innovator expanded his role into mobility issues, introducing an integrated tax, immigration and travel process for the company, as regulations and enforcement around tax codes and crossborder work permits have become increasingly complex. To achieve his goals, Swift reached outside the scope of Ford's traditional travel partners and worked with relocation experts. As borders begin to open to vaccinated individuals and countries with low case rates, Ford's international travelers will have the guidance and support they need to fulfill their crossborder job responsibilities. Swift has also shielded his company from potential regulatory risk. Read more on page 12.

Our opinion column in this issue covers similar regulatory ground, which promise to challenge many companies as business travel ramps up again. Global Tax Network's David Livitt describes the growing complexities, what companies can expect and how they can mitigate their risk. Don't miss that on page 20.



Stay well,

Editorial Director, BTN Group

## BTNGROUP

### EXECUTIVE VICE PRESIDENT & GROUP PUBLISHER

LOUIS MAGLIARO • lmagliaro@thebtngroup.com • 973.769.0028

### ASSOCIATE PUBLISHER

LINDSAY STRAUB • lstraub@thebtngroup.com • 646.380.6274

### BUSINESS DEVELOPMENT DIRECTOR

RICH MARKUS • rmarkus@thebtngroup.com • 301.944.4324

### BUSINESS DEVELOPMENT COORDINATOR

CLAIRE LAVELLE • clavelle@thebtngroup.com • 646.380.6271

### EXECUTIVE DIRECTOR, CONFERENCE CONTENT & STRATEGY

DAVID MEYER • dmeyer@thebtngroup.com • 646.380.6246

### EXECUTIVE DIRECTOR, CONTENT SOLUTIONS

MARY ANN MCNULTY • mmcnulty@thebtngroup.com • 630.519.4510

### DIRECTOR OF CONTENT SOLUTIONS & CONFERENCES

JEN BANKARD • jbankard@thebtngroup.com • 717.460.1091

### EVENT MANAGER

MELISSA GAIN • mgain@thebtngroup.com • 917.626.6832

### GROUP DESIGN MANAGER

MARIZA MOREIRA • mmoreira@ntmllc.com • 201.902.1965

### MARKETING MANAGER

MAX BZDYK • mbzdyk@thebtngroup.com • 646.346.5676

### DIGITAL DIRECTOR

ALEXANDRA MANCINI • amancini@thebtngroup.com • 201.902.1984

### PRODUCTION MANAGER

MICHELE GARTH • mgarth@ntmllc.com

### PRODUCTION SPECIALIST

LISA GONZALES • lgonzales@ntmllc.com

### PRODUCTION SPECIALIST

GAYLE GRAIZZARO • ggrazzaro@ntmllc.com



100 LIGHTING WAY, 2ND FLOOR, SECAUCUS, NJ 07094  
WWW.NORTHSTARTRAVELGROUP.COM

### CHAIRMAN & CHIEF EXECUTIVE OFFICER

THOMAS L. KEMP

### CHIEF FINANCIAL OFFICER

LISA COHEN

### PRESIDENT, TRAVEL GROUP

ROBERT G. SULLIVAN

### EXECUTIVE VICE PRESIDENT & GROUP PUBLISHER

DAVID BLANSFIELD

### EXECUTIVE VICE PRESIDENT & EDITORIAL DIRECTOR

ARNIE WEISSMANN

### SENIOR VICE PRESIDENT, HUMAN RESOURCES

JANINE L. BAVOSO

### SENIOR VICE PRESIDENT, PRODUCT DEVELOPMENT & PRODUCTION

ROBERTA MULLER

### SENIOR VICE PRESIDENT, TECHNOLOGY

ANKEET PATEL

### VICE PRESIDENT, INFORMATION PRODUCTS GROUP

SHEILA RICE

### VICE PRESIDENT, DATABASE PRODUCTS

ELIZABETH KOESSER



# sustainable **BUSINESS TRAVEL** SUMMIT AMERICA

**VIRTUAL**

**JUNE 16 2021**

**10:30am – 4:30pm ET**

This new one-day virtual event will focus on advancements in sustainability and climate action policy adoption along with actions taken by companies to align their business travel program with corporate objectives and strategies to advance sustainability practices.

Contributing to the conversation will be industry visionaries, corporate practitioners, analysts, and leading suppliers.

## **SESSIONS INCLUDE:**

**Industry Visionaries**

**Measurers and Goal Setters**

**Corporate Travel Sustainability Pioneers**

**Pushing the Green Envelope**

**REGISTER AS OUR GUEST\* USING CODE BTNGROUP2021**  
**[www.btngroupconferences.com/sbtsamerica](http://www.btngroupconferences.com/sbtsamerica)**

\* Registration is limited to qualified corporate travel managers and procurement/sourcing professionals who are responsible for managing their company's or organization's corporate travel/meetings program. Registration from travel suppliers including travel management companies, travel agencies, 3rd party meeting planning companies, and consultants who are not sponsors will not be accepted. The BTN Group has the final right to accept or deny registration.

### **GOLD SPONSORS**



**GLOBAL  
BUSINESS  
TRAVEL**



**DELTA**



**EGENCIA®**  
business travel by expedia group™

**TripActions**

### **SILVER SPONSOR**

**FCM**

### **BRONZE SPONSORS**



**ACCOR**



**HRS**  
Lodging • as a Service

PRESENTED BY

**BTNGROUP**  
CONFERENCES & EVENTS

PUBLISHERS OF

**BTN**  
BUSINESS TRAVEL NEWS

**BTN**  
BUSINESS TRAVEL NEWS  
EUROPE

**Travel Procurement**

**The Beat**

# AIR TRAVEL

## Delta Projects ‘Significant Increases’ in Corporate Travel in the Fall.

Delta Air Lines reported a “slow but steady” recovery in corporate travel, with a stronger rebound—as well as a return to overall profitability—on track for after the summer months. As of March, corporate travel levels were about 20 percent of what they were pre-pandemic, an improvement of five percentage points from where they were at the end of 2020, Delta president Glen Hauenstein said. Domestic leisure bookings, meanwhile, have recovered to 85 percent of their 2019 levels, and the carrier expects leisure demand to continue to build in the coming months, particularly as Delta had ended its policy of blocking middle seats. Delta reported passenger revenues of \$2.7 billion in the first quarter, down 70 percent from the first quarter of 2019. Delta reported a net loss of \$1.2 billion for the first quarter.

