

REDUCING DEMAND FOR BUSINESS TRAVEL

WHAT IS THE IMPACT OF VIRTUAL WAYS OF WORKING?

Key points

- The ability to transfer large amounts of data electronically, share work computer screens and conduct videoconferencing, enables some forms of business activity to take place without travel.
- The idea that communications technology is a substitute for business travel is flawed. Virtual ways of working lead to a *reconfiguration* rather than a direct *substitution* of physical travel.
- Technology facilitates the procurement of work further away. The geographical dispersal of expertise generates both virtual *and* physical travel demand.
- If there is to be a decoupling of business travel from business activity, technology needs to be adopted as part of a deliberate strategy of substituting for physical mobility.

Introduction

There is little dispute that the internet and cloud computing, company intranets and servers, and mobile telephone and computer devices have dramatically reshaped work tasks and activities. These developments have altered the organisation of work and in particular the relationship between work tasks, space and physical mobility. Our research shows how patterns of travel demand relate to the ways in which work is organised and negotiated and aims to identify opportunities for modifying working practices in order to reduce demand.

Whereas the majority of research into business travel has focused on charting reasons for travel (e.g.: sales, business-to-business services, staff management) and the important role that face-to-face interaction has in conducting daily business, we investigated how spatially dispersed working patterns emerge in the first place. Employees from two UK-based firms working in the civil engineering and design consulting business sector were interviewed and asked about how they coordinate physical and virtual activities related to procuring and arranging work. Participants came from a range of backgrounds, were at different levels of seniority and had different employment contracts.



Questions

- How do particular practices of procuring and arranging work help create demand for travel?
- How do high level firm strategies and the ways firms are organised help to increase, maintain and reduce travel?
- How have such features co-evolved alongside changes in technology?
- What are the limitations of technologically-oriented strategies and policies directed at reducing and substituting business travel?

Findings

Demand for travel was found to be related to client requirements, firm strategies, supporting infrastructure and technology and work activities. In different situations, each of these features served to create, maintain or reduce demand for business travel. For example, the use of long-established means of communication (eg: landline telephones) along with newly emerging ones (eg: tele-conferencing, video-conferencing, computer screen sharing, and cloud file storage and sharing) are all part of a culture of instantaneous communication between workers regardless of where they are located. As a consequence demand for some business travel has been reduced. As one interviewee remarked:

The ability to send massive files around to each other ...it really has cut the amount of travelling down significantly now. (Senior Manager and Group Leader)

However, this does not necessarily mean that there has been a like-for-like substitution. Developments in communications technology do not just replace physical interaction – shifting expectations and norms can promote a greater volume of interaction overall:

So even though the use of Skype and everything has increased, the level of face-to-face meetings is still as significant as it was six, seven, eight years ago because you're still going to get the clients and the project team that need that face to face support as well. So I suppose the total level of communication and interaction has gone up. (Senior Manager Consultant)

Changes in technology are part of wider changes in how firms organise and do their work. In our case study companies, this was evident in the relatively frequent (re)structuring of firm business areas, procurement strategies, staff and project management and workforce deployment. For example, project teams are now often structured globally by discipline instead of regionally. This means that firm's profit and loss accounts are no longer based on individual offices but on disciplines and professional expertise, irrespective of office location. There are other trade-offs between the cost of business travel and the need to draw upon dispersed expertise in a business sector where repeat business remains important, and in which the wider client base has remained relatively stable:

The only way you can keep small jobs profitable is make them as commoditised as possible in terms of using the same staff so they know how you work, you know how they work and because you know them so well it's normally because they are near you in the office. The bigger jobs that you need to pull on different specialists you kind of have to go to where the specialists are. (Senior Consultant)

Despite increasing resources allocated to virtual ways of working, office reconfigurations are often specifically designed to support and facilitate large multi-disciplinary project team meetings, which in themselves generate the need for physical travel to manage or bring together geographically dispersed teams. Members of staff are encouraged to develop careers that include experience of working on international projects, and managers have KPIs that include getting out to visit experts across various sites. New expectations and new 'needs' for travel emerge alongside attempts to reduce travel for environmental reasons.

Significance

The idea that communications technology (videoconferencing in particular) can substitute for a majority of business travel is flawed.

Attempts to influence and reduce business travel demand will fail if companies simply focus on the 'derived' activity at the end of the business travel journey. This is because the act of travelling on business leads to its own set of work, professional and personal outcomes (such as relationship management, camaraderie or the symbolic significance of managers 'being seen' to get out and about), which are meaningful and purposeful in their own right.

There is also an important symbiotic relationship between new technology, firm strategy and work activities. Many business practices, such as client relationship management, multi-office running and the outsourcing of expertise, depend on at least some physical mobility. Some interactions can be substituted by digital means of communication, but these technologies themselves make further organisational restructuring, new management styles and practical work tasks possible, and some physical movement becomes yet again an integral component.

Implications

The implications of our research extend beyond the specific sector we have examined, for example, the demand for business travel is a generic outcome of the way work is done and how that work is spatially organised.

Attempts to reduce the energy intensity and environmental footprint of business travel often highlight the potential for digital communication technologies to substitute for physical travel. It is important to be cautious about this strategy. More effective means of reducing demand are likely to be those that concentrate on the trend towards geographically dispersed ways of working and on how that is managed.

Firms need to think more critically about the various bidding and work delivery processes that support and encourage spatially dispersed work patterns. A key finding for any business seeking to reduce its travel footprint, or any policy-maker attempting to influence this, is therefore to look not just at how people travel in the course of work (which would be the traditional travel plan approach) but instead to look at how work is organised. The goal would be to reorganise work in ways that reduce travel and deliberately reimagine technology as a means of substituting physical mobility rather than as a means of facilitating spatial separation.

