



# COMMUNICATING UP TO SENIOR MANAGEMENT

## Package Data, Trends and Interpretation

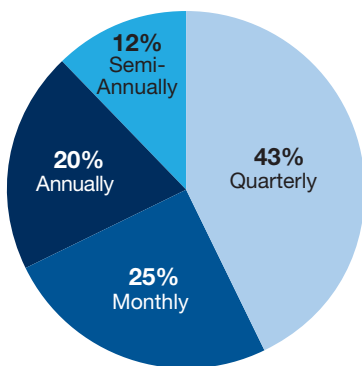
Management support has long been cited as the key to effective travel management initiatives. But how do travel managers communicate with senior executives, how often and what do they convey? Quarterly slide deck presentations of key metrics topped by travel spending were the most frequently cited means and frequency of communicating up to senior management, according to those surveyed by The BTN Group and Travel and Transport.

This BTN Group white paper, sponsored by Travel and Transport, highlights how travel managers communicate to senior management and some of the trends in business intelligence and analytics that could impact the quarterly reporting cycles in the future.

Nearly 70 percent of those surveyed said they communicate travel data and trends to senior management quarterly (43 percent) or monthly (25 percent). About 12 percent of respondents said they communicate to senior management twice a year. Nearly 20 percent said they so engage with senior management just once a year.

### > INTRODUCING EMERGING TRENDS, NEW STRATEGIES

**HOW OFTEN DO YOU COMMUNICATE TRAVEL DATA AND TRENDS TO SENIOR MANAGEMENT?**



Source: The BTN Group/Travel and Transport survey of 123 travel managers/buyers

Quarterly or monthly management updates provide a forum for travel executives to share not only data, but insight on emerging travel industry trends that could impact budgets, processes or contracts. It allows the travel team to position strategic initiatives they might need to explore.

Most of Travel and Transport’s larger clients report quarterly to senior management, said Penny Watermeier, corporate sales and marketing vice president. But beyond transactions and nuances, she added, “it’s critical that you’re communicating upward the industry updates and trends” reshaping travel management.

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**BTNGROUP**

Mary Ann McNulty  
Director, Content Solutions  
mmcnulty@thebtngroup.com

Elizabeth West  
Executive Editor, Content Solutions  
ewest@thebtngroup.com

Mariza Moreira  
Graphic Design Lead  
mmoreira@ntmllc.com

Louis Magliaro, Publisher  
lmagliaro@thebtngroup.com

Tim Reid, Vice President  
treid@thebtngroup.com

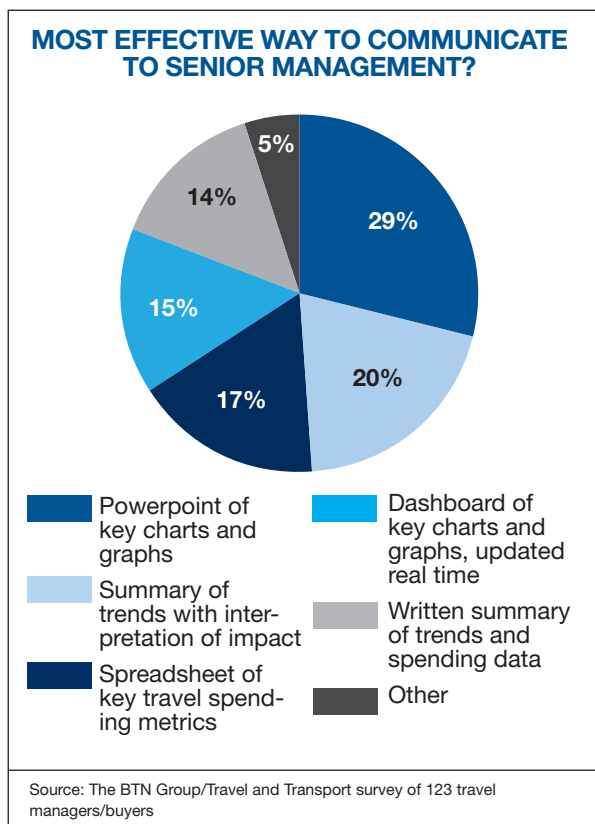


For example, she noted, senior management should be briefed about distribution changes like the International Air Transport Association’s New Distribution Capability, a data standard that critics fear could impact access to inventory; the rise of mobile bookings; and other emerging industry developments. TMCs and consultants frequently pen briefings for travel managers to include in their management communiques.