## American Airlines: Small-Business Travel Demand Steadily Improving.

American Airlines is seeing early signs of corporate travel recovery even with little showing from the segment in current bookings. American’s bookings for corporate and long-haul travel have recovered only to about 20 percent of 2019 levels. Even so, the carrier expects to see corporate business pick up after the summer. “Small business demand, which was roughly 17 percent of our system revenue, has been improving steadily as vaccination rates have increased and as markets reopened,” American Airlines president Robert Isom said. The carrier’s first-quarter passenger revenue declined 58.6 percent year over year to \$3.2 billion, and it reported a net loss of \$1.3 billion.

## Leisure Demand Strength Spurs United’s Hope for Corporate Business.

United Airlines is preparing for a return to profitability this year with or without a significant return of business travel, though executives for now are betting on the former. The carrier’s passenger revenue in the first quarter declined 67.2 percent year over year to \$2.3 billion, with both business travel demand and long-haul international travel demand—which together represent about two-thirds of United’s total business—down more than 80 percent, United CEO Scott Kirby said. Leisure demand trends, however, are giving United executives hope that corporate demand recovery is not that far off. Kirby also stood by earlier statements that business travel would return to a level comparable to pre-pandemic levels. For the first quarter, United reported a net loss of \$1.4 billion.

## Southwest Preparing for Depressed Business Demand Throughout 2021.

Southwest Airlines reported a slight uptick in corporate travel in March, although the carrier does not expect such demand to surpass half of pre-pandemic levels any time this year. Revenue from managed corporate travel was down 88 percent compared with levels from the same period in 2019, which is similar to the decline the carrier saw in the fourth quarter of 2020, Southwest president Tom Nealon said. Southwest is preparing for it still to be down 50 percent to 60 percent by the end of the year, he said. First-quarter passenger revenue was down 55.5 percent year over year to \$1.7 billion. Excluding Payroll Support Program and other special items, the carrier had a \$1 billion loss for the quarter.

# G ROUND TRANSPORTATION

## Hertz Selects Proposal to Fund Chapter 11 Exit.

Hertz Global Holdings selected and approved a \$6 billion funding proposal from affiliates of Knighthead Capital Management, Certares Opportunities and Apollo Capital Management. The proposal from the collectively named KCHA Group will provide equity capital to fund Hertz’s revised reorganization plan and Chapter 11 exit, which the car rental company hopes to complete by June 30, 2021. The proposal would eliminate \$5 billion of corporate debt, including the complete elimination of all corporate debt on Hertz’s European business, and provide the company with over \$2.2 billion of global liquidity.

## Lyft Agrees to Sell Self-Driving Car Division.

Lyft has agreed to sell its Level 5 self-driving car division to a subsidiary of Toyota Motor Corp. for about \$550 million in cash. Lyft also signed a non-exclusive commercial agreement with Woven Planet, the Toyota subsidiary, “for the utilization of Lyft system and fleet data to accelerate the safety and commercialization of the automated-driving vehicles that Woven Planet will develop.” The companies expect the deal to close in the third quarter. Lyft competitor Uber in December announced it had agreed to sell its self-driving car unit to autonomous car startup Aurora Innovation.



## LODGING

### **Marriott: Some Future Group Rates Above 2019 Levels, Demand Still to Catch Up.**

Group business already on the books for the first quarters of 2022 and 2023 at Marriott International's U.S. and Canada properties has been booked at higher average rates than similar bookings were in 2019, Marriott CEO Tony Capuano said. Still, while group rates may be up, the number of group room nights on the books for the first quarter of 2022 is down 30 percent compared with 2019 bookings. First-quarter comparable Marriott systemwide constant-dollar revenue per available room declined 59.1 percent compared with the first quarter of 2019. Marriott reported a net loss of \$11 million for the quarter.

### **Hilton: Business Travel Room Nights Could Reach 70 Percent of 2019 Levels by Q4.**

Hilton Worldwide president and CEO Christopher Nassetta said leisure room nights could be at 2019 levels by the fourth quarter, and in the first quarter already were close to 90 percent of 2019 levels. He also business transient room nights could be at about 70 percent from two years ago by that time, and group volume at about the 50 percent mark. First-quarter systemwide RevPAR decreased 38.4 percent year over year on a comparable and currency-neutral basis. Hilton reported a net loss of \$109 million for the quarter.

### **IHG: Americas, Greater China Led Q1 Demand Improvement.**

IHG Hotels & Resorts reported declines during the first quarter in the industry's three key performance metrics, but there was a "notable pick-up in demand in March particularly for the U.S. and China, which continued into April," said IHG CEO Keith Barr. First-quarter comparable group revenue per available room was \$35.55, down 33.7 percent year over year.

### **ESA Sets Voting Date for Acquisition Agreement.**

Extended Stay America set June 8 as the date for a shareholder vote on its agreement to be acquired for approximately \$6 billion in a 50/50 joint venture between Blackstone Real Estate Partners and Starwood Capital Group. Shareholder Tarsadia Capital, which holds approximately 3.9 percent of outstanding ESA shares, opposes the deal.

## TRAVEL MANAGEMENT COS.

### **American Express GBT Agrees to Buy Egencia.**

American Express Global Business Travel has made a binding offer to acquire Egencia, Expedia Group's corporate travel arm. Egencia would operate as a discrete brand within GBT. Amex GBT, which serves more Corporate Travel 100 accounts than any other travel management company, has long been keen to bring more small and midsize enterprise accounts into the fold. Merging with Egencia, which has targeted the SME market, would bring the full spectrum of the market together under a single umbrella. Financial terms of the deal were not disclosed.

