Structuring a Managed Travel Program

Travel management becomes more strategic after Covid-19, but putting structure around the basics will position programs to succeed.

AS COMPANIES CONSIDER THEIR LONG-AWAITED RETURN TO BUSIENSS TRAVEL, , the notion of a managed corporate travel program has changed during the past 15 months or so of the Covid-19 pandemic. Indeed, travel restarts amid a new environment of health and safety measures, increased taxation complexities, volatile restrictions on movement, some level of reluctance to travel for some employees and, maybe, heightened attention to keeping travel costs low after companies found remote conferencing a reasonably effective alternative. Many companies will be looking more strategically at how travel enables business and what factors should determine when travel is warranted.

But much hasn't changed during the pandemic. Developing a managed program still offers the kind of benefits that remain important in challenging times, like the ability to track every traveler for duty of care, the control over traveler data and other sensitive information, and the ability to gather information with which to negotiate with suppliers to keep spending controlled.

It's for those reasons among others that the value of developing a managed travel program remains high for those without one, as is the value in fine-tuning and streamlining a mature program for travel management veterans. Ensuring that internal travel processes are structured and organized will help travel managers limit rogue bookings and noncompliant travel, helping to allow them to keep track of travelers while keeping costs controlled. Forming solid partnerships with well-vetted travel management providers, suppliers and third-party companies will help ensure the program remains comprehensive, current and centered on corporate objectives.

Organizations of every size now should consider how their approaches to business travel will change from pre-pandemic times. Determining how business travel can serve corporate objectives, and the objectives it should serve, is a many-tentacled discussion that should involve corporate senior management, financial executives, human resources, sales and marketing and risk management, among other personnel. But however businesses choose to restructure their travel programs with Covid-19 in the rear-view mirror, it can only help to review and consider the basics of building a travel management program. – *Chris Davis*

I. GET STARTED

Identify your company's stakeholders and their needs in order to gain support for your program, and develop a communication strategy for critical information. A corporate-level decision with support from regional and local offices can initiate a managed travel program. Solicit input from road warriors and infrequent travelers, global and domestic travelers, travelers from different countries and travelers across generations. Plan to deploy consistently across operating companies and affiliates. Fundamentals include a well-communicated formal policy, travel management company support, dedicated internal staff, negotiated supplier agreements, a business intelligence system that provides pre- and post-trip data, an online booking tool, a marketing and traveler education strategy and a preferred or required payment and expense process, the only true measure of travelers' spending.

A. Establish a vision and set goals. The program should work within the company culture and align with its goals. Base travel program and policy decisions on those goals. Start with:

1. What are our greatest business priorities, and how can traveling for business support these?
2. How can you reduce costs while enabling business results?
3. How should resources support the company's growth markets and expansion plans?
4. How will the company's hiring trend affect travel costs?
5. How will the program support or lead enterprisewide priorities like sustainability, employee health and well-being and risk management?
6. How can travel resources be leveraged to increase shareholder value?

B. Build a stakeholder network.

1. Identify a senior-level champion to endorse the program.
2. Engage the stakeholders, listen to their business priorities and spot the overlaps. Collaborate to create a greater all-round experience for your travelers and company.
3. Consider a council of stakeholders, comprised not only of senior-level officials but also employees from the operating-units across the company.

C. Understand potential program models.

1. Mandated program: The least flexible for travelers, this model is defined by tight policies with front-end controls and back-end reporting to ensure compliance and senior management support; a well-integrated travel agency and/or online booking tool that travelers must use; leverage with suppliers, integration of payment and expense processes and tools; data-driven decisions; a demand management strategy; and crisis management protocols.
2. Exception-based program: Companies using this approach have policies and controls; limited and defined managerial discretion; pre- and post-trip expense management; required use of a travel agency and/or online booking tool; leverage with suppliers; integration of payment and expense processes and tools; data-driven decisions; a demand management strategy; and crisis management protocols.
3. Guidelines: This option includes policies that define guidelines; managerial discretion post-expense; some use of an agency; supplier programs based on spend; limited technology with perhaps

a low use level of preferred online booking tools; a defined form of payment; and limited use of travel data.