Travel executives might highlight the proposed doubling of the airline security tax introduced in Congress or other hot topics.

> ANALYZE THE IMPACT

While 29 percent of survey respondents said they relied on slide decks of key charts and graphs to tell their story to senior management, nearly 20 percent said they provided a “summary of trends with interpretation of impact.” Others provided a spreadsheet of key travel spending metrics, dashboard or a written summary of trends and



spending data. Data anomalies must be explained, advised Watermeier, so executives can quickly understand such variances.

> SPENDING OUTRANKS COMPLIANCE DATA

As for the most important data elements that they communicate to senior management, more than half of the travel managers/buyers surveyed identified travel spending (see charts, Page 4). More than one-third cited traveler compliance, followed by supplier sourcing/negotiations and traveler safety and security. Lowest-rated overall were updates on strategic corporate initiatives, such as reducing carbon emissions or overall cost containment.

As for the metrics that resonate with senior management, nearly half cited total spending shown period over period. More than 40 percent said their management liked to see transactions, last-minute booking policy violators and online booking policy violators.

Standard executive reporting packages at some companies also include Top 10 lists—of trips, spenders, departments or destinations.

Despite the buzz about real-time data dashboards, few travel managers (just 15 percent) surveyed cited those as the “most effective way to communicate with senior management.” Watermeier said TMC executives have noted the same trend, but found that clients want dashboard elements that could easily be copied into a presentation, spreadsheet or report to paint the picture at a point in time, not necessarily real time.

> SPEAKING THE LANGUAGE

Perhaps the diversity of responses speaks to the variety of management cultures and reporting styles. Communicating to the C-suite, business consultant Mark Bashrum advises others to “know your audience and tailor your message to their communication style. Everyone has a preferred style of communication ... some prefer a lot of



## FOCUSING ON TRENDS RATHER THAN REAR-VIEW MIRROR

**Travel and Transport, the fifth largest travel management company in the United States, specializes in corporate travel management along with group and meeting travel services. A leader in online travel technology, Travel and Transport provides companies with innovative data solutions and reporting tools, including web-based, pre-and post-trip reporting and mobile access to data. Travel and Transport's Penny Watermeier, vice president of corporate sales and marketing, offered her insight on reporting trends and how the TMC and its account managers have responded to service corporate clients.**

***Travel managers surveyed indicated that spending data, more so than compliance, policy violations or other aspects that managers could influence, was of more interest to senior management. What are you finding?***

**Watermeier:** That is all rear-view mirror details, what has happened that they're reporting on. We're spending much more time with our clients focusing on forward-facing initiatives—their goals and objectives, how they're trending on their key performance indicators—and not spending much time on the historical.

***How long have you been doing this?***

**Watermeier:** We really embraced a new philosophy with account management at the beginning of 2013 and it continues to evolve. It's really gone from a 60- or 70-page quarterly report that's all data driven to a six- or seven-page document focused on trends. This is more of a finger on the pulse of some data metrics.

***How frequently are your clients meeting with their senior management to present the data?***

**Watermeier:** More than 80 percent of clients are communicating to their senior management quarterly while the remaining 20 percent are doing it semiannually. Typically at the beginning of the year we'll architect a business plan of what to focus on that year. It's a fluid document, but there should be two to three major metrics that we'll continue to focus on that are important to each corporate client.

***How to you show progress on those metrics?***

**Watermeier:** We developed a quarterly scorecard to measure up to 15 different variables. They can quickly see if they're trending up or down, and how the industry is trending. Variables include standards such as compliance, advance purchase, online booking percentages, hotel adoption, air bookings without hotel and lost savings. The newly implemented scorecard has changed behaviors; we've seen improvements in many categories including reduced exchanges and preferred supplier compliance.

detail while others prefer a high-level overview.”

Siemens travel manager Steven Schoen recently illustrated this point as he told *Business Travel News* how his travel management team tailored their communications to five different groups of senior management. “Overall, we have management support, we just have to speak different management languages depending on which business we're speaking to, depending on which economic cycle that business is in, depending on a hundred factors that affect the business' marketplace,” he said.

To learn reporting preferences, travel managers often have said they simply ask their bosses, CEOs or CFOs. One manager noted that she's learned to ask each new boss their communication preferences during an early meeting. This simple question has allowed her to deliver information in a format the executive values and understands.