### **Frosch Acquires Valerie Wilson Travel.**

Frosch International Travel has acquired Valerie Wilson Travel in the latest major step in Frosch's strategic growth strategy, which over the past year has included several other TMC purchases. Financial terms of the deal were not disclosed. VWT will operate as an independent brand under the Frosch corporate umbrella, with continued leadership from founder Valerie Wilson. Jennifer Wilson-Buttigieg and Kimberly Wilson Wetty will remain co-presidents of VWT, and each will join Frosch's executive team, the companies said.

**TripActions Acquires Reed & Mackay.** TripActions has acquired U.K. travel management company Reed & Mackay from its private equity owners. Financial terms of the deal were not disclosed. Reed & Mackay was founded in 1960 and is best known for its high-touch service for clients in the insurance sector and wider financial services. Private equity company Inflexion bought Reed & Mackay in 2016 in a deal rumored to have been worth around £170 million. The Reed & Mackay name will remain, and "we are going to keep the ecosystem we have—self-booking tool, mobile app, agent tool, all fully integrated—and learn from some of the innovation that TripActions has made and modernize some of our technology," said Reed & Mackay CEO Fred Stratford.

### **CWT Promotes McKinney Frymire to CEO.**

Kurt Ekert on May 1 stepped down as CEO of CWT, and the mega travel management company replaced him with CFO and president of strategy and transformation Michelle McKinney Frymire. Before joining CWT in 2019, she served in senior financial roles for Starwood Hotels & Resorts, Delta Air Lines and Continental Airlines. Ekert, who joined CWT as CEO in 2016, "will take on the role of senior advisor to the company," according to CWT.

# BUSINESS TRAVEL BY THE NUMBERS

HOTEL

## STR'S U.S. LODGING FORECAST

	2020	2021*	2022*
<b>OCCUPANCY</b>	<b>41.6%</b>	<b>53.3%</b>	<b>60.1%</b>
<b>ADR</b>	<b>\$103.00</b>	<b>\$109.47</b>	<b>\$117.34</b>
<b>REVPAR</b>	<b>\$42.88</b>	<b>\$58.39</b>	<b>\$70.57</b>

\* Projected

After leisure demand in particular in the first few months of 2021 exceeded prior expectations, STR and Tourism Economics boosted their U.S. hotel forecast for the balance of 2021. Still, full demand recovery to pre-Covid levels isn't anticipated before 2023. Meanwhile, the International Air Transport Association's March air passenger data illustrated some domestic rebound in air demand, but border closures and quarantines still hampered international traffic.

Source: STR/Tourism Economics May 11 forecast

## LOOKING BACK AT ADR: YOY CHANGE

AMERICAS	EUROPE	ASIA/PACIFIC	MIDDLE EAST & AFRICA
January -34.0%	January -31.6%	January -29.5%	January -15.2%
February -31.3%	February -29.9%	February -29.9%	February -18.3%
March -4.1%	March -16.8%	March -1.5%	March 10.4%

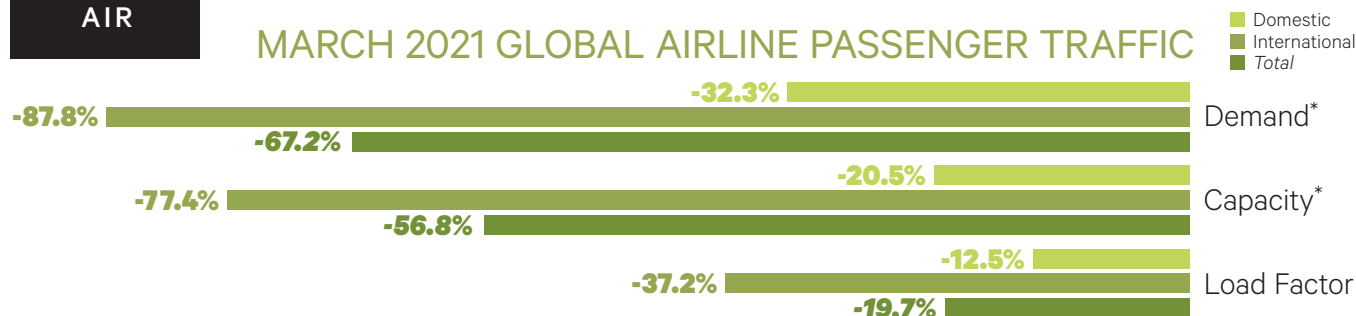
## LOOKING BACK AT OCCUPANCY: YOY CHANGE

AMERICAS	EUROPE	ASIA/PACIFIC	MIDDLE EAST & AFRICA
January -31.0%	January -65.5%	January -31.5%	January -34.1%
February -29.5%	February -61.3%	February -6.0%	February -35.3%
March 35.9%	March -2.0%	March 82.7%	March 41.3%

Source: STR

AIR

## MARCH 2021 GLOBAL AIRLINE PASSENGER TRAFFIC



\* Demand measured in revenue passenger kilometers; capacity measured in available seat kilometers Source: International Air Transport Association



# BTNGROUP SYMPOSIUM

VIRTUAL



## Diversity, Equity and Inclusion Series

The BTN Group DEI Symposium Series is a platform to address the long-recognized shortfalls in diversity, inclusion and equity in the business travel industry through a series of discussions with travelers and industry experts. Each event in the series will follow a similar format, covering core topics including the traveler experience, policy and duty of care considerations, and sourcing practices.