4. Receipt-based T&E management: This approach is characterized by managerial discretion post-trip at the expense point, reimbursement tied to receipts, no preferred travel agency or formal supplier programs, limited technology without corporate online bookings and little or no use of travel data.
5. An approach popularized as "open booking" includes some characteristics of the models above, excluding the mandated program approach, and is akin to an old-fashioned per diem when coupled with precise spending limits. Business travelers are permitted to book outside the designated channel or channels, perhaps on the condition that they use a designated corporate payment mechanism, keep total trip spending below prescribed levels and/or inform the travel department of their plans. Potential benefits include empowered travelers who are allowed to choose travel suppliers and directly control more aspects of their journey. Critics point to reduced corporate control that could jeopardize data quality, purchasing leverage and duty of care requirements related to tracking travelers' whereabouts.

D. Peer review: Benchmark with companies that have similar travel patterns and costs, especially firms in the same industry. Try to discover which practices would best serve strategic values and goals. Such studies ideally are conducted independently from travel suppliers that may have their own agendas. Other resources include studies published by business travel publications, third-party consultancies and business travel associations.

E. Internal resources: Consider whether other management resources can support implementation and program development. Successful travel procurement systems, for example, require the combination of subject matter experts and trained procurement professionals.

F. IT Infrastructure: Determine whether IT infrastructure can accommodate travel reservation and business intelligence tools. At a minimum, ensure IT approves and accommodates technology deployed within the travel program. IT should review the TMC, online booking tool and other providers to ensure their systems meet the company's requirements concerning data privacy and security. Consider the role IT will play in the ongoing coordination of support for travel-related mobile apps.

G. Ensure travel is an integrated part of the emergency response team and included in regular practice scenarios.

II. TRAVEL MANAGEMENT COMPANY

The role of the TMC is changing, and new players and ways of booking offer travel programs a wider choice of the service partners that have contact with travelers versus distribution partners that access the supplier services you need like air, hotel and car rental. Required providers will likely be a mix of TMCs, online booking tools, traveler apps, etc. The foundation for all programs will be the way you expect your travelers to book and get help when they need it. Some companies allow open booking and then use a data platform to aggregate information. Most companies still engage a TMC and online booking tool as the primary service and distribution platforms, but others are challenging this norm. The following outlines traditional structures, including single and multi-agency strategies. Before making a decision, establish organizational requirements and expectations. Data collection is a critical element to consider, especially in programs using disparate sources. Also determine the degree to which you will rely on the TMC; the spectrum varies from basic call center operations to a completely outsourced model in which TMCs act as strategic program advisors.

A. Single-source provider, in which one TMC handles all client requirements in all locations.

1. Potential advantages.
   - a. Allows quick responses to market and to company changes.
   - b. More effective management of business controls.
   - c. Single account management and administration can cut overhead.
   - d. Concentrating bookings through one agency allows an organization to move market share more easily to meet contract goals with airlines, hotels and other suppliers or to maximize cost savings, in some cases by using the agency's preferred suppliers.
   - e. Policy administration can be more consistent when travelers use the same systems and procedures for both booking and expense reporting.
   - f. Installing and upgrading technology may be more efficient. Standardization of processes and services can be more effective when all agency operations are consolidated with one TMC.
   - g. Many agencies route calls from one work group or reservation center to another as backup or in emergencies or can actively network centers across multiple time zones to ensure more efficient and productive use of counselor staff.
   - h. Dissemination of changes and updates may be more efficient.
   - i. Online booking tool implementation and deployment can be more efficient through a central point of

Mobile Travel Management

Travel apps have transformed the market with itinerary managers, notifications from suppliers and, lately, ridesharing and car services. Defining a strategy and specifying tools and services for business travelers have become table stakes for travel programs.

