

Perspectives on Travel & Expenses

Let's work together – Finding the right internal collaborators to manage your company travel programme.



Travel management is becoming an increasingly multi-disciplinary practice, requiring significant input from stakeholders as diverse as finance, legal and marketing. What issues do you need to cover with each of them?

“No man is an island” is the famous first line of a poem by the English poet John Donne. No person who manages a corporate travel programme is an island either. Whether your company has someone handling this role full-time or not, corporate travel has become such a demanding and varied task that it is now almost impossible to manage it without collaborative help.

“Travel management today requires some highly technical skills ranging from data management to legal to marketing,” says TravelpoolEurope managing director Søren Schødt. “No single professional can combine all that expertise, so travel management has almost become a project management role instead, focused on bringing in the right people to perform the right tasks.”

Some of that expertise is available from external service providers, such as travel management companies, but much of the help comes from a range of internal departments. In return, those departments have their particular needs from the travel programme, making the relationship a highly reciprocal one.

Assuming the travel function is located within procurement, here is a very brief guide to some of the other departments that today's travel manager collaborates with.

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Finance

The relationship between travel management and finance is particularly complex and deep. Just a few of the issues they work on together are:

Payments

Finance is increasingly taking the lead on the client side in supplier selections. Both travel and finance have to understand that whatever payment solution their company chooses must satisfy both stakeholders. The travel manager is looking for convenience for travellers and good quality spending data for supplier negotiations. Finance's needs are many. The treasury team alone will consider:

- Liquidity: Is the settlement period long enough to optimise working capital?
- Process efficiency: Does the card integrate seamlessly with internal financial systems? Is there rapid invoice reconciliation? Does it minimise cash advances and lower payment costs? Is there secure electronic billing and simplified data collection?
- Compliance and risk management: Does the solution prevent employees from misspending or over-spending?

Some of these objectives, like preventing over-spending, align with the travel manager's objectives, but some do not. For example, the treasurer may prefer to appoint the company's relationship bank as card provider (to leverage other benefits in that relationship) but this can pose major problems if the relationship bank's card product isn't very good. Communication is essential to ensure both parties emerge satisfied.

Expense management

Does the chosen expense-reporting tool meet the finance department's process requirements? In particular, does data from the expense tool integrate seamlessly with the company's wider accounting system?

VAT recovery

Both departments will have to work together to find a reliable partner that handles recovery of VAT incurred on foreign trips. Savings for the company can be substantial.

Legal

Travel managers may be aware of some basic law but they can't be expected to have full competence in legal matters. Issues on which they may collaborate with their company's legal lawyers include:

Contracting

Are there any loopholes in the agreements prepared for them by preferred suppliers?

Data privacy

The General Data Protection Regulation, which becomes enforceable from May 2018, increases the pressure to protect personal data, including in the travel process. It is an extremely complex issue which travel managers undoubtedly need help with to ensure

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they are acting compliantly. If you haven't talked to your legal department yet about GDPR, now is the time. There is a lot to put in place before the deadline.

Duty of care

Companies have legal duty of care towards their travellers, and travel managers stand in the front line of responsibility for fulfilling that obligation. Ask your legal team to verify your travellers are adequately covered by your travel risk management strategy.

Human resources

HR has input into issues like duty of care (not only traveller safety but also stress) and data protection. In addition, HR is concerned about the welfare of employees, especially as it relates to ensuring high levels of recruitment and retention. Therefore, expect HR to have input on, for example, what would and would not be acceptable rules within travel policy and ensuring the right balance between employee comfort and cost containment.

HR also has a technical role to play in providing accurate employee hierarchies for tech tools such as booking and expense reporting systems.

Marketing/communications

This is a department with which travel has had little interaction until a few years ago. However, it is now increasingly clear that professional communications techniques, such as social media campaigns, can significantly improve compliance with the travel programme. Enlist the help of your internal comms specialist in particular for projects such as introducing a major new service provider or a significant change to policy.

IT

The role of IT is not as fundamental as a decade ago when it had to be significantly involved in the installation of new tech tools. Now most tools reside in the cloud rather than internal systems. Nevertheless, IT still has a say in issues like verifying the security of newly implemented expense or booking tools, or use of mobile travel apps. But perhaps its most important role today is managing integration for the flow of data from external service providers like travel management companies into internal systems such as accounting and HR.

The above list of collaborative departments is not exhaustive. Security and facilities management are also important collaborators, as too are personal assistants and of course the travellers themselves. No one person or department has sole ownership of travel any longer.

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The TravelpoolEurope perspective – Obtain senior-level backing to break down potential inter-departmental barriers

People who manage travel are normally good communicators. They have to be since they are handling a category in which so many employees take an interest. Those communication skills are put to the test both in listening to the needs of other departments and explaining your needs to them. Patience is also a virtue, because other departments may have greater priorities than attending to what is needed for travel.

That is why some boardroom backing can be very helpful to push your travel projects along. Use those same communications skills to enlist buy-in at the highest levels of the company. It could be very useful at times for securing the co-operation you inevitably need from others.