The Ultimate Guide to Business Travel Management
Your ultimate guide to business travel management

Duty of care, traveller safety and satisfaction, managing expenses, sourcing suppliers, travel management companies, online booking engines – welcome to the world of travel management! If your organisation is currently reorganising or modernising its travel programme, or if you’re a newcomer to managing corporate travel, you probably have a few questions about where to start.

This quick-start guide is a complete resource to get you moving in the right direction fast. It gives you a breakdown of some of the best practices and latest tools available to you as a travel manager. You’ll also find links to many valuable travel management resources. The information and explanations contained in this eBook are based on real-life experience and expertise from the business travel management industry. This will get your travel management and policy up-to-date and ready for the future. Let’s get straight to work!
Why travel management matters

You probably already know that business travel is important to your organisation’s business interests. It gives your company a chance to make a face-to-face impact with customers and partners all over the world. But did you realize what a huge industry business travel actually is? By some estimates, annual spending in the global business travel industry amounts to around $1.3 trillion.¹ That’s worth more than the GDP of many major economies, like South Korea, Mexico or Turkey.

Despite ongoing advances in videoconferencing and telecommunications technologies, business travel is defying predictions by continuing to grow year on year. The global business travel industry is expected to be worth nearly $1.7 trillion (about £1.3 trillion) by 2023, registering growth of 4.1% between 2017 and 2023.²

As a business travel manager, you work at the forefront of a rapidly expanding, trillion-dollar industry. That comes with a lot of responsibility. Here are the main areas where you will make a difference every day as a business travel manager:

- Creating and maintaining a travel policy
- Monitoring travel policy compliance
- Overseeing travel spending/handling costs
- Duty of care (ensuring traveller safety)
- Working with travel service providers (including travel management companies and online booking engines/tools)
- Ensuring traveller satisfaction (directly related to employee retention)

¹ According to Statista.
² According to Allied Market Research.

$1.7 trillion

Approximate global business travel spending by 2023
These tasks fit together as shown in Figure 1. As you can see, a business travel manager’s work is never done, but moves in a cycle. When you succeed at managing costs, you protect your company’s business interests. When you fulfil your duty of care, you increase traveller satisfaction and safety. All this leads to a higher retention rate and helps define strategic priorities going forward.

That leads to new, improved policies and the cycle may take place on an annual basis, or its length may be defined by existing partnerships. Contracts with suppliers are generally subject to specific time periods, and these must be reviewed, renegotiated, renewed or cancelled at regular intervals by procurement. This sets the tempo for the business travel management cycle.

Figure 1. The business travel management cycle
The Booking.com for Business Visual Travel Policy Builder is a great place to start. It is an interactive tool that covers all the topics you’ll need to consider when creating or modernising a travel policy.

As soon as your company’s policy is defined, it will be your job to make sure employees follow the rules. Following the rules of the policy is known as compliance. Your compliance responsibilities as a travel manager are important primarily for two reasons:

1. Expense management (keeping travel spending on budget and saving costs wherever possible).
2. Duty of care (keeping travel activities transparent, so you can monitor and ensure the safety and well-being of your travellers. This also includes travel insurance issues).

These two topics are discussed in detail in the chapters ahead. The main takeaway from any discussion of compliance should be that travel policies need to be realistic and tailored to your company’s specific situation.
Setting flexible, realistic policies

Imposing a very strict or inflexible policy may seem like a good way of keeping spending under control. But what happens if a traveller decides the rules are too strict and chooses to book outside of the policy?

Suppose your policy requires for all travellers to clear their costs in advance and then call a hotline to book travel tickets or hotel rooms from a specific provider. What if your travellers are in a hurry to book? They may prefer to simply book their trip online and declare their costs afterwards. In effect, they are forced to book outside of the policy, because the policy is not in tune with their needs.

This non-compliant or “rogue” travel spending is a major concern. Not only does it create costs that cannot be monitored within the usual travel management system, it also creates “under the radar” travel activities. Travellers who book outside of policy cannot be monitored by your company’s travel management company. That means they could also be at risk in case of a medical emergency or evacuation, because travel insurance companies may refuse to cover expenses for travellers who did not book within the company’s travel policy.

As you can see, rogue travel can block you from fulfilling your expense management and duty of care obligations. Having a sensible policy in the first place can be your greatest asset. The next chapters will explore the expense management and duty of care aspects of travel management in detail.
Procurement will generally negotiate contracts with various “suppliers” such as individual hotel chains or airlines. Your company may also choose the convenience of working with a travel management company (TMC) or online booking engine (OBE). In either case, these partnerships will largely define how and where your employees are allowed to spend company money on travel. This is a key component of your company’s travel policy.