12:30 to  
4:30pm  
ET

JUNE  
22

LGBTQ+  
TRAVELERS

JUNE  
29

TRAVELERS WITH  
DISABILITIES AND  
HEALTH CONDITIONS

JULY  
14

BIPOC  
TRAVELERS

JULY  
28

WOMEN  
TRAVELERS

REGISTER NOW  
[www.btngroupconferences.com/deisymposium](http://www.btngroupconferences.com/deisymposium)

### GOLD SPONSORS



GLOBAL  
BUSINESS  
TRAVEL



THE COMBINED POWER OF

enterprise

National

TripActions®

UNITED  
FOR BUSINESS



Presented by

BTNGROUP  
CONFERENCES & EVENTS

Publishers of

BTN  
BUSINESS TRAVEL NEWS

TravelProcurement

The Beat

BTN  
BUSINESS TRAVEL NEWS  
EUROPE

# Southwest Collecting 'Ingredients' for Recovery

**S**outhwest Airlines last month began service out of Houston's Bush Intercontinental Airport for the first time since 2005, with 15 daily departures to five markets: Dallas, Chicago, Nashville, New Orleans and Denver. Houston is only one of several new markets in Southwest's plans this year, however. VP of Southwest Business David Harvey spoke to BTN transportation editor Michael B. Baker about the network expansion and how it fits with the carrier's plans to expand its corporate business.

## What will these new markets mean in terms of corporate travel sales?

From November 2020 to the end of 2021, we'll have initiated service to 17 new markets. Covid has provided a unique opportunity to fast-forward some of our growth plans. Most of those markets are beaches and mountains, but we also had this incredibly opportunity to get into places like Bush Intercontinental, Chicago O'Hare and access into Miami, which are tremendous business markets. These are things that have been on our radar for a long time. Getting access to these key business markets in a recovery is tremendous. For the last 10 years, you couldn't go on a sales call [without getting] questions about going back into Intercontinental. This has been a big gap in their travel program, because of all the business on the north side of Houston, so this is going to be great news for our corporate customers.

## Several carriers have reported significant demand growth of late. Has Southwest seen that as well?

For the last 12 months, we've been following what's being going on with Covid-19 cases and hospitalizations. When those pop up, demand tends to go down and cancellations tend to go up. We saw post-Presidents' Day going into March a nice acceleration and momentum for the spring and the summer, still being led on the leisure side, but we're seeing more and more businesses open up their campuses. That is directly tied to the travel program. Even 60 days ago, a lot of them were saying post-July 4 or post-Labor Day, and a lot of those are moving it up now and saying they want to get people back in the office in the spring or early summer to be prepared for the back half of the year.

## Will there be opportunities for different types of corporate business due to different working patterns post-pandemic?

We are definitely seeing the need for more commuter patterns for people working remotely. We're starting to hear a lot about groups and meetings, where it's not a grand scale of hundreds or thousands but the ability to bring a group of 20 or 50 together at a hotel, so what kind of packages can we put together there? We've made it so much easier for companies to pick Southwest, and now we can just go in and understand the travel needs and figure out how to best meet those. 2022 could be the roaring '20s all over again. We're hearing more and

more about groups and meetings and conventions. Some of them are sticking to the second half of the year, but basically everyone is going to try to get back to in-person as you get out to 2022.

## Is there talk of expanding Southwest's international footprint through new service or agreements with other carriers?

It's under consideration. The technology work is not in the plan for 2021. We have a great line of sight and know what we need to do with the capabilities: foreign point of sale, foreign currency and foreign language. We want to fly to some of the business markets in Canada, Mexico and Central America with our own metal. When you think about the codeshare and interline for long-haul international—Europe, Asia and deep South America—that's on our intermediate road map of things that we want to do. That's going to be more of a conversation this fall for prioritization and when we ultimately get to this. We think that opens another huge opportunity for us.

There's just so many exciting opportunities for Southwest to grow. We announced a new order book with Boeing where we committed to another 100 firm orders of the Max, so we have a huge order booked all the way out to 2031. We were the only carrier that didn't have any furloughs or layoffs throughout the pandemic, and we're thankful for to the government for stepping up with stimulus and payroll support. We have all the ingredients to really accelerate growth in recovery. ■

### SOUTHWEST'S DAVID HARVEY TALKS:

- Adding 17 markets in a year
- Signs of business travel recovery
- Future international opportunities



# SUBSCRIBE TODAY!

**BTN**  
BUSINESS TRAVEL NEWS

For over 35 years, Business Travel News has been providing business travel and meeting professionals with news, analysis and research. In addition to monthly issues, BTN produces six annual research issues including the Business Travel Buyer's Handbook, Corporate Travel Index, Corporate Travel 100 and more.

## Travel Procurement

Published quarterly, Travel Procurement is the leading information source for procurement and purchasing professionals who are responsible for setting travel policy, and managing and buying business travel/meetings on behalf of their company.

## The Beat

The Beat is the must-read source for senior-level corporate travel professionals, providing breaking news, insightful views and compelling interviews on corporate travel distribution, travel management and technology.

**BTN**  
BUSINESS TRAVEL NEWS  
**EUROPE**

Business Travel News Europe, published six times annually, is the leading source of information, news, features, data and research for corporate travel managers and travel management professionals who are responsible for setting travel/meeting policy and purchase/manage business travel/meetings globally on behalf of their company.

[www.businesstravelnews.com](http://www.businesstravelnews.com)

## BTNGROUP DID YOU GET THE NEWS?

Complimentary subscriptions to BTN Group Newsletters deliver the latest:

- Supplier developments
- Industry analysis
- Emerging practices
- Original research

\*Delivered every other week / \*\* Delivered monthly / \*\*\* Delivered twice weekly

### BTNDAILY

Essential as morning coffee, a quick update for your daily dose of industry news

### BTNGLOBAL

Industry developments and case studies to inform your multinational travel program \*

### BTNTRAVEL MANAGEMENT

Hits your inbox with top supplier news and best practices \*

### Travel Procurement

Your fix of market analysis, supplier management and program measurement \*\*

### BTN EUROPE

Corporate travel news from across the pond \*\*\*



**SUBSCRIBE NOW:** [www.businesstravelnews.com/newsletters](http://www.businesstravelnews.com/newsletters)

# Mobility Compliance Driving Ford Motor Co.'s Travel Strategy

**T**he ever-changing role of the travel manager appears to have mutated yet again thanks to macro-trends that stretch well beyond the business travel sector. Step forward the mobility compliance manager, a role certainly accelerated by new border controls in response to Covid-19 but that was emerging anyway thanks to increased unrelated checks and restrictions on international freedom of movement.