I. Employees use their own software for business travel. Suppliers, travel management companies and Corporate Travel Departments use personal tools to track reservations and itineraries, facilitate check-in, communicate delays or changes and rebook.
II. Look for offerings from TMCs, online booking tools and expense management systems. Products may be free or bundled into the cost of an existing approved solution, but IT may need to assist.
III. Some travel departments have developed internal apps like mobile hotel directories and local destination guides.
IV. Consider using apps as part of your travel program communications strategy. Some are using apps for social connection: travelers sharing rides from airports, restaurant recommendations, etc.
V. Explore time-saving functions like mobile pre-trip authorization or expense report approval. Use mid-office quality-control tools to determine which transactions do not need manual pre-approval.
VI. Don't offer too many apps. Focus on the most important functions.

contact, which can facilitate training and support.

j. Standardization of traveler profiles, travel management data and reporting may be more efficient through one agency.

2. Potential disadvantages.

a. An agency's geographical coverage does not guarantee consistency. It can be a challenge to ensure uniform procedures and quality in a multi-branch organization. Some countries preclude multinational TMCs from owning offices. Don't assume a global TMC owns all its locations. Ask for information on its "partner network" capability, processes and controls.

b. A single agency, especially one handling a multinational account, may not employ a single data management system. Some agencies do not use common systems, nationally or internationally.

c. An organization does not have to choose a mega agency—American Express, BCD Travel, Carlson Wagonlit Travel, Egencia and Hogg Robinson Group—for broad geographical coverage. Several other TMCs operate on a multinational basis with similar capabilities and local agency networks, using headquarters resources like account management and data provision to deliver a best-of-local-market approach.

d. Your company's local offices may challenge you if asked to give up the agency relationships they already have in place.

e. Determine travelers' after-hours support requirements. If the TMC outsources or offshores these services, identify the locations, verify telephone operating capabilities and understand possible language and local barriers. Investigate billing procedures for after-hours call volume. Make sure the after-hours team has access to daily operations records and traveler profiles.

f. Understand payment systems and how travel is expensed. Centralized billing may not be possible in some countries. Privacy laws and financial regulations may preclude your company from using the same payment system in other countries.

g. Some deem it unlikely that a single provider would have the best service for each and every country.

B. Multisource solution, in which an organization uses two or more TMCs: Advances in travel management technology make this approach more feasible.

1. Potential advantages.

a. Business units get some autonomy.

b. The local provider may have a better base of knowledge of local suppliers, nuances and culture.

c. It can be easier to structure and manage agency relationships to meet needs of different business units, especially in a multinational travel program.

d. It creates competition among agencies, and that can be used to leverage additional services.

e. It reduces vulnerability by providing a backup for service or financial issues.

f. Selecting a primary agency or third-party data management company for consolidation of global spending and reservation data from multiple vendors is easily achievable.

g. Use of minority- or woman-owned agencies can support the company's diversity goals.

2. Potential disadvantages.

a. Use of multiple agencies requires coordination. Designating a lead agency may aid coordination and standardization.

b. You'll need to merge travel management data from multiple sources, which requires time and money. However, this is commonplace. Third-party data aggregators can assist.

c. Different TMCs have different commercial models, some driven by customer funded fees, others by supplier revenue programs or a mix of both. Understand these arrangements.

d. Fragmenting spend among multiple agencies diminishes contract leverage, which can reduce the buyer's ability to gain pricing concessions or enhance service guarantees.

III. OPERATING CONFIGURATIONS

Companies must choose whether to handle reservations on their premises or at agency locations and determine whether to use their own employees, TMC staff or other third-parties. Because fee-based pricing is the prevalent model, but this could be changing as TMCs evaluate commercial models amid Covid-19. Regardless of the approach, companies can implement online booking tools for their travelers and/or permit them to book how and with which suppliers they prefer. When determining which agency type, configuration and provider to use, ask for multiple configurations and pricing options in your agency RFP. For example, what are the company's travel volume and internal resources? If a company is considering a configuration that requires hiring agents and travel department support staff, are qualified people available in that market? What are prevailing wages and benefits? Can an online booking tool or other technology replace some of the headcount? Is the company culture one of self-sufficiency or one that focuses on core businesses, in which ancillary services are outsourced? Do security considerations discourage nonemployees from being on the premises or require corporate control of travel decisions and information? How technologically savvy are employees? Do they have access to a corporate intranet travel site? What is the agency's business continuity plan, and how can the service be scaled to support a major travel disruption? Does the organization want to own its tools and/or traveler profiles or use those of an agency or other third party? Are there any security or firewall issues?