## > HIGHLIGHT BIG PICTURE, NOT DOTS

Travel executives often become mired in the nitty-gritty of reams of travel data. Consultants recommend that business process owners take a step back from the data and lead with the big picture. Use supporting data to tell the story and illustrate ways to improve results.

In most sophisticated, mature, global travel programs, incremental results come from program or strategic changes.

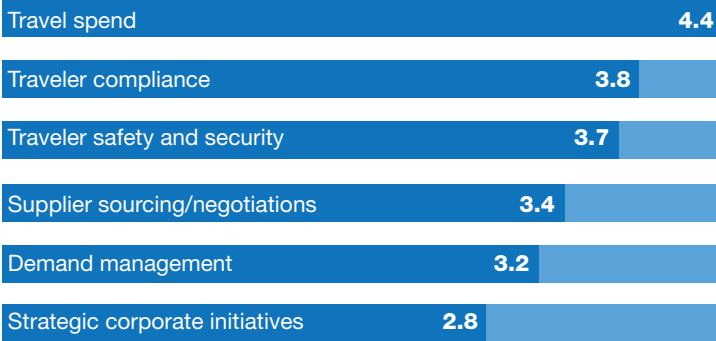
Travel executives typically identify just a handful—three to no more than 10—of key performance indicators to track and report monthly or quarterly. For example, many companies reported online booking adoption until desired goals were met.

New metrics were then introduced, perhaps to increase the percentage of advance air bookings rather than more costly last-minute purchases or hotel bookings made with airline reservations (often show as hotel attachment rates) to encourage bookings at preferred rates and properties and streamline transactions. An increased focus on hotel bookings in the past year prompted more



**WHAT DATA ELEMENTS ARE MOST IMPORTANT TO SENIOR MANAGEMENT?**

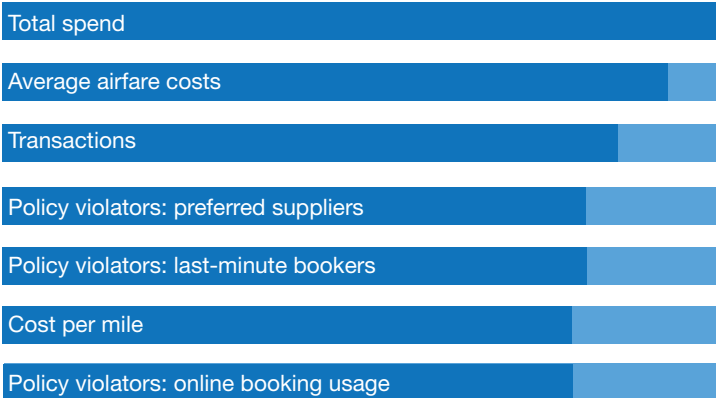
RATING AVERAGE



Source: The BTN Group/Travel and Transport survey of 123 travel managers/buyers

**METRICS THAT MOST RESONATE WITH SENIOR MANAGEMENT**

RATING AVERAGE



Source: The BTN Group/Travel and Transport survey of 123 travel managers/buyers

companies to devise new metrics in that category. Some companies even go so far as to allow business units to identify metrics they wish to track, in addition to overall performance.

**> DEPARTMENTAL COMPARISONS**

While some companies have found it effective to benchmark departmental performance to selected key metrics as part of the normal management reporting package, others note that such reporting doesn't motivate in their cultures.

**> COMMUNICATING DOWN**

In addition to communicating up, some companies are trialing gamification and other techniques to entice better buying practices at the individual level.

Accenture long has been a proponent of timely monthly reporting of travel data to all levels of management. In 2011, it took travel reporting down to the traveler level with a dashboard travel summary on the intranet home page of each employee. The summary includes year-to-date airfare spending, number of tickets booked outside policy, average number of days booked in advance, missed savings, miles flown and travel-related carbon output. More recently, it added comparisons of key metrics to other employees, all as a way to help travelers make better-buying decisions.

No matter if the communication is aimed up to management or down the organization, savvy travel managers advise their peers to always have ready a wish list of two or three major program initiatives to further advance the management program, just in case the travel reporting messaging prompts a request for more.

More than one travel manager has noted how a chance encounter with a CEO, CFO or other management executive who asked what else the company could do to advance the travel program propelled their latest initiative.



For more information about how Travel and Transport can help with your travel program, visit [www.travelandtransport.com](http://www.travelandtransport.com).