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# **All You Need to Know** About Managing Delays and Disruptions in Business Travel



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When delays and disruptions happen to business travellers, travel managers aren't there physically to support them. Without proper preparation, you might fail to help your colleagues to have a smooth transition, causing them feel like being abandoned. Such feeling will create tension between you and the travellers that you manage. In more severe cases, a business traveller might take legal actions against the company for not fulfilling their duty of care.

Here is another scenario: when a flight is delayed, a traveller who has no detailed instructions about the course of action, becomes spontaneous and spends way over the budget you have for their trip. Then there are issues of health and safety of the stranded travellers.

As far as the duty of care is concerned, travel disruptions and delays are a real headache for travel managers.

This ebook will help you to prepare for the worst scenarios so that you can minimise the financial, emotional and relationship-related damages caused by travel delays and disruptions.

# Estimate the financial impact of travel delays and disruptions

Passengers bear a higher total cost than airlines in travel delays and disruptions, said [a study led by UC Berkeley researchers](#) published in 2010. Lost time, food and accommodations are among the expenses incurred to passengers.

With business travel, much of the total cost is transferred to the company, and as the travel manager, it is vital for you to understand what entails and how to compensate for expenses during delays and disruptions.

## Prepare the budget

When it comes to travel delays and disruptions, such as the cancellation of a flight or a long delay of a train journey, there are direct and indirect costs involved.

Here are three main reasons for these costs:

### **Transportation and accommodation alternatives**

If a flight is cancelled, then there might be the need to buy a new ticket, and the day-of-travel fare is often higher than what you would pay for an advanced ticket. In case of an extended delay on the way back, due to a severe weather condition, for example, your traveller might have to spend an extra night at the destination or near the airport, which means paying for hotel accommodation.

You need to estimate the difference between the original travel options and the alternative ones. More importantly, who would cover the extra cost: your travel insurance, the transport provider, your travel management partner or the annual travel budget?

## Daily expenses

If a snowstorm brings an airport to a standstill, a traveller might not be able to leave the destination for a day or two. That means extra food and drinks costs. When your company have a large troop on the road, the numbers will add up, and it is worth including in the budget.

## Lost productivity

The lost of productivity is an indirect cost that you might find it impossible to estimate.

Here are two main elements to consider:

### *Remote working*

Younger travellers are often more flexible with working on the road or remotely in their destination, as they often are digital natives. If millennials make up a substantial percentage of your road warriors, lost productivity might be lessened.

If your company promotes remote working and your system is set up for remote workers, it will be easier for your business travellers to stay productive while being stranded in an airport or unable to get back to the home office.

There are affordable and free tools you can use to enable remote working among business travellers:

- Cloud-based storages
- Mobile solutions for team communication (like [Slack](#))
- Video conferencing tools (like [Google Hangouts](#) or [Zoom](#))

### *Stress*

Travel delays and disruptions can cause stress, which results in lost productivity not only during the extra waiting hours but also while performing the actual business tasks of a trip. By supporting your travellers with rearranging travel options and guiding them through each incident smoothly, you help to reduce the stress, and they can focus on their work.

The tips on the second and third part of this ebook will help you to fulfil your duty of care in travel delays and disruptions. Follow them and take away the stress of your colleagues on the road.

## Pick the right travel insurance

As mentioned earlier, some extra costs are compensatory through insurance. When you negotiate the terms with your [corporate insurer](#), remember to check the coverage for non-refundable expenses.

Some hotel rooms are cancellable with a full refund if you do it the day before, others don't. The latter are often cheaper, but they come with a financial risk when travel delays and disruptions occur. You want to know if your travel insurance provider will cover these expenses and if they do, whether it would be a full or partial coverage.

The good news is that if the insurance company doesn't pay you, the carrier might.

It is always useful to know where the responsibility for compensation lies in case of cancellations and delays. For example, under the [EU law](#), passengers are entitled to a settlement by the airline in case of an extended delay (more than four hours) and cancellation, for:

- a flight within the EU and operated either by an EU or a non-EU airline
- a flight arriving in the EU from outside the EU and operated by an EU airline
- a flight departing from the EU to a non-EU country operated by an EU or a non-EU airline

Carriers will have the compensation information on their websites like the sum and the specific situations in which they will pay out. However, it is not always easy to find such information. Some companies help you to

claim compensation from airlines, and take a cut only if they win the case for you. Your company receives less, but there is also less hassling for the travellers who have to provide the information. If you work with a travel management company (TMC), they might take care of this for you.

