The Changing Role Of The Travel Manager In the Post-COVID World

Executive Summary

Travel Operations is a critical department in almost every company. Global business travel spend in 2019 was over $1.5 Trillion. For most companies, it is one of their top five indirect spend items.

The Travel Manager leads the company's Travel Program, reporting into the Procurement, Finance or even Security department.

The role of the Travel Manager historically centered on supporting employee travel, plus negotiating with suppliers. Over the past few years, responsibilities have been evolving from tactical to strategic.
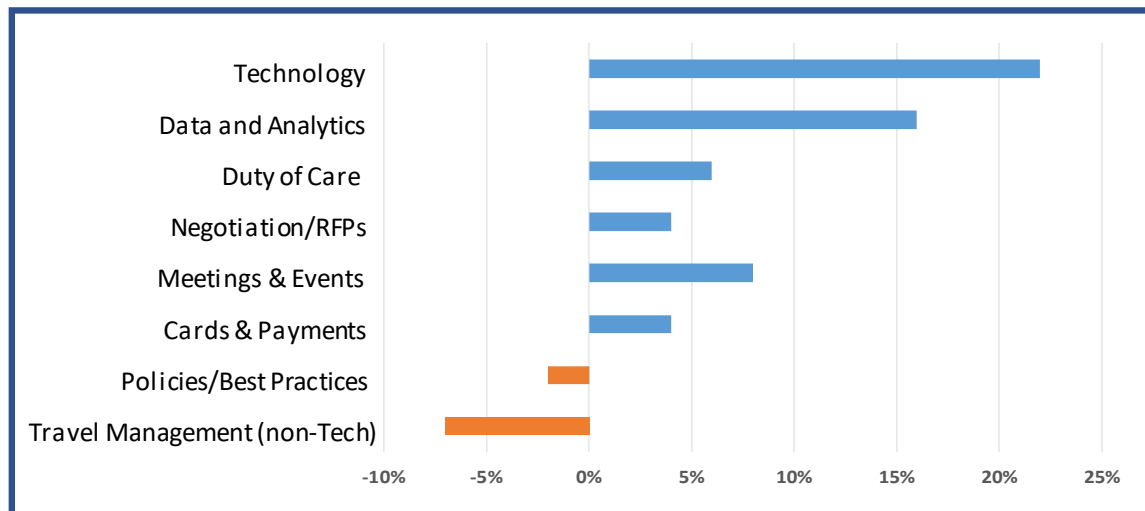
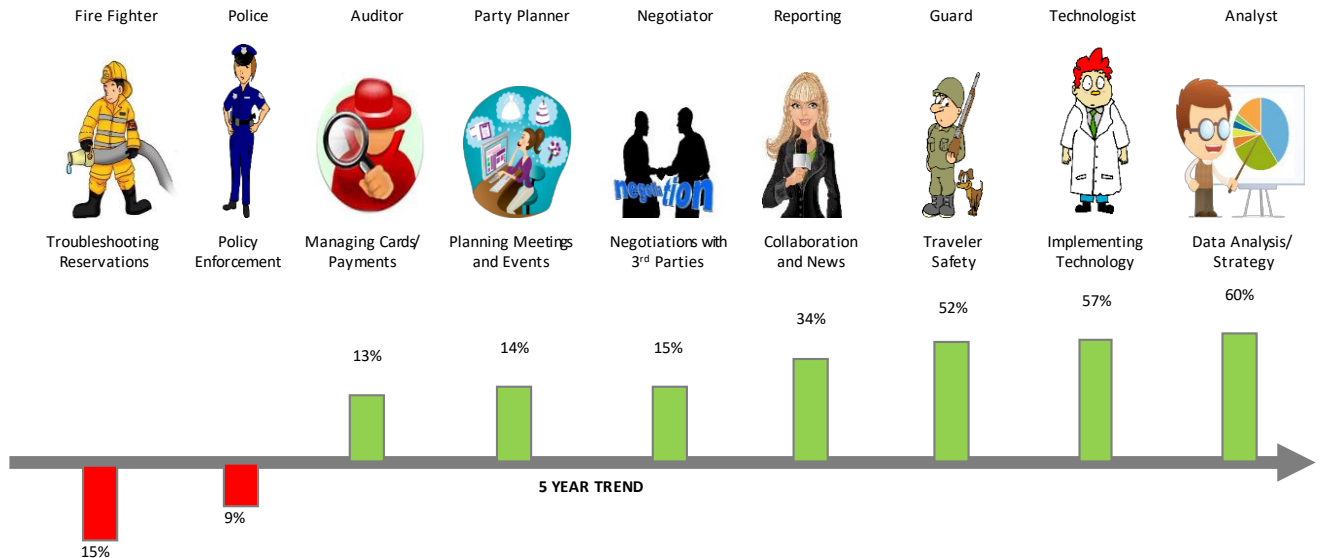Change in Responsibilities over 5 year period

These trends will accelerate into the COVID recovery period and become the norm in the post-COVID period, whether it is a new normal or back to normal. These include an increased emphasis on the safety of travelers (Duty of Care), supplier negotiation at lower volume levels and data analytics to optimize the Corporate Travel Program, just to name a few.

These changes will require the Travel Manager to accept new responsibilities and become a more strategic member of a companies leadership team.

