

# BTN Blueprint: How To Build A Travel Program In 24 Months

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This blueprint lays out a plan for organizations wishing to implement a managed travel program. It spaces the design and implementation over a 24-month period. While some organizations could move faster, the likelihood of limited project resources makes this a practical timeframe for many firms. This blueprint also could be adapted by any company wanting to overhaul an existing travel program.

## **Weeks 1–4: Organize**

*Find an executive sponsor.* Big projects need good executive sponsorship. Find a sponsor who has significant political power and a vested interest in seeing that travel is managed well and who won't spend the first 20 minutes of every meeting describing their last painful travel experience.

*Form a travel council.* Assemble a project committee of key travel stakeholders. At a minimum, you want folks from HR, procurement, sales, IT and finance. This travel council will do much of the work, even though the members are drafted under part-time commitments. These folks are often at the manager or director level and will make recommendations to the executive sponsor. Surprisingly, none need to be experts in travel. Rather, they do need to be good at learning and at making good recommendations. Beware the travel expert who shows little flexibility or willingness to consider new ideas.

*Create an initial project charter.* Building a travel program from scratch can seem daunting. Start with an initial project charter that helps clarify expectations. Key elements of a charter include executive sponsorship, staffing, scope, deliverables and duration. Realize that the charter will change over time, but the team needs a

fairly clear starting point. Begin with a wide scope. Include travel policy, procurement, management, payment and reimbursement. Consider including groups and meetings, as well as demand management and videoconferencing. You may reduce the scope later, but you'll benefit by learning how all of these key issues affect the overall travel program.

### **Weeks 5–10: Baseline**

*Study the general ledger.* The general ledger is probably the most definitive source for understanding how much a company spends on travel. That's not saying much. GLs rarely track travel's subcategories, such as air, hotel, rental car, etc., but you need a definitive starting point, and this is it. Look at the major entries to see what's getting lumped into "travel and entertainment."

*Take stock of current policies and contracted suppliers.* Identify which suppliers are under contract. Go beyond airlines, hotels and rental cars. Include corporate cards, travel management companies and expense reporting system providers. List current travel policies on key dimensions of securing pre-trip approval, choosing travel suppliers, making reservations and paying for travel expenses.

*Triangulate and guesstimate.* Use the basic data reporting tools from your corporate credit card and TMC suppliers to identify your top airlines, hotels and rental cars, whether or not those suppliers are under contract. Be aware of double-counting and of blind spots—travel that was neither booked nor paid via corporate-approved TMCs and credit cards.

### **Weeks 11–14: Anecdotal Evidence**

Don't expect to build bulletproof business cases early on. Instead, find a half-dozen good examples of how travelers are costing the company money; not a witch hunt or a wall of shame, just real-life cases that underscore the benefits of a managed travel program. Interview travel budget owners—those folks who need to balance costs against traveler satisfaction. Listen carefully to what they want, what they don't want and why.

### **Weeks 15–20: Informed Vision**

Get input from external resources, namely respected travel and procurement managers, travel suppliers, consultants, publications and associations. Quiz them on best practices. Understand the main pros and cons on

key issues of policy compliance, pre-trip approval, self-booking, form of payment and integrated expense reporting. Sketch out a preliminary vision of what your managed program will look like, including key elements of the travel policy. Clearly address how mobile applications will be used. Begin shopping the vision around to your key stakeholders.

### **Weeks 21–26: Approved Plan**

Refine the proposed travel policy language. Clarify the scope, duration and deliverables for the remainder of the project. Build the business cases, using a cost-versus-quality framework. Resist all temptation to promise any savings percentage offered casually by any consultant. Get approval from the executive sponsor. Begin a communication campaign targeting travelers and travel budget owners.

### **Months 7–12: Implement TMC, Self-Booking Tool And Card**

Select and implement a single travel management company, self-booking tool and corporate card. You'll use their consolidated data reporting next year to negotiate corporate discounts with airlines, hotels and rental cars. Until then, you won't have enough data to drive good deals. Instead, focus on running good request-for-proposals processes and smooth implementations. Keep your stakeholders informed.

### **Months 13–15: Category Strategies And Key Performance Indicators**

Use these three months to develop strategies for sourcing and managing your airline, hotel and rental car categories. Seek advice from respected consultants and your top suppliers. Define how to measure savings in each category. Measure initial compliance for use of contracted TMC, self-booking tool and corporate card. Use internal stakeholder input to determine early barriers to higher compliance. Agree on relevant travel program KPIs and their delivery method. Streamline the data collection and reporting processes.

### **Months 16–21: RFPs For Air, Car And Maybe Hotel**

Send requests for proposals to airline and car rental suppliers, which can be sourced at any time during the year. Hire a consultant for the air RFP if you spend more than \$3 million a year. Hotels are typically sourced annually in the fall. Use a cost-versus-quality framework. Gauge senior management's willingness to support

traveler compliance. Communicate the intended benefits to internal stakeholders. Coordinate the implementation of contracts with your travel management company and suppliers.

### **Months 22–24: Re-Vision**

Take stock of what's working, what's not and why. Conduct preliminary business reviews with your key suppliers. Survey your travelers. Interview your travel budget owners. Update your category savings projections. Identify new technology and emerging practices. Place in scope whatever you left out of the original project, such as expense reporting, demand management or groups and meetings. Prioritize the major areas for improvement. Sell the revised vision to senior management. Get going.

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