The travel policy contains rules for how your employees can spend company money on travel, how they are reimbursed for travel expenses, and how your company keeps track of employees while they travel. Spending is not the only thing that’s covered in a travel policy, but it is an important aspect. As a travel manager, you safeguard your company’s financial interests by monitoring expenses and spotting opportunities to spend more efficiently (see Figure 2).

Figure 2. Expense management means monitoring spending, but also looking for ways to spend more efficiently.
How are travel expenses monitored?

Most modern business travel programmes use software and web-based services to keep track of travel spending. This is by far the most efficient method, and if you are working for a large company, it will be essential. Generally, procurement or your company leadership will negotiate a partnership with a travel management software provider, and IT will implement the software within your company.

In some cases, business travellers will be fully responsible for booking their own trips (hotel rooms, flights, etc.). Other times, the travel manager may be involved directly in the booking, or the travellers will call or correspond with an external supplier (like a business travel agent) to make travel arrangements. These options vary depending on your company’s size and its business travel culture. Some companies have a highly digitised/automated travel culture, whereas others use more traditional methods for making travel arrangements.

Digital cost management

Business travel cost management is becoming increasingly digitized and automated, even in smaller companies.

Today’s business travellers expect their business travel booking experience to be as convenient and hassle-free as their leisure travel booking. This is why modern companies rely increasingly on the services of online booking engines like Booking.com for Business and travel management companies like American Express Global Business Travel (AMEX GBT), Carlson Wagonlit Travel (CWT), BCD Travel and Hogg Robinson Group (HRG).

In terms of finance, the main advantage of these systems is that they (automatically) keep track of employee travel spending. This gives the travel manager a clear overview of how employees are spending the company’s money, so that valid travel costs can be reimbursed correctly, and spending can be kept within budget.

Strategic spending

Tracking travel spending enables you to spot trends as a business travel manager, so you can help your company to spend its money more strategically. This is another way you contribute to your organisation’s success as a travel manager.

If you spot specific travel trends (like an increase in spending for a specific destination, event or time of the year) your organisation can use these to negotiate better deals with the suppliers your travellers need.

This strategic role for travel management is becoming increasingly important as traditional travel management tasks (like collecting receipts and approving expenses) become increasingly automated by online travel management software.
Managing travel risks

Business travellers are exposed to many kinds of risks that may not affect non-travelling employees. This makes a travel manager’s duty of care responsibilities particularly important. For example, geopolitical unrest, terrorism, abduction or extreme weather events are all risks that disproportionately impact business travellers compared with other employees of a company.

Special travel insurance is designed to protect travellers and their employers against these risks. Insurers and companies often work together with a travel security company (like International SOS, the world’s largest travel security provider) to provide special safety-related services to business travellers.

For example, these companies offer emergency evacuation services in case of a disaster or medical emergency.

Business travel insurance also contains special provisions to protect employees while they travel outside their home countries.
Keeping employees safe – and happy

Duty of care for business travellers is also a vital tool for enhancing employer-employee relations. This is particularly relevant at a time where many companies face a talent shortage. The need to retain skilled employees is critical to a company’s competitive success. Many companies are beginning to recognise the value of business travel as an employee satisfaction and retention tool (see Figure 3).

As reported in our recent eBook Happy Traveller, Happy Employee, many business travellers today see travelling for work as a rewarding experience. However, it is crucial that employers provide an adequate safety net and support system to their travellers. This means establishing clear protocols for what to do in case of an emergency. It also means maintaining open lines of communication. As a business travel manager, you may be expected to remain on call after hours in case a traveller encounters a problem in a destination many time zones away.

Representing your company

This important responsibility towards your employees makes you a powerful representative of your company. As a business travel manager, you will serve as a key contact point for travellers. Building strong relationships is essential to building employee satisfaction and retention. That makes you an important contributor to your company’s long-term strategic success.
1. Background research

It’s a good idea to start by gathering detailed information to get a clear view of your company’s travel culture. That means talking to your colleagues and travellers within your organisation to figure out what’s working and what’s not.

Choose a research method that is effective for your company’s size and structure. Online survey tools are a great option if you need to reach large numbers of employees spread out in various locations. Try creating an online questionnaire using SurveyMonkey, TypeForm, SurveyGizmo or AskNicely. There are many options available.