## Expense Reports

Reporting expenses is enough a hassle, especially for frequent travellers. Don't make it worse for your colleagues by not including exceptions in the case of travel delays and disruptions. When designing travel policy and choosing a system for reporting expenses, allow room for adding and claiming overhead costs due to travel delays. More importantly, you need to make sure that extra costs are accounted for and reimbursed adequately. If you want to [improve the relationship with your travellers](#), treat them like customers, and give them the best service when unfortunate situations occur.

## Prepare travellers for travel delays and disruptions

This section contains tips about the best possible preparation for your travellers as well as your systems when travel delays and disruptions happen.

### Information about their rights

When a traveller knows his rights, he will be more confident in dealing with an emergency. That includes:

#### Employee rights

Make sure all your colleagues know what they are allowed to do when experiencing, for example, a long delay at an airport. Can they book a short-stay place so that they can get some sleep instead of waiting at a busy gate? If the cancellation of one flight means they won't be able to make it to an important meeting, is it possible for them to go to another

airport, pay with their credit card to get on another plane and claim all the expenses later without any hassle?

Ask frequent travellers about situations they face during an extended delay, and make sure your travel policy informs everyone about what they are entitled to in those situations.

## **Consumer rights**

Being passengers on a plane or a train, your travellers have the rights as a consumer of the transportation service.

When travel delays and disruptions happen, they are often are entitled to extra services like free food and drinks. In some cases, they can have access to an airport lounge to get some rest. However, this information isn't always given out freely. Sometimes, it is because there is no staff at the gate until the actual boarding time which could be five hours later than the scheduled time.

If a passenger knows his rights, he will find a staff member at the airline counter or the airport information desk, and ask for his food vouchers, for instance. If he doesn't know, he might end up waiting aimlessly at the gate, pay for refreshments when he gets hungry and feel annoyed the whole time.

You can help to improve your colleagues' airport experience during disruptions by gathering information about the passenger rights when flying with the main operators that your company uses. According to an [OAG survey](#), 31% of travellers said that access to airline lounges would most improve their experience during travel disruptions. Moreover, 10% of the participants indicated coupons and discounts for shops and restaurants would be the best way to enhance the airport experience. If you can put all those details into a folder and share with your travellers, it will help your colleagues to have a more pleasant time during a delay and save money for the company.



## Priorities

First comes the rights, then the responsibilities. Business travellers are accountable for their work and performance on the trip.

As a travel manager, you need to make sure that your travellers are trained and empowered to prioritise their course of action in case of travel delays and disruptions.

### *Keep an open line of communication*

As far as communication goes, it is always a two-way street.

Travel managers need to be proactive about communicating with their road warriors during emergency related to the travel itineraries. According to [GBTA](#), at least two-thirds of travellers expect their company to contact them within two hours of an emergency proactively, travel-itinerary crisis included.

You can get your travel management company to send your colleagues updates through text messages or mobile notifications. You can also use websites like [FlightAware](#) to get updates on any flights which your travellers take.

Travellers also expect other parties to be informed in the case of travel delays and disruptions. Here are some statistics from [OAG](#) about travellers' expectation when there is a change in plans:

- 45% want their hotel automatically notified
- 43% want updates sent to friends and family
- 38% want ground transportation informed

The numbers indicate that companies should take it into their hands to stay informed of the status of their employees' flights and pass the information along.

On the other hand, you should encourage and make it easy for travellers to inform you and your TMC when travel delays and disruptions occur.

Maintain an open line of communication between all parties is the best way to keep everyone involved informed and up-to-date. A Slack channel for travel delay, for example, is an option that you can set up quickly.

### **Rearrange travel options**

Frequent business travellers might find that airlines are not always the best at providing information about alternative travel options. If the online travel agency (OTA) that you work with has mobile properties that include flight updates and day-of-travel availability, they should be the first contact for your travellers when delays happen. In most cases, they can help with not only transportation but hotel accommodation if needed.

As travel manager, you can help by guiding your colleagues towards the best options available for them to rearrange travel options.