The Changing Role

In the past, the Travel Manager was often erroneously viewed as an internal travel agent, centered on policy enforcement and tactical procurement negotiating tasks. Over time, with the expansion of self-service booking tools, these mundane tasks expanded to include proactive responsibilities to enhance corporate initiatives and traveler safety, plus optimize costs.

The proliferation of big data has given the Travel Manager the ability to view and analyze all aspects of their Travel Program and how it touches virtually every department. The Company now can even utilize these insights into additional areas touched by travel; e.g., meetings, supply chain, office locations and sales efficiencies.

Fire Fighter	Police	Auditor	Party Planner	Negotiator	Reporting	Guard	Technologist	Analyst
Troubleshooting Reservations	Policy Enforcement	Managing Cards/ Payments	Planning Meetings and Events	Negotiations with 3rd Parties	Collaboration and News	Traveler Safety	Implementing Technology	Data Analysis/ Strategy
15%	9%	13%	14%	15%	34%	52%	57%	60%

5 YEAR TREND

The nine major functions detailed above range from the tactical to the strategic. The five year trend of the importance of these functions mirrors this evolution, with tactical functions decreasing while strategic ones have increased.

The COVID pandemic is causing an examination into the responsibilities of a company for their travelers. Duty Of Care will be of utmost importance. This will cause the three functions on the left to be minimized to the point of eventually being phased out. The two in the middle will be somewhat minimized as tactical requirements. The four on the right will grow in importance as they bring maximum value to the company and protect a major asset – their traveler employees.

There will be changes in Travel Management in the three pillars of People, Process and Technology. The Travel Manager will coordinate the actions of the various stakeholders across the company that are involved with travel.

PEOPLE
- Role of the Travel Manager
- Role of the Travel Management Company (TMC)
- Role of the Travel Agent

PROCESS
- Booking process
- Expense reporting process
- Flow of travel

TECHNOLOGY
- Evolution of mobile
- Access to quality data
- Apps, integration and voice

PEOPLE
The Travel Manager will remain the focal point for all things travel. The Travel Management Company and its Travel Agents will continue to perform the mundane tasks of booking travel, making changes and providing basic reporting. Value-add functions will be the responsibility of the Travel Manager, including optimizing processes and utilizing new technologies. The Travel Manager's visibility and value within a company will increase as the impact of improvements across silos in every department are realized.

PROCESS
The majority of travel bookings will be made by the traveler or designee directly through a booking tool. Separate processes (like expenses) will be combined to become more efficient and effective. Utilization of technology, such as voice and AI, will even further optimize processes.

TECHNOLOGY
The pace of technology improvements will continue to accelerate. Focus will be on the traveler experience to make the process easy and seamless. More mobile apps will be developed to allow travelers to perform their required tasks; e.g., expense reporting, changes, checking location health conditions.

Changes To Roles

The pace of change will continue to put pressures on the Travel Manager to adapt and innovate to match the realities of the post-COVID new normal. It will be the responsibility of the Travel Manager to optimize tasks and responsivities across the three pillars.

PEOPLE

Travel Manager
- Continue transition from a Service provider to a Technology provider
- Increase their consultative offerings to generate additional revenue
- Decide on how to invest in technologies to optimize the Travel Program/Travel Agent
- Role will be phased out in the next 10 to 15 years, replaced by advanced booking technologies, AI, chatbots and Intelligent algorithms

PROCESS

- New wave of products being developed to propel process improvement
- Expense reports will become automated for those who use corporate cards
- Streamlined review processes at end of trip or end of month
- IoT will streamline the processes of:
    - Checking in (airport security, gate, hotel, etc.)
    - Electronic ticket generation
    - Scheduling and coordination of almost all transportation methods
- Monitoring the health and safety conditions of travel locations

TECHNOLOGY

- Current use and understanding of mobile technologies will continue to evolve
- Voice technology, Nano technology, Battery technology and Biological interfaces will profoundly impact our use of Mobile
- Data quality improvement techniques and the proliferation of data from IoT will allow for almost full visibility to Travel data
- Data access will be simplified and become near real time

Conclusion

The role of the Travel Manager has been evolving for many years. Technology has been Increasing this pace in recent years. The COVID pandemic will further change these roles to reflect the new realities of the new-normal.

These changes include an increased emphasis on traveler safety, new travel patterns and levels, plus evaluation of technologies to further increase efficiencies.

Travel volumes will take some time to return to pre-COVID levels, if they ever do. Videoconferencing technologies used during the pandemic may decrease business travel to some level. The Travel Manager will work with Line-Of-Business leaders to evaluate travel requirements versus technologies that could replace some travel.

Travel patterns may change as supply chains react to the realities uncovered during the pandemic; e.g., manufacturing moving closer to the consumer. This would result in travel destinations changing to match the new locations.

Plus, the traditional basic job of budgeting and tracking travel spending will be totally turned on its head. Historical levels and trends will be useless for all the reason listed above. This will make it an imperative that the Travel Manager follows the recovery curve to create the new spending levels and budgets.

The Travel Manager's evolution from tactical to strategic functions will raise the visibility and importance of the role with their companies. With all the new requirements driven by the COVID pandemic, including an increased focus on Duty Of Care, the Travel Manager must adapt to provide company leadership.