A. Full-service, off-premises agency: Though brick-and-mortar business travel centers operated by agencies do exist, their numbers have declined. Technology has made home-based agent servicing possible. Travelers or arrangers contact a travel agency or a company travel center to make reservations.The agency provides clients with travel management data, as well as analysis of and recommendations for program enhancements. The organization negotiates its own discount programs and works directly with suppliers, relies on the agency to be its liaison to suppliers and negotiate discounts and/or any combination of the two.

1. Potential advantages.

a. Many common costs are variable and based solely upon use.

b. Overhead expenses and necessary headcount are minimized. Technology cost is spread among multiple customers.

c. Central reservation centers can be located outside large urban areas, perhaps even outside the country, where overhead is lower. Some agents associated with a call center may work at home, made possible by voice-over-IP technology.

d. With sufficient volume, the company might have a dedicated team of reservation agents; additional staff can be deployed during peak periods. In slow periods, dedicated staff can be deployed to other accounts, reducing labor costs.

2. Potential disadvantages.
   a. A small account might not warrant a dedicated team or command special attention.
   b. Agency staff may not be fully versed on the company's policy and preferred suppliers.
   c. Determine if online and offline booking support can be provided from a single location.

B. Dedicated agency branch: Provides a full-service, off-premises site, often near the corporate location. This can be the most costly TMC offsite configuration because it involves the exclusive use of facilities and personnel. Assures the account exclusive local branch attention. The agency branch is assigned a unique ARC number, which facilitates accounting and collection of travel management data. It takes extra care to ensure adequate training and familiarity with industry changes.

C. Full-service, onsite agency branch, also known as an in-plant: The agency operates a branch on the company's premises, and agency employees provide service. A similar configuration known as rent-a-plate also operates on premises and uses enterprise employees as travel agents.

1. Potential advantages.
   a. Exclusive attention and a perception among travelers of higher-touch and more responsive service, including easy access to travel agents.
   b. Integration of the travel operation into the company's communications network may be easier.
   c. The company has closer control over agency service standards and policy application.
   d. In the U.S., ARC assigns a separate ARC number to the agency location, facilitating accounting and the collection of travel management information. The ARC number belongs to the agency.
      i. This provides solid tracking of revenue channels to help calculate a P&L for the operation.
      ii. Hotel commissions and global distribution segment revenue can be collected, resulting in a financial advantage.
   e. Onsite agents can be trained to support the online booking tool, trip auditing, meetings management, expense management data consolidation and other tasks.

2. Potential disadvantages.
   a. Costs for facilities and communications are part of a company's overhead. Most costs for the onsite program are fixed and are paid even if unused.
   b. If the agency employs only one onsite agent, the company must provide for backup or telephone rollover during busy times, illnesses and vacations.
      i. Traditionally, telephony and service tracking has been difficult, but now virtual agents are the norm and this should not be an issue unless client onsite telephony is mandated.
      ii. Staffing analysis, assessments and remedies should be outlined in the agency contract, along with performance measurements.
   c. Travel agency employees working at a corporate site can feel isolated. Agents must be continually trained, and onsite staff could be rotated to avoid complacency due to familiarity.
   d. Employees may visit the onsite agent rather than use the phone or self-booking tool, which may increase transaction time and impact productivity but could support your service philosophy.
   e. An onsite could impact self-booking policies negatively.
   f. Small onsites may be last to get advanced technology tools, requiring additional effort to ensure support from the parent TMC.
   g. System outages can be more challenging for TMC onsites, which are supported by TMC and company phone and data lines.
   h. Consider enabling the onsite to serve as a fulfillment center for other countries, especially if those country operations have decent online booking rates.

D. Hybrid: A dedicated offsite reservation team complemented by an onsite client service representative, VIP agent, ticket processor or account manager. The offsite team handles basic services, while onsite agents work with senior-level executives to troubleshoot. Service levels are higher but costs are lower than at full-blown onsites.

