

# Travel Policy Workbook

Reduce travel costs by creating and enforcing a clear travel and expense policy.



# WHY AN EFFECTIVE TRAVEL POLICY IS IMPORTANT

The Global Business Travel Association (GBTA) advises that an organization can reduce travel costs by creating and enforcing a clear travel and expense policy. Your travel policy is the engine that powers everything related to your travel management process. A corporate travel and expense policy is key to establishing a balance between what your organization requires to run business effectively and what your travelers prefer to bring value through business travel.

Your policy should clearly define your values and processes as an organization; that way the company is the driver of your overall travel program and related costs, not the traveler. However, company culture and the inconveniences of travel should be considered when writing your policy guidelines to ensure your travelers are also taken care of commensurate with job status and travel requirements.

Having an effective travel policy is the first step in ensuring your organization maximizes savings, support, productivity and control in your managed travel program. Keep in mind success in managing Travel and Entertainment (T&E) costs are contingent on your organization standing behind this travel policy; remember, these are your rules, not your Travel Management Company's (TMC), preferred vendors' or business partners'.

T&E is the second largest controllable cost for the average U.S. organization and your travel policy can be a tremendous advantage in today's competitive business environment. Creating, maintaining and enforcing a corporate travel policy that reduces liabilities, defines price expectations, clarifies procedures, delivers useful information, and embraces employees' needs will help give you an edge over your competitors.

## HOW A TRAVEL POLICY CAN HELP YOU

The most common issue we see with organizations is ambiguity within their T&E policy. Consequently, their entire travel program suffers because of it. When processes and procedures are not clearly defined allowing the traveler to drive decision-making, your organization loses out on savings, support, productivity and control. A clearly defined corporate travel policy will ensure that you avoid ambiguity, maximize efficiencies and optimize the value of each one of these key benefits:



**SAVINGS:** An effective corporate travel policy will help your organization improve savings within your T&E program. By setting price thresholds and guiding travelers to the right buying decisions on spending limits for all components of a trip, you ensure that purchasing decisions are dictated and overseen by your organization. Do you know how your travelers' decisions within the guidelines or your existing policy are effecting your bottom line? Such data might be helpful in assessing what savings potential going unrealized.



**SUPPORT:** You want your travel policy to align with and support the culture of your company. Consider your organization's procurement philosophy – not just for travel, but overall. How do you handle purchasing in other areas of the business? Also consider your value philosophy. How do you ensure your people are taken care of and what flexibility do you give them? Will you allow various options for different hierarchies of travelers (C Level Executives, road warriors, one-time travelers, etc.)? A travel policy should include and clearly define these considerations.



**PRODUCTIVITY:** What processes and procedures do you outline that will save your travelers time in looking, booking, processing fares, submitting expense reports and obtaining trip authorizations? Ensure you are using the right data to run your business effectively and improve those processes to maximize productivity in your travel and expense program. For example, a cheaper itinerary might involve a five-hour layover. What is the cost of lost time and productivity with your traveler sitting in an airport for five hours versus paying slightly more for a shorter layover?



**CONTROL:** What data and information do you need to have at your fingertips in order to control and predict expenditures and ensure your travelers are safe? What are the best technologies and reporting tools the market has to offer to meet your program's needs? It is no easy task to make sure your company has the data it needs in order to enforce internal and external requirements, federal law, safety, security, and risk mitigation measures. Having control over your travel program expenses is one important issue; knowing where your people are in case of emergencies, disruptions or threats is another.



## WHY AN EFFECTIVE TRAVEL POLICY IS IMPORTANT

As you prepare to launch your travel policy, you should start by establishing realistic program goals. Examine benchmarking data only from an organization like Topaz International, and set up an internal travel squad to determine what is and isn't working across various departments with individuals who are impacted by travel at all levels of the organization. This should include road warriors, schedulers, finance, your executive team, HR department, etc. Once you've done some due diligence internally, you'll want to:

**MAKE IT SIMPLE:** The policy should be brief and clear. According to Business Travel News' 2015 Business Travel Buyer's Handbook, a travel policy should be a 20-minute commitment. That is, employees should be able to read and understand the policy in 20 minutes or less. Any more and you will lose your audience. Also be sure that it is easily accessible so that the average employee can find it in 3 minutes or less.

**MAKE IT REASONABLE:** If you are launching your first travel policy or making significant changes to an existing policy, do not be unreasonably restrictive. This can make it difficult for employees to accept and adapt to the new system. Implement logical policies and procedures and use regular feedback to evolve your policy as time goes on.

**MAKE IT INFORMATIVE:** Just like you would with the announcement of any other important company policy, include helpful links and videos for your employees. Also, be sure to consider both remote and local office personnel so that everyone can receive in-person training or instructions via webinar.