Always ask your employees to rate their current travel experience and give them plenty of opportunities to provide their own feedback. Here are some example questions to include:

1. How satisfied are you with the existing travel expense reporting procedure? (On a scale of 1 to 5)
2. How would you like to improve the travel expense reporting procedure?

Here, you could offer multiple choices that you think might be relevant:

a. Allow booking through an online portal.
b. Allow easy reporting using a smartphone app.
c. Provide virtual credit cards.
d. Other, namely:

If your organisation’s structure allows it, try holding one-on-one interviews with frequent travellers, or host a group discussion with several travellers at once. Whichever method you choose, remember to listen closely to your travellers’ concerns. This will give you an accurate picture of the travel management status quo within your organisation.

You should also meet with colleagues in HR, Finance, Training, Procurement and other management areas to discuss their travel-related concerns.
2. SWOT analysis

Once you've gathered input from employees and colleagues, perform a strengths, weaknesses, opportunities and threats (SWOT) analysis. This is a handy tool for gaining an overview of the status quo and figuring out which steps to take next.

Here's an example of some points your travel management SWOT could include:

**Strengths:**
- You have a clear travel policy in place.
- You already have well negotiated agreements with suppliers like travel management companies.
- Your organisation's travel needs are very predictable, so you can easily plan.

**Weaknesses:**
- Your travel needs are rapidly changing, making it difficult to plan.
- Your organisation lacks the IT infrastructure for efficiently reporting travel expenses.
- Your organisation's travellers are not used to complying with a strict travel policy.

**Opportunities:**
- You can count on your company's leadership to support and implement a new/improved travel programme.
- Your organisation is exploring partnerships with new travel suppliers.
- Your organisation is prepared to invest in improved expense reporting infrastructure.

**Threats:**
- Your organisation's business requires travelling to risky geopolitical regions or remote locations.
- Outdated technology makes it difficult to track your travellers.
- Prices for one of your key destinations are volatile due to political developments.
3. Build on your strengths

After completing your SWOT analysis, you’ll know whether your organisation’s travel management programme is already working well. Make sure you design further policies that will take advantage of your strengths and opportunities, while trying to balance out weaknesses and threats.

For example, if your company already has very effective lines of communication between travellers and the home office, be careful not to disrupt this by introducing overly complicated new reporting rules. Remember the old saying, “If it isn’t broke, don’t fix it.”

Or, if your company’s travel needs are very predictable, use this as an opportunity to negotiate stronger partnerships with suppliers.

For each strength you listed above, think of ways that you can continue to use this strength to improve your organisation’s travel programme.

If you listed “We already have a strong travel policy in place,” for example, consider working with HR or the training department in your organisation to fully educate employees about the policy and improve compliance even further.
4. Balance out your weaknesses

The weaknesses and threats you identified in your SWOT analysis help you figure out the areas that need improvement. Use your travel programme's strengths wherever possible to balance these issues out.

For example, if one of your opportunities is that you have the support and endorsement of your company's leadership, this can be used to balance out weaknesses like lack of compliance. Leverage your partnerships with internal stakeholders wherever possible. Teamwork is essential for creating any successful travel programme.

If your organisation deals with excessive travel risks (such as dangerous or volatile destinations), you will definitely need a strong travel insurance policy including the services of a travel security provider.

Think of all the weaknesses and opportunities you've identified. Now, see if you can match them with existing strengths and opportunities to balance them out. If not, think of what steps you'll need to take next to balance and overcome your strengths and weaknesses.

For example, if your organisation is dealing with excessive “rogue” travel spending, you may consider taking the following steps:

1. Survey or talk with travellers and see how policies and procedures can be improved to better suit their needs and preferences.
2. Review the existing policy to see what's going wrong.
3. Explore alternatives, including online booking engines.
4. Redesign the travel policy to make it more realistic while still protecting your company's business needs.

For each step you identify, always look back on your existing strengths and weaknesses to see where potential support already exists.

5. Create or update your travel policy

Once you've identified the right measures for creating or improving your travel policy, it's time to put things down in writing. We recommend using the convenient Visual Travel Policy Builder created by Booking.com for Business. This handy online tool will help you put your policy into action, without leaving out any important topics.
How? By providing you and your travellers with the power of choice. With over 28.9 million listings worldwide, we’ve got you covered. Our broad, rich content can be made available almost anywhere, whether you use the Booking.com for Business online booking tool directly, or prefer to see our accommodation in the tools you’re already using.

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