E. ARC-accredited Corporate Travel Department, only for U.S.: ARC's CTD program allows an organization to register as a seller of travel by providing direct access to ARC's central reporting and settlement processing systems. The CTD purchases travel services for its own employees but cannot serve the general public. A CTD can outsource, usually to a TMC, most, some or none of its travel functions. The only function it cannot outsource is the actual legal and fiduciary agreement between the CTD and ARC. The location of the CTD can be on the company's premises or an agency location, even in another U.S. state. The company can determine its operational configuration, with or without the support of a TMC. The company manages suppliers or acquires automation.

1. Potential advantages.
   a. The organization retains all earned commissions, allowing for more transactional income transparency.
   b. The company controls its data and has immediate access to information for reporting and integration into other corporate systems, such as the general ledger or enterprise system.
   c. The company can unbundle services to multiple suppliers, assuring best-in-class products and lower transaction costs. However, some savings could be offset because unbundling requires further management.
   d. The company can establish a direct relationship with a GDS through which rebates are earned to offset program costs.

2. Potential disadvantages.
   a. A smaller organization might not earn as many incentives or commissions as a large agency can. Also, hotel properties can be lax in paying commissions, requiring the CTD to apply a process similar to those used by TMC accounting departments to maximize collections.
   b. As an ARC-appointed entity, a CTD's airline information is isolated and identifiable. This information is available to the airlines via ARC.
   c. Unless the company is in the travel business, a CTD is not a core business service and will require a unique set of in-house or outsourced skills.
   d. There are costs, including annual ARC fees, initial bond requirements and training or hiring of a certified ARC specialist to qualify for the program. However, CTD revenue can fund expansion and other related projects.

F. Centralized service location ARC appointment: All travel booked by the travel reservation center is associated with the centralized service location ARC number, providing the company and its suppliers with information about travel activity.

1. Potential advantages.
   a. The company can segment activity in a service center.
   b. Hotel commissions are paid directly to the centralized service location.
   c. Transactions can be isolated in the operation and supported like an onsite operation with dedicated staff.
2. Potential disadvantages.
   a. The centralized service location relies on the TMC for reporting if the company does not buy a tool or adopt an internal data aggregation and reporting process.
   b. The centralized service location should ask the TMC for a copy of the ARC report submitted against its designation as the primary source document for reconciliation of activity.

IV. BOOKING PROCESS

A. Historically, travelers booked trips by calling a travel agent. Online booking tools and consumer experiences outside the workplace have replaced this more expensive option, except for some VIP services, complex multisector or complicated international bookings and some service-oriented industries.

B. Online booking tool license versus purchase: Many organizations have implemented online booking tools, either by licensing them from the provider or using them through a TMC reseller. In both scenarios, designated TMCs fulfill and support transactions. The tools access inventory from GDSs and, in some cases, directly from suppliers. TMCs typically charge lower transaction fees for such bookings, due to the reduced human touch.

C. Some companies continue to use email to place requests with their agencies. This allows bulk processing and reduces traveler time devoted to trip planning. It also provides a trail of requests and communications between the traveler and agent, which many think improves service but also is less efficient in terms of workflow and productivity. This process also frustrates many travelers because it does not provide instantaneous results.

D. Chat technology and natural language processing using artificial intelligence and "bots" has become more common to streamline the booking and ticketing process and "remember" traveler preferences.

V. PROGRAM IMPLEMENTATION

A. Roles and responsibilities: Identify who will be responsible for tasks involved in the implementation process and which key decision-makers will support the project. Develop procedures and systems to support long-term expansion plans. Flexibility and scalability are key.
   1. Many companies concentrate initial travel management efforts at headquarters or within a core group of operating units already linked by established lines of authority, communication and shared policies. In larger companies, a travel or procurement manager often directs the program from headquarters, sometimes with the help of a travel committee or council of representatives from the participating operating units.
   2. A crossfunctional travel council can broaden support, as its decisions are seen as supporting company goals, not goals of certain departments.
   3. Another option is a three-tiered committee, with one group of senior managers, a second of employees who would implement the program and a third of procurement or travel-related personnel.