**MAKE IT AS A TEAM:** Gather input on the policy component from all applicable departments – legal, HR, finance, procurement, senior management, etc. Provide explanations and examples as to why the policy has been laid out the way it has. Get feedback and adjust accordingly.

**MAKE IT SOMETHING YOU STAND BEHIND:** Without support and enforcement from the top down, the policy falls apart and potential savings and operational benefits are lost with it. Be sure you have executive team buy-in and are empowered to enforce the entire policy. Track non-compliant purchases, consider why such decisions were made, and adjust the policy or procedures where necessary.

To get you thinking before you dive into the worksheet, here is a list of additional items to consider and address within your travel policy:

## 1 COMPANY PROCEDURES

- Define your company travel and expense goals and objectives.
- Does the organization believe all travelers should follow the same policy?
- What processes should the traveler follow during booking, traveling and post-trip?
- List TMC contact and online booking tool information.
- What expenses are approved for submission and how are expense reports filed?
- Outline authorization processes - what happens if a trip outside of policy is picked and what does that approval process look like?
- What payment options do you allow for your travelers?
- How do you handle duty of care in three primary areas: safety tips for travelers, travel disruption management, and risk mitigation?
- Define how you will handle non-staff travelers and considerations surrounding managing their travel.

## 3 PREFERRED VENDORS

- List preferred supplier agreements and explain that they are programmed into the TMC's online booking tool.
- Explain what the commitment thresholds are and why you have set those thresholds.
- Address why and how the organization handles these agreements

## 2 AIR, HOTEL, CAR AND RAIL

- Include a breakdown of your air, hotel, car, and rail policies.
- Define what the lowest and most reasonable fare or rate is and what the savings expectations are.
- When would anything but the lowest priced non-refundable class be allowed (air/rail)?
- When should parameters including time windows, non-stop, single connections, a traveler picking a higher fare due to status, etc. be considered or allowed?
- What price thresholds should be considered for hotels and are these thresholds tied to government per diem rates or specific hotel brand levels?
- Which class(es) of car rentals will be permitted?

## 4 ADDITIONAL CONSIDERATIONS

There are additional T&E considerations you will want to include and define in your policy. This should be anything that can be purchased at the time of booking, at check-in, or during a trip and should include:

- Uber/Lyft/taxis
- Parking violations/tickets
- Valet parking
- Dry cleaning
- Wi-Fi (hotel and air)
- Visa acquisition
- Health certificates

# TRAVEL POLICY WORKSHEET

## INSTRUCTIONS

We've created this fillable form to make it easier for you to focus on creating your travel policy. Simply fill out the worksheets, save the document and print them out. Start with the key components that you want to tighten in your policy. Think about where the policy is not well defined and where ambiguities occur most often. If this is your first travel policy, do not try to accomplish everything right out of the gate. Consider your top five travel program challenges and start there. Think progress, not perfection.

In the worksheet that follows, you will see that we have started with the procedures section, asking you to outline the purpose of the policy and what you will hold the travelers to and what the organization will be responsible for. Following that is a break down of each piece of the travel policy to be considered with questions to help you outline each topic within your travel policy. If you are looking for assistance in how to answer some of the questions, we have included sample text in gray.

**TIP:** Within the policy, avoid ambiguous terms such as "shall" or "may". Stick with definitive terms such as "must" or "cannot". Be as specific as possible when answering the questions.

# TRAVEL POLICY OBJECTIVES & PROCEDURES

## OBJECTIVES

Define your organization's objectives and goals for the travel policy. Include answers as to why travelers should comply with the policy.

## RESPONSIBILITY STATEMENT

Define the responsibilities for the travelers, travel managers and the organization in relation to the travel policy.

## TRAVEL PROGRAM POINTS OF CONTACT

List here your internal points of contact for any questions on the policy and which pieces of the policy they own.

NAME	TITLE	PHONE	EMAIL	CONTACT FOR:

## TRAVEL MANAGEMENT COMPANY (TMC) INFORMATION

Express your commitment to the TMC:

TMC Name \_\_\_\_\_

Main Contact (MC) \_\_\_\_\_

TMC Phone \_\_\_\_\_

TMC Email \_\_\_\_\_

Link to Service Team Information \_\_\_\_\_

Online Booking Tool Link \_\_\_\_\_

## ONLINE BOOKING TOOL INSTRUCTIONS

Write below the instructions for using your online booking tool or where to locate the instructions to do so.

## INSTRUCTIONS FOR HOW TO CREATE A TRAVELER PROFILE

Write below the instructions for creating a traveler profile and where to locate these instructions.

## TRAVEL AUTHORIZATIONS

Are employees required to obtain authorization to prior to booking travel?

---

If yes, what level(s) of traveler(s) require authorization?

---

Who is/are the travel authorizer(s)?

---

How is authorization issued (written, email, automated)?

---

What are the time requirements for authorizing a travel request?