Those controls include tightened enforcement of taxation rules for short-term business visitors, increased scrutiny of work visas, A1 social security certificates and Posted Worker notifications in the European Union, and Brexit restrictions on EU-United Kingdom movements.

Stephen Swift, the U.K.-based EMEA and APAC travel manager for Ford Motor Co., is clear his job has changed as a result. "It's so much more than managing the travel management company and the policy," he said. "You have to have a broader mindset for immigration and tax issues, as well as health and security. Saying 'here's your passport

and e-ticket, and off you go' is a thing of the past, at least for the next few years."

It's not only mindsets that need to be broader. So do the accompanying tools and processes. Swift has collaborated deeply with a series of stakeholders, both internally and externally, to build a pre-trip approval process that equips travelers fully with the paperwork, permits and information they need to cross borders without breaking any rules.

Swift started his mobility compliance project at Ford three years ago, initially to handle increasingly complex immigration and taxation rules around relocations and longer-term foreign work assignments. It was a project made more pressing by Ford's switch to a globalized structure instead of building vehicle models country by country. The new strategy meant a jump in international travel, resulting in 240,000 trips by 26,000 different travelers to 140 different countries in 2019, with a spend of \$160 million.

"We were finding immigration was being used by more and more countries as a political tool to show they were

protecting their population above workers coming in and potentially taking their jobs," said Swift. "It wasn't enough anymore to go in on a visa or [visa waiver]. People were being stopped at borders, turned around and sent back, because most types of visa only allow you to attend a few meetings and do a few basic things. They don't allow you to work."

In addition, Ford became increasingly aware through work with its tax adviser Deloitte that overseas visits were creating a potential tax liability for the company and the employees.

More recently, said Swift, immigration issues are "something that we've noticed creeping more and more into general business travel. It's something we found authorities were picking up on and asking us to get a different immigration status for."

Examples include visits by U.K.-based employees to Turkey, whose authorities no longer tolerated visas for work trips being obtained on arrival, and repeat trips by individuals to the same destinations. Swift added that he also is seeing more pressure for compliance checks

"We're seeing a huge surge in multiple-stakeholder teams, including travel, HR or mobility, tax and legal, going out with global bids to standardize this."

**LIAM BRENNAN**  
TRACKER  
SOFTWARE  
TECHNOLOGIES





on business trips because of Brexit and growing paperwork demands within Europe.

“The EU is stepping up its requirement that you have posted worker registration if you move between member states,” Swift said. “Some of those states are also asking you to show your A1 certificates to prove you pay social security in your home country.”

#### Travel Takes the Lead

Swift had identified a clear problem confronting travel for his company. But finding resources both internally and externally to create a solution was far from straightforward.

Internally, as is so often

the case for a challenge that requires interdisciplinary collaboration, “no one was putting up their hand to own it,” said Swift. As he is responsible for relocation as well as travel, Swift decided to drive the project himself. He reached out to Ford’s legal office and human resources department, but he also found support within the very core of the business.

“We spoke to the leaderships of the teams doing the travel—our product development and manufacturing leaderships—and they recognized the need for this,” Swift said. “As much as it was a push from us, it was a pull

from those parts of the organization. They had seen this arise as we started to travel more to support our global products.”

Externally, Swift found his regular travel service providers not as well-equipped as he would have liked to handle tax and immigration issues. Instead, he turned to Weichert Workforce Mobility, Ford’s global relocation service provider. In turn, Weichert connected him to the Irish company Tracker Software Technologies, which offers a tool called GT Global Tracker that ensures travelers have the right work permit and other permissions to en-

ter a country, and tracks days spent in different countries from a tax perspective. This information also is routed to Deloitte, which will raise the alarm if it spots any potential tax-compliance challenges.

Travelers for the assessment are required to submit information including destination, duration and a selection from a highly detailed drop-down list of trip reasons, often the key determinant of how much immigration paperwork will be required.

“People try and game the system by saying they’re going for a meeting because they know it will be easier,” said Swift. “But if someone puts that more than once, we’re going to flag it, so they must at least have a conversation with someone from an immigration perspective.”

Swift is also working with Ford’s HR communications team to explain to travelers why it’s important they complete the pre-trip admin correctly. “We’re communicating that the world is changing, immigration and tax rules are

changing, and therefore we need to make sure they’re protected as travelers and we’re doing the right thing as Ford Motor Company,” he said.

Swift is “refining and Ford-izing” his company’s version of Global Tracker to minimize the work required of travelers. This version will include prepopulated information, such as employee number, passport number, nationality and country of residence. Historical travel and expense data also will be loaded to allow an automated determination of any immigration or tax-compliance measures that need to be taken. Additionally, travelers will be informed about Covid-19 requirements relevant to their proposed trip.

#### May I Connect You?

The big frustration for Swift is that he sees no ability to connect the compliance process he has built with Weichert and Global Tracker to his company’s online booking tool or travel management company. “Until TMCs get in the game

here, we’re having to create these processes ourselves,” he said.

Ford is far from being alone in the approach it is taking to improving mobility compliance, according to Tracker Software Technologies CEO and co-founder Liam Brennan. “We’re seeing a huge surge in multiple-stakeholder teams, including travel, HR or mobility, tax and legal, going out with global bids to standardize this,” he said.

The same trend also was identified by David Livitt, director of business traveler services for the mobility tax consultancy Global Tax Network. “Travel managers have always been involved in this, but very much on the periphery,” he said. “They were interested in compliance only as far as budget and duty of care. Now they are being brought into a multidisciplinary process. The direction for travel managers is going to be much more around that approval process.”

But what should travel managers do if they identify a need for mobility compliance that no one is taking the lead on in their organization? The answer in Swift’s view is to take the initiative themselves. “Build your case and get the relevant people together—HR, legal, maybe health and security teams—and present the fact that this is the new normal in the travel world,” he said. “You have to make them aware there’s an additional layer of complexity, which is tax, immigration, social security compliance, and that you need to create the processes and policies around it.” ■

“It’s so much more than managing the travel management company and the policy. You have to have a broader mindset for immigration and tax issues, as well as health and security.”