B. Early in the process, define implementation objectives and the parameters by which you'll quantify success, and ensure all parties are aligned on objectives and time lines.

C. Draw up a detailed time line for each step and specify who is responsible for each component.

D. Seek a neutral project manager resource to drive the process and hold all parties accountable.

E. Distribute a statement of senior management support, optimally encouraging, if not mandating, various program components. Executive support also clearly defines roles and responsibilities with such departments as HR, legal, procurement, security and travel.

F. Ensure you have full IT support and access to the organization's intranet and communications tools.
   1. Connections to HR and other database feeds will make data transfers to the TMC simpler. These capabilities also can be used to promote the program.
   2. Dedicate intranet space to promote preferred supplier agreements, security alerts, news, policy changes and other program information.

VI. SOURCING THE RIGHT SUPPLIERS

Once the program foundations are in place, source suppliers like airlines, hotels, ground transportation/mobility, and implement elements like payment, business intelligence, duty of care and traveler engagement. Subsequent chapters provide greater detail, but here is an overview:

A. Negotiating with travel suppliers.
   1. Study your company's geography, cultural orientation and most-frequented destinations to understand the business need/locations to contract.
   2. Secure support from senior management on the proposed policy and how it will take into account such matters as acceptable classes of service, airfare types and hotel tiers. Consider formalizing the consequences when travelers do not book with preferred suppliers.
   3. From past records, identify suppliers that travelers have used frequently in each destination, including hotels, ground transportation and airlines. Identify alternative suppliers that could support similar services.
   4. Compare supplier costs by reviewing corporate charge card and expense reports, consultant reports, industry benchmarking groups, peers and TMCs.
   5. Provide potential suppliers with a formal solicitation or informal request with projections of travel volume, total expenditures, service expectations and pricing guidelines. The more spend you can leverage, the better preferred pricing potentially will be, especially if you can mandate a policy.
   6. If possible, negotiate with one supplier for multiple destinations. Leverage volume for hotel chain agreements and multicity car rental agreements, and consider regional or global air alliance contracts, as well as smaller local airline agreements to ensure comprehensive route coverage. If a dominant carrier is unwilling to negotiate for a specific city pair, find an alternative, preferably one that can serve the company's needs in other city pairs, as well.
   7. Require defined service level agreements to facilitate performance measurement on a scheduled basis; quarterly is preferable. Ensure all marketshare or revenue targets are achievable and constantly monitored for changes. Establishing viable expectations enables companies to manage travel expenses creatively without sacrificing long-term supplier relationships.
   8. Negotiate value-added services, including elite-level frequent-flyer status that may exempt your travelers from checked baggage fees and other ancillary charges.

Consider the benefits of negotiating with hotels for complimentary Wi-Fi, breakfast, parking and other services and amenities, but be sure these amenities are ones your travelers use. Consider negotiating items like GPS for car rentals to facilitate traveler safety in unfamiliar locations or if travelers are arriving late at night.

9. Investigate any reciprocity requirements with current clients.

B. Global corporate card or centralized global card administration. Corporate card program yield detailed spending information.

1. Be cognizant of privacy laws, banking regulations, customs and infrastructure that restrict data collection and dissemination. Consolidating multiple business units on a single contract enables companies to reduce charge card fees and foreign exchange fees and boosts rebates.
2. Merchant fees can fluctuate by market.
3. The card issuer will base economic decisions on the number of cards issued, card spending in foreign currencies and speed of payment.
4. Ensure that corporate card vendors can meet such requirements as interfacing with corporate booking and expense tools. Note that agreements in certain countries may not permit them to provide specific services.
5. Focus on data delivery capabilities and ensure the program meets in-country needs for reporting and management.
6. Understand payment systems and how travel is expensed. Centralized billing may not be possible in some countries. Privacy laws and financial regulations may preclude your company from using the same payment system in other countries. If the company uses a single corporate charge card for travel purchases, gather data from the card supplier, which can augment or even replace many elements of agency and supplier data. Though card data represents actual spend and therefore may be more useful than agency booking data, especially because some travel bookings are made outside the preferred TMC, the best data may be available through the use of electronic expense reporting tools.

