

TRANSCRIPT: ANKE PEDERSEN

# Travel Management, where are you headed?

"Procurement of travel services" – since time immemorial, this has been how the function of travel management (TM) was described. The greater the costs saved, the more valuable its role in the company was. However, TMCs and providers like HRS have long since been carrying out procurement and more, and doing it equally professionally, if not more so. So will TM still be required in the future?

**For** – Dirk Gerdom, President of the German Business Travel Association (VDR)

**T**he question of whether there will still be travel managers in the future too is one I can only answer with a resounding "Yes" as President of the VDR. After all, the difference between the travel departments of yesteryear and the travel managers of former days, and those whom we now describe as mobility managers, lies in the fact that these latter have long since adapted to the changed conditions and also to the new challenges that travel management is posing and are actively involved in shaping their own future.

Of course, the job has long ceased to consist purely of booking the business trips themselves, defining certain travel or administration processes or also negotiating with service providers. Although that is still one component of the job description, the new mobility managers take on much farther reaching and more responsible tasks in addition to this, however.

The new course of studies launched by the VDR Academy to qualify as a Certified Mobility Manager shows very clearly that employees who are responsible for business travel in a company have to be well-versed in commercial and personnel issues as well nowadays. They

can assess which political, social or legal changes will affect their own work. And they also know, for example, what services from the sharing economy segment mean for individuals' travel behaviour. Add to this the changes with regard to current tax law as well as international agreements. Reporting and analysis play a decisive role in this respect. In the

meantime, far more is required than was the case only a few years ago. Thus, alongside operational tasks, travel management has now also assumed a strategic function. Communication now plays a significantly more important role in this area than previously. Travel guidelines must be brought to life to achieve the balancing act between the traveller's individual freedom and the company's rules. That is not always easy, particularly when a multitude of new offers is literally flooding the market. Thus someone with the necessary expertise is required here who is able to assess these developments and react to them at the right time.

Today, therefore, new technologies have considerably greater influence, because they are also decisive in propelling the topic of distribution. For that reason, the people companies need for this task are precisely those who come from the travel management area and have already developed into mobility managers. After all, this is primarily a question of economic reasons. Mobility managers sit at the interfaces to numerous other corporate divisions and can actively contribute to shaping them; for example, when event or fleet management is at issue. Thus it is all the more important that these departments are implemented firmly in the future too, so that they can make their own specific contribution to corporate success. 🗨️







### Against – Jörg Martin, CTC Corporate Travel Consulting

If travel management stays at its current status – rooted in operations – then it will not have a future in the long term. Because at the operation level, it has not had a brief up to now and no real assignment, and thus frequently no end-to-end responsibility – meaning responsibility right from the start of the process, including designing the travel guidelines, designing the booking and settlement processes through travel expense accounting right up to the end of the process, controlling. Thus travel management (TM) is often only a player in the overall orchestra and not the conductor. But travel management has to position itself as conductor! Because the process that entails is cross-departmental, and to be able to do it it is important to assume clear responsibility within the company. Otherwise, the situation will arise that the department which is particularly strong will make the rules. For example, the issues of data transparency and costs are heavily at the forefront of considerations in the areas of finance and procurement, whereas the traveller and the process expenditure tend to be more important if the personnel department is lead manager. Overall, it is like in an orchestra,

where someone has to dictate what will be played, when to start playing and at what speed and at which volume to play. Otherwise we experience a cacophony which causes excruciating headaches.

In other words, that means: If travel management wants to continue playing an operational role and not a strategic one, there is a great danger that strategically oriented departments will subsume the issue. Thus the value added con-

tributed by travel management would be lost, or at least would no longer be recognisable; then its tasks could be assumed just as easily by a travel agency or management consultancy – meaning by experts who ultimately are possible even cheaper. Yet TMCs and the like should in fact be used more as vicarious agents to provide travel management with the necessary room for manoeuvre.

To summarise, that means that the topic of travel management must be viewed integrally as an extremely multi-layered complex. And then it is important to define and manage interfaces in order to stipulate which music should be played by the orchestra. This, in turn, requires a brief from management level. Because otherwise, the overall view is lacking and priorities will be set as they happen to come in: At one point, costs will be at the focus of attention, then employee satisfaction, and tomorrow it will be globalisation.

However, up to today, departments responsible for travel management are suffering because they have no clear brief and no assignment. But both are important! The brief means: You have the power to implement. The assignment defines the objective. But this is precisely where many falter and infer measures from an assignment they think they have received. Everyone thinks: "I must optimise costs," but along which guide rails? Thus TM automatically ends up in a weak position. To phrase this differently: Because travel management does not position itself, companies do not know its value added.

On the other hand, if travel managers position themselves so that they are perceived as conductors, then they indicate visible value added in doing so: They manage clean, defined and thus changeable processes. On the other hand, if they remain rooted in operations, then they will be a species in danger of extinction. 📧