### **Work priorities**

If a delay might affect any work items, travellers need to arrange an alternative solution as soon as possible. For example, he can change the plan and talk to a client using video conference instead of a face-to-face conversation or delegate the meeting to another colleague. If an appointment needs to be cancelled, the earlier one does it, the better an impression he will create.



## Health and safety precautions

There are risks associated with business travelling, and the longer one spends in transition, the higher a chance he or she might fall into a risky situation. You can find the complete precautionary checklists in our [ebook about the business travel and its risks](#), but here are the main threats when your colleagues spend a lot of time at airports or train stations.

- Security risks
  - data theft due to using open WiFi network or having personal information on display
  - stolen property
- Health risks:
  - bad diets due to limited options
  - Dehydration
  - Physical (and psychological) harm in extreme cases of terrorist attacks and natural disasters.

## Set up a procedure to deal with travel delays and disruptions

With all your knowledge, information and plans for travel delays and disruptions, you can create a guide to help guide travellers through their experiences of suspension and cancellation.

### A step-by-step guide

As part of your travel policy, create a guide with clear and detailed instructions so that travellers know what to do and the recommended order of the actions.

Such a guide should be available for all travellers on the road, so consider sharing it on your cloud-based storage. You can also have it formatted as a digital leaflet so that travellers can save it to their note app, or iBooks, and refer to it whenever necessary.

You can learn more about [the effect of visuals in travel policy compliance in our ebook](#)

## **Contact information**

As mentioned earlier, an open line of communication is vital when delays or disruptions happen. As a travel manager, it is your duty of care to make sure your travellers know who to contact and the most reliable way to reach them.

The list of contact should include internal bodies like travel manager and line manager, as well as external partners like the hotel, onward transportation provider, conference organisers, etc. If your company is using a TMC, then that is the number your road warriors needs.

## **Clear instructions**

Make it clear for travellers which extra expenses that can be reimbursed and the approval procedure when they are on the road. Add the information to your visual travel policy, which you can create with our [Visual Travel Policy Builder](#) at ease.

Travel delays and disruptions are the matter where a travel manager can shine through with his or her duty of care or lose the trust of the business travellers.

It is challenging though when you have to support someone stranded somewhere far away being at your desk. When you are responsible for a large number of frequent travellers, your duty of care multiplies. On top of that stand the various forms and lengths of travel delays and disruptions which are impossible to anticipate, the different rules in different destinations and with different carriers and travel service providers.

A travel management company can support you with this duty of care, but you and your travellers should always be in the known. It means understanding the financial impact of travel delays and disruptions and includes a buffer for it in your budget. It also means getting your colleagues ready to deal with the chaos and stress that travel disrupti-

ons bring. Provide your business travellers with the right information, empower them to set priorities and help them with precautionary steps against travel risks. Finally, you should put everything into a standard procedure to make sure everyone knows what they need to do in certain situations. It is best to have this guide well-structured, informative and visualised.

## **All you need to know about managing delays and disruptions in business travel**

Travel managers might find their duty of care challenged during travel delays and disruptions. With a deeper understanding of the financial impact and adequate preparation, you will be able to care for your travellers better. An established procedure during travel disruption is helpful to guide your colleagues through any changes in the travel plan.

Travel delays and disruptions have direct and indirect costs. The former might include last minute tickets, extra accommodation and any meal expenses. If any of those aren't covered by insurance or compensated by the travel provider, you need to factor them in while budgeting. Productivity lost is an indirect cost of travel delays and disruptions. The drop in productivity is difficult to estimate, but you can alleviate it with remote working tools.

Before sending your colleagues on a business trip, make sure they know their rights as an employee and a consumer in case of travel delays and disruptions. You should also train them about health and safety risks when a trip lasts longer than expected. All that preparation doesn't mean you can abandon travellers to make their own decisions when the plan changes. Keep an open line of communication to guide them through rebooking travel and arranging work priorities.

As travel manager, you need to set up a procedure for all travellers to follow during travel delays and disruptions. It will help both your colleagues and you during the transition and afterwards when reporting expenses. The best option is a step-by-step guide with clear and visualised instructions. Don't forget to provide travellers with contact details which they can reach at any time and from anywhere.

By budgeting for the extra costs, preparing for all situations and putting everything on paper, or better yet, in a digital format, you will be ready for the challenge of travel delays and disruptions. Your travellers will be taken care of properly so that they can stay productive even during crisis.

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