C. Building business intelligence: You can't manage what you can't measure. If you don't have visibility of spend and traveler behavior, you cannot effectively manage your travel spend. This extends into supplier management, duty of care and traveler satisfaction. Starting points:

1. Work out what you want to measure and why. Don't start with what already exists. Business travel is saturated with data points, none of which are useful unless you actually need them and can take action. Data can be overwhelming, so start with questions. "How much do we spend, and is that the right amount?" would lead you to discussion about the general ledger/budget versus total supplier spend. "Are we spending our travel budget well?" Here, you'd be interested in booking behaviors that can be provided by a TMC/online booking tool or a third-party independent business intelligence platform. "Are we managing the risk associated with travel?" might lead to a discussion with the risk team about what is deemed as high risk. For some, this might be more than 25 percent of the employees of one department on the same flight. For others, it may be crossing into countries with high rates of infectious disease. The TMC becomes a critical partner. Other business intelligence queries include how to measure performance against metrics like revenue and number of employees, how to know if results are optimal and how does your program compare to peers?
2. Find data sources like corporate cards, expense reports, ledger accounts, suppliers, TMCs and especially a centralized T&E system. What do you have available, and do you have the internal resources to analyze this spend or can your TMC/data platform support you?
3. Use the data wisely. For example, measure savings and cost avoidance, find savings and customer service opportunities, benchmark spending and compliance and compare supplier performance against contracts and service level agreements.

D. Travel risk management: Never lose sight of employee health and well-being. Cost avoidance should not trump safety and security. TRM services can be provided through TMCs or directly by third parties.

1. Good: Understand duty of care laws and ensure travelers can easily contact the internal travel department, the designated travel agency or emergency support staff/providers. Support pre-travel education about at-risk travel locations, hazardous situations and general safety tips through a standard security or travel intranet site. Consider a medical assistance program to aid employees who require medical attention while traveling.

Social Media

Many companies engage their travelers and travel arrangers on corporate-facing social media. Corporate online booking tools may provide supplier-rating options similar to leisure-travel websites like TripAdvisor. Be in front of these trends, but tread carefully.

I. Social networking apps within corporate intranets, mobile software and booking tools can speed feedback on suppliers and spread the word about policies and initiatives. Location-based technology provides destination-related data like colleague recommendations, preferred restaurants, activities and weather updates.

II. Employ caution when using social media in a corporate environment. You don't want to create distractions from mission-critical work, nor should travelers concentrate on trying to beat the travel program's supplier prices. Travelers could hurt corporate security and/or create data privacy issues. They also could have unfair and unilateral impact on the perceived reputations of preferred suppliers and corporate support for them. Yet, there's a proliferation of sites for travelers to search for travel options and opinions as suppliers establish their own communications and commerce on social media. Facebook fan pages, for example, are expanding to include engines and apps to support direct bookings. Many corporate travelers search these sites, and suppliers are making it tempting for business travelers to stray from your preferred booking channel. A corporate version of these social media options could combat that.

III. Consider facilitating, on an opt-in basis, interaction among travelers via social media, allowing them to locate each other to meet, share rides or collaborate.

IV. Use social media to engage travelers, sending out deals or supplier-provided perks regularly. Contests or engagement thresholds that recognize travelers can raise awareness of the travel program and support compliance.

V. Many successful organizations have combined three elements to maximize viewership and participation: tips/tricks for the travelers, education about the travel program and fun.

2. Better: Include traveler safety training for all new employees, and require routine follow-up training for all employees. Institute a real-time risk messaging within the booking tool and a traveler-tracking program to account for and contact employees when necessary.
3. Best: Document incident management and crisis management processes. Create drills to test the above processes and continually improve them. Incident versus crisis is an important distinction and will be different per company. For instance, an incident might mean disruption whereas crisis is loss of life.