**STEPHEN SWIFT**  
FORD



# Cvent Plans Changes to Transient Hotel RFP Tool

**M**eetings and travel management software company Cvent is planning for and investing in major modifications to its Cvent Business Transient product, formerly known as Lanyon, that will change how users prepare for, send and negotiate requests for proposals, the company announced during its recent Cvent Travel Summit.

Other than one new feature planned to go live during the second quarter, Cvent currently intends to roll out the updates during the first quarter of 2022, after the 2022 hotel RFP season has finished. In the meantime, it will make the changes visible to users in a preview mode as the components are developed over the coming year, said Cvent senior director of product management Brian Sullivan.

"The preview will allow you to view data input into the current application, and you can play around with the data, but you can't save anything" in the preview mode, Sullivan said. "All work must be done in the current system through the end of the year. This will give customers ample time to get into the system and see the changes before they are forced to use them."

The new feature to be added this year will allow corporate users to ask for dynamic ceiling rates in the program set-up, Sullivan said, adding that this option previously was available only to

consortia. "It allows for corporations to have the security of a fixed rate but also benefit from lower publicly available rates as a result of the depressed occupancy we're facing today," he said.

The first redesigned element, available in preview now, is a new property profile that segregates the display of static hotel content like features and amenities from rate information for easier negotiation, Sullivan said. "When you click on the property profile name in the solicitation, you're taken to the current property profile, where you can launch the new profile and take a look around," he added.

Cvent also will tackle hotel program set-up, which could be available to preview during the latter part of the second quarter. That process will include a multistep navigation process to view hotels for potential program inclusion, but "you won't have to go through the process of selecting specific questions to be answered anymore as it relates to static content," Sullivan said. "We'll go get that content for you. You select the parameters for your program, input custom questions, and you're good to go."

Slated for preview around July is a solicitation function, which will have a new look and feel. Cvent also is testing a new concept it calls "instant offer," which changes how suppliers can build rate plans in preparation for RFP responses. "We now have the ability to allow [hoteliers]

to accept rate proposals prior to soliciting clients, which can save valuable time in the RFP process," Sullivan said.

That change is slated to be previewed by the fourth quarter, along with a new negotiating process. Static content and rate content will be displayed separately, and the process will "focus on what matters: prices, amenities, policies and tax inclusion," he said. "Benchmarking data is available in an offline report and provides competitive rate information and amenities-inclusion information, but now it will become more easily accessible at the point of decision."

The negotiation section of Cvent's RFP tool will continue to use the new "negotiation assistant" feature, released in December, which uses a patent-pending algorithm to produce suggested rates based on a hotel's offerings. The algorithm incorporates machine learning to hone its recommendations, and it takes more than 20 factors into account, including competitive and general market information, account history and size of the client's program to determine what it would expect the rate to be in order to conclude the negotiations, according to the company. In Cvent's beta test of the negotiation assistant, clients who used it found that the average number of negotiation rounds declined 41 percent, thereby concluding the negotiation process more quickly, Sullivan said. ■

"We now have the ability to allow [hoteliers] to accept rate proposals prior to soliciting clients, which can save valuable time in the RFP process."

**BRIAN SULLIVAN**  
CVENT





PwC's Samantha  
van Leeuwen

# PURSE-STRING APPROACH LAUNCHES PWC U.K.'S MEETINGS MANAGEMENT TRANSFORMATION

BUILDING OUT THE CAPABILITIES OF MEETINGS PARTNER CAPITA TRAVEL AND EVENTS' EXISTING TECHNOLOGY PLATFORM TO SERVE THE DIVISION'S £23 MILLION PROGRAM WAS KEY TO SUCCESS. **BY DONNA M. AIROLDI**



**P**oorly negotiated contracts, payment for event elements that had been canceled, little oversight on total meeting and event outlays—these were a few of the issues challenging the meetings and events department for the U.K. division of consulting partnership PwC a few years ago. That’s when PwC head of hotels and venues Samantha van Leeuwen decided to overhaul the department’s payments procedure—a project that cascaded into broader meetings management transformation—with the help of travel management company Capita Travel and Events.

PwC has had a meetings management program for about 15 years, with a £23 million meeting and event budget for the July 2019 to June 2020 fiscal year. The program was focused, however, on bookings and fulfillment, and payment always went through the company’s accounts payable process, where the meetings team had no insight, van Leeuwen said.

“We had the sourcing and the confirmation, but we had a very disjointed invoice approval process,” van Leeuwen said. Invoices arrived in accounts payable, she said, without prior approval. Accounts payable was contacting the person named on the invoice for approval, but if that was the meeting owner, everyone had to shift gears.

“You can’t have someone booking the event also approve the event spend,” she said. “That’s basic procurement protocol.” So the process would escalate to the cost center owner, but that person might not be authorized to sign off for large dollar amounts. As a result, the company was losing time, data and accuracy and sometimes paid for event elements that had been canceled but no one was double-checking. “We [needed to] bring consistencies into our program,” said van Leeuwen.

## A COMPELLING PAYMENT PROCESS

Van Leeuwen’s decision to drill into the meetings payment and approval process coincided with PwC U.K.’s switch to Capita’s proprietary meetings and accommodations platform, MeetingsPro. That change had been in the planning stages since 2018 with the goal of bringing PwC’s end-to-end meeting booking process online through a single portal.

Grafting a new payment process into that project wasn’t in the original plan. It helped that Capita had a relationship with virtual payment solutions provider Conferma, but van Leeuwen said that process only contemplated transient travel. “We pushed Conferma and Capita to make it work for meetings,” van Leeuwen said.

Here’s how it works: When a meeting organizer enters an event in the MeetingsPro system, the finance team receives those details and now can allocate a virtual payment card against that request for an exact amount. The hotel or venue then is able to draw down on that payment, van Leeuwen explained. Expenses appear on a credit card statement, which is centrally paid after reconciliation.