---

Where do you go to retrieve the necessary travel authorization documents?

---

## FORM OF PAYMENT POLICY

What is the form of payment for air and rail? Corporate card, individual card, etc.

---

What is the form of payment for hotel guarantees?

---

Will you be authorizing hotel pre-payment?

---

## ACCOUNT AND EXPENSE REPORTING

Is expense reporting automated? If yes, which tool is used?

---

Where do travelers go to find how to use the tool?

---

Where do you go to retrieve the necessary expense reporting documents?

---

Who are the approver(s) for expense reports?

---

## ACCOUNT AND EXPENSE REPORTING

What are the document requirements when filing an expense report?

Do you utilize reporting codes (department or project codes)? If so, do you need those collected for every reservation?

---

## NON-STAFF TRAVEL

Who is paying for non-employee travel?

---

Should they use call in and do you allow them to have access to the online booking tool and how?

---

Are they profiled?

---

Will they be using the expense tool?

---

What is the authorization policy for them?

---

Do you require them to book through your TMC?

---

How do they get their travel reimbursed?

---



# AIR TRAVEL

How do you define the lowest and most reasonable fare?

What is the price threshold (\$ amount above low fare offered that is authorized) for air travel?

What is the price threshold over which an approval may be required?

What is your Advance Purchase Policy?

In multi-airport locations, such as Washington D.C., San Francisco or Manhattan, should all area airports be considered? Is there a dollar amount threshold?

What should a traveler do if a trip is cancelled?

Are your travelers allowed to choose a higher-price refundable ticket or should they always take the lowest fare? Is approval required?

Do you allow the traveler to make changes after a ticket is issued? Is approval required?

What class(es) of service do you allow your travelers to book? Are there time constraints where travelers could book a higher class of service?

Which (if any) ancillary fees will be reimbursed to the traveler?

Will you reimburse for premium class seats?

Are travelers allowed to accrue and keep frequent flyer credits on trips paid for by the organization?

Who are your preferred airline vendors?

When are travelers allowed to book outside of the preferred airline vendors?

What is the authorization process for airline reservations booked outside of policy?

## RAIL TRANSPORTATION

When should rail be considered as an alternative to air travel?

What class(es) of service do you allow your travelers to book?

What is the authorization process for rail reservations booked out of policy?

## LODGING

What is the maximum per night rate for hotel bookings? Are there exceptions for certain cities?

What brand/level of hotel is required?

Who is responsible for no show charges?

What is the reimbursement policy for no-show charges?

What is the radius requirement for travelers in relation to the business/meeting/event site?

What is the authorization process for hotel reservations booked out of policy?

Do you have any negotiated hotel discounts?

Do you observe government per diem rates?

Are your travelers required to utilize negotiated room block rates for meetings?

Who are your preferred hotel vendors?

When are travelers allowed to book outside of the preferred hotel vendors?

## RENTAL CAR

What size vehicle do you allow your travelers to book for car rentals?

When could a larger car be allowed for a traveler?

Should travelers elect to use the optional rental insurance offered by the rental agency?

What is the authorization process for car rental reservations booked out of policy?

Who are your preferred car rental vendors?

Do you have any direct payment or discount agreements in place?

When are travelers allowed to book outside of the preferred car rental vendors?

## SEDAN SERVICES

When are your travelers allowed to book sedan services?

Do you have any agreements with preferred sedan service vendors?

When are travelers allowed to book outside of the preferred sedan vendors?

## ADDITIONAL CONSIDERATIONS

Are travelers reimbursed for parking and/or ground transportation to the airport? What are the pricing constraints/requirements for approval?

Are meal costs reimbursable for travelers? Which meals and what are the requirements for approval?



When do you recommend that travelers use taxi services vs. Uber and/or Lyft when traveling?

Do you allow travelers to be reimbursed for any of the follow expenses and under what guidelines?

SERVICES	ALLOWED (YES/NO)	GUIDELINES
Early bird check in		
Check Bag Fees		
Valet Parking		
Parking violations/tickets		
Dry Cleaning/Laundry		
Wi-Fi (Hotel and air)		

Do you allow travelers to combine personal/vacation travel with business travel?

## LET'S TALK ABOUT HOW TO IMPROVE YOUR TRAVEL PROGRAM

In an age where every company must “do more, do it better, and do it with less,” when was the last time you fully evaluated your approach to travel management? As the 2nd largest controllable expense for most business, T&E can have a dramatic affect on your cost structure, employee productivity and even your ability to meet organizational objectives.

**With a solid managed travel program in place you can:**

- Reduce your costs while enhancing productivity.
- Mitigate risk and exposure.
- Foster growth in your company with well-planned and fiscally responsible travel arrangements.

**CONTACT US**

**phone:** 1.800.223.1632

**email:** [corporatetravel@dt.com](mailto:corporatetravel@dt.com)



**Direct Travel**