E. Engaging travelers: Listening to 5,000 travelers can feel overwhelming for only one travel manager. More engaged travelers escalate fewer issues, buying you time to drive improvements. In addition to specific travel questions, consider asking how travelers' experiences can improve and how travelers can become more productive. How can the program support them in their objectives. What tools, including mobile tools, will make travel seamless? Engagement forums and tactics to consider:

1. An online survey via free online versions like BTN's Traveler Happiness Index or a proprietary survey on company-approved software.
2. An intranet site with access to all links, policies and information.
3. Internal versions of social media like Yammer or Chatter.
4. Coffee chats: Select a traveler a week and buy them coffee. Then listen, learn and take action.
5. Travel clinics: Create a regular time when travelers know they can always reach a travel manager.

VII. GLOBALIZATION

When embarking on a globalization effort, define the vision of success as soon as possible. It may not be to lower costs in all regions but rather to lower costs in some and increase service in others. It may be to collect more streamlined data across all regions for negotiations, create more consistency of service/equity or support more comprehensive travel risk management. Understand the primary goals and that not all regions will benefit equally.

A. Benefits.

1. Globalization allows for consistent procedures, application of travel policy and provides clear accountability for service delivery.
2. It can provide a single system for consolidating data from diverse international operations.
3. Aggregated purchasing volume maximizes negotiating leverage globally and locally.
4. Standardization provides cost efficiencies/lower total cost of ownership.
5. Offering travel risk management services to employees worldwide helps companies meet duty of care obligations.

B. Early steps.

1. Obtain senior management support and buy-in from other stakeholders. Clearly state the goal, an initial needs assessment and proper business case. Key messages will center on savings opportunities, process improvements and employee satisfaction and safety. Market the concept by emphasizing how each business unit will benefit.
2. Internal coordination.
   - **a.** If possible, appoint a full-time project manager.
   - **b.** Develop an internal RFI to identify who manages travel internally, and collect details on existing local and regional travel programs, including policies, TMC configurations, supplier contracts and termination clauses for any existing suppliers.
   - **c.** Assess your colleagues' opinions of the current travel program. Use surveys to obtain a profile of your company's local spending and travel requirements.
   - **d.** Request feedback from all stakeholders.
   - **e.** Meet influential business heads, travel arrangers and travelers in the local countries who can be advocates for change.
   - **f.** Establish a global and/or regional travel council. Ensure that each region and major country is represented.
   - **g.** If volume warrants, designate a corporate travel manager in each location or business unit. Use local travel coordinators to communicate with countries that have no designated personnel assigned.
3. Recognize the need to preclude a region, country, business unit or department. There may be particular needs that cannot be met by a global program, universal policy or preferred global suppliers. They might be resource constrained, but you might simply need local input and support.

C. Implementation and follow-through.

1. Identify a TMC strategy, either single or multi-source. A centralized reservation system with a single TMC model creates a "follow the sun" model, which can be easier to manage but often suffers from less specific local knowledge than a distributed model.
2. Leverage worldwide travel volume to negotiate global or multi-country airline and ground transportation agreements, and develop a global preferred hotel program. Country- or region-specific contracts may be necessary.
3. Develop communication and change management plans with the travel council and key suppliers to prepare senior management and employees for revisions to service, policy and process. Require dedicated resources from the TMC, including communications.
4. Leverage technology from larger units to benefit smaller ones, including self-booking tools, employee tracking, pre-approval systems and post-trip data automation.
5. Implement first in the largest spend countries and the locations with the most travelers or perhaps by region where most of the volume is concentrated and benefits are easiest to quantify. Report the benefits from the locations that have the highest spend and thus the greatest potential to prove early success.
6. Leverage best practices in service configurations, preferred supplier selection and technology products as you expand the program.
7. Meet regularly with the travel council to review results, resolve issues, exchange ideas and discuss traveler feedback.
8. Review TMC performance at least quarterly.
9. Identify spending patterns that indicate negotiating opportunities and policy exceptions that need revision. Track noncompliance.
10. Solicit feedback from travelers and provide program updates via a dedicated intranet, newsletter or social network.

D. Ongoing management: Once you've implemented the program, ensure continual improvement and contact local leadership, stakeholders and travelers regularly. Put key performance indicators in place to measure effectiveness and to act as an early warning system for local issues not apparent to the home office. Also track a maturity status across each market versus global strategy to visualize work left to do per market.