The process is deceptively simple for the user, but it’s not yet fully automated. There are a few things going on behind the scenes, enabled by Capita.

“At the moment, we have a hybrid approach, where the booking

tool can produce the data needed for Conferma,” but it doesn’t feed that data directly into the Conferma platform, said Capita business solutions director Carl Law. For now, Capita project and operations teams support that transfer to ensure the correct process and format required to settle the bookings on behalf of PwC. Capita is looking to further integrate with Conferma’s API to automate virtual card creation for each event, added Law, “presenting those to suppliers and automatically settling those into the future.”

Though a new payment process initially had not been part of the MeetingsPro implementation, the addition opened two compelling opportunities for the program.

## CLOSING THE PAYMENT-APPROVAL GAP

PwC U.K. actually had clearly defined approval hierarchies for other processes within the company, but they never had been fully integrated into the meetings division. Using the existing hierarchies as a guide, van Leeuwen worked with Capita to create a centralized email approval system that allows the Capita team to collect and document proper budget approval. As a result, what started as mostly a booking platform in MeetingsPro has expanded to support a better meetings management process.

Integrated approval requirements have put a hard stop on anyone signing off on their own events and clarified process around some unique nuances as well, said van Leeuwen. “Someone can approve £20,000” for an event, she offered as an exam-

“I’m a blue-sky person who pushes boundaries. The good thing about Capita [is that] the development team allowed me to push them, and we are still developing now.”

**PWC U.K.’S  
SAMANTHA  
VAN LEEUWEN**

ple. “Now, if [a booker] adds another 50 delegates, they need to get their event reapproved and make sure the right person signs off.” The system, she said, now “ensures we have a completely transparent process.”

The meetings team also has realized administrative efficiencies. “They can spend more time engaging stakeholders, sourcing the right venues at the best prices ... and making sure the contract is correct, as opposed to arguing over pounds and pennies or trying to find who should approve this or that amount,” van Leeuwen said. “It’s all documented now.”

Another change: Everyone booking meetings now must do so through the meetings services department for rapid and streamlined supplier payment, she said. This requirement has resulted in meetings compliance climbing from about 80 percent to 98 percent.

## INCENTIVIZING INVOICE ACCURACY

The revised payment and approval process also has benefited PwC U.K.’s meeting and event suppliers. “If the invoice is correct, we will process payment immediately,” van Leeuwen said. “Some [suppliers] can get paid in one or two days. That is a great incentive.” It also has created something of a virtuous payment-and-reward cycle for PwC U.K.’s meetings team. As hotels and venues get the benefit of fast payment, they are incentivized to work more closely with PwC. Even the prospect of swift payment, said van Leeuwen, has compelled PwC partners to ensure invoices are more accurate from the get-go.

“In the beginning, we were just looking at how we could introduce a payment card. But it turned into a whole deconstruction of the [program], and we said, ‘If we’re going to bring in a payment card, let’s look at other areas that might benefit from more efficiencies.’”

PWC U.K.’S  
SAMANTHA  
VAN LEEUWEN

## ONE THING LEADS TO ANOTHER

With payment and approval delivering tangible benefits, van Leeuwen drilled deeper. “In the beginning, we were just looking at how we could introduce a payment card,” she said. “But it turned into a whole deconstruction of the [program], and we said, ‘If we’re going to bring in a payment card, let’s look at other areas that might benefit from more efficiencies.’”

Van Leeuwen jokingly referred to PwC’s instance of the Capita platform as “MeetingsPro on speed,” because the team took it from being a tool focused squarely on meetings booking to being a very powerful meetings management tool.

“We pushed Capita in quite a few different areas,” said van Leeuwen. “I’m a blue-sky person who pushes boundaries. The good thing about Capita [is that] the development team allowed me to push them, and we are still developing now.”

Law credits the collaborative effort with the successful rollout of the program. “From day one we sat with Sam and her team and their bookers to understand what they need from the tools and our services,” Law said. “To this day, we have fortnightly meetings with Sam and the solutions project management team to understand what their needs and wants are and what those challenges are.”

Van Leeuwen credits bringing in all stakeholders from the beginning for getting the new product and procedures in place. Those stakeholders included operations, payables, control and tax teams from the finance department, as well as procurement, learning and development, the events team, IT and the Capita operations team.

Because the stakeholders spent a lot of time working to make sure all the processes were mapped out accurately, “we had very few issues at all,” van Leeuwen said of the launch. Immediately, all event types went through the system: from small lunches, dinners and teambuilding to awards, client-facing events and more. “By engaging early with these teams, we were able to review, challenge and shape the processes collaboratively, which gave us buy-in to develop it further” she said.

Today, she said, the whole solution is completely visible to the firm, which not only has raised the profile of her team but also garnered more support for it. “If I tried to do it on my own, it would never have worked.”

## NEVER TOO MUCH VISIBILITY

By enabling all event types through the MeetingsPro platform and using the possibility of non-payment as a lever to drive 98 percent compliance through PwC’s meetings team, the horizon opened up to guide a more holistic meetings management process for virtually all PwC U.K. meetings and events.

The meetings team now reviews contracts and notes details, such as how far in advance an event—or even a single event element—needs to be canceled without having to pay fees. Van Leeuwen’s team has avoided numerous spend traps as a result.

“We have very capable teams within PwC who can manage invoicing and check against the event information and what needs to be paid or not paid,” van Leeuwen said. “But we also have people [outside the meetings team] at PwC who may not understand some of the rules

around cancellations [or] attrition. That you're able to cancel 20 percent of your event seven days in advance. They would forget those nuances ... whereas [the meetings team is] very cleaned up on the contracts."

The process continues to reduce risk for the company "significantly, because we now have visibility over everything," she said. "Once you start looking at what people are signing up to, you realize we've reduced risk across all areas."

## ROBUST REPORTING

Better reporting was another side benefit. The department's reports now are run directly from Conferma payment data and with MeetingsPro, "which can provide real-time management information based on bookings, which [the meetings team] didn't have access to previously," Law said. "We have a number of features within the platform that allows for bookers themselves or someone like Sam or a procurement manager to log into the system and see in real time everybody's bookings, the values of those bookings and when they are taking place."

"We require a significant amount of formatted data to upload into our finance systems for accurate reporting and payment," van Leeuwen said. "This allows us to run all our taxation reports for meetings and events as well. This cannot be underestimated, as the tax coding for meetings and events in a partnership is very complex."

Better reporting leads to better budgeting. "We are just coming into the budgeting process so we are asking people to register their meetings for next year so we have an idea of what the spend will be in the various areas," van Leeuwen said. To that end, Capita built the ability to register intent to book and for cost centers to view that information.

## PWC'S NEW MEETINGS TOOLS DELIVERED CLEAR ADVANTAGES DURING COVID-19

About halfway through the first fiscal year of PwC's new program, Covid-19 devastated the meetings industry. Having meetings data all in one place enabled the meetings team move quickly on canceling, moving and changing events—and, most importantly, locating employees, van Leeuwen said.

PwC had authorized Capita Travel & Events' MeetingsPro platform to feed data to risk management firm International SOS, "so we were able to track some of our meetings as various regions of the world started to close down," she added. "We were able to do that at the press of a button and have the accuracy and the knowledge that we knew where everything was at that time ... and were able to mitigate that."

The new platform also helped move PwC events quickly from 2020 into 2021 and 2022 as spaces were becoming more of a premium, van Leeuwen noted, positioning the program for a robust recovery when the time is right.

## NEXT STEPS

The tool already is accessible to PwC systems via a single sign-on, but ongoing iterations of it include bringing in more automation and coding of events for more accuracy, automated secure emails for payments and automating multiple approvals, van Leeuwen said.

Cancellation and attrition threshold notification is on the roadmap as well, along with a chatbot to query specific bookings, invoices, contracts and to answer questions. So is a refreshed look and feel, incorporating Covid-19 health and safety information, sustainability markers that identify hotels and venues with green policies, an improved venue database and direct bookings for smaller events.

"The venues are still not quite there yet, to be able to book a meeting and event like you book a hotel room," van Leeuwen said. "For the less complex events, I'd like to have an end-to-end booking process, so [an organizer] can go into the tool, select the venue, get the permissions and be able to book and contract it. That is where we are moving to."

Then the team will not be a "booker team, they can be true consultants," she said, adding that they won't be so focused on the administration side of events, and the artificial intelligence and bots can take away some of the questions.

"We are taking time to tidy up the back-end processes and improve some of the efficiencies around it," van Leeuwen said. "When meetings and events come back again, it will make meeting services even better than it is today." ◀

# Remote Workforces Need New Business Travel Rules

**B**usiness travel is changing before our eyes as employees flock to remote work. However, as travel re-opens, the push toward a global workforce is creating a riskier tax landscape.

Businesses and employees face new tax complications, and combined with improved trends in technology, these could lead to tax violations. By spotting tax hazards early and making proactive moves, company leaders can protect their global workforce from tax nightmares.

Remote work exploded in recent years, and the pandemic accelerated the trend. A June 2020 Gartner survey of 127 company leaders found that 82 percent plan to let employees work remotely at least part time when the pandemic subsides.

What does that mean for business travel? Most immediately, it means more employees will be working as they travel to or permanently reside in cross-state or international locations. “Business travel” could start to mean traveling to company headquarters from scattered locations abroad. However, not all businesses and employees realize that these changes mean higher risk of breaking tax rules. Avoiding tax pitfalls will take diligent efforts from companies to monitor corporate and income tax issues, payroll withholding obligations, social security risk and compliance both pre- and post-travel.

The days when employees could state a permanent address, work in other countries and skirt by undetected are coming to an end. According to the Worldwide

Employee Relocation Council, countries across Latin America, Asia-Pacific, Europe, Sub-Saharan Africa, North Africa, and the Middle East in 2019 all launched or enhanced digital immigration systems.

Because international governments now are able to communicate information between jurisdictions, the international paper trail is growing. As the travel industry inches toward technology solutions like digital passports, health passports, invitation letters and proof of social security status to work in a new country, governments will identify mobile employee tax violations more swiftly than ever.

Most leaders understand noncompliance with tax requirements can cause problems for both the company and employees. Consequences can include reputational damage, disincentivizing of travel, company fines and ongoing audit frustrations.

However, there are several ways businesses can navigate tax risks and promote compliance amid this new environment for business travelers.

**Chisel out a clear business travel policy.** Businesses can pave a clear path to tax compliance by crafting proactive policies:

- **Write out business travel policies.** Lay out what it means to be a business traveler, the number of working days it takes for employees to transition from business traveler to global employee, and what they’re entitled to.
- **Create an FAQ document.**



**DAVID LIVITT**  
Global Tax  
Network global  
practice leader

Your FAQ document should help business travelers and mobile employees understand exactly what they’re responsible for and how they can operate within the rules.

- **Broadcast a broader communication strategy.** Nail down a timeline and map out how you’ll roll out that vision.

**Pin down the process.** You’ll need a team to carry out these policies through effective processes. It may be tempting to dump this responsibility on a single designated employee, but that’s not best practice. It’s best to create a brain trust to divide and conquer process creation.

**Embrace tax technology.** The final piece of the puzzle is implementing technology that enables you to accomplish your goals. Most urgently, that technology needs to track where your people are. It should also alert you to the areas of risk that your company and employees could be exposed to, including immigration conflicts, duty-of-care concerns and budgetary issues.

Companies and employees cannot ignore the shifting tax trends that business travelers face. They can rise to meet those challenges through policy, process, and technology, but not one of those areas will work as a standalone solution. Instead, each needs to work together in unison. Although it may seem like a lot of work, implementing changes immediately could insulate both companies and employees from tax compliance situations in the future. ■