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A SURVEY OF CORPORATE TRAVELLERS IN SOUTH AFRICA: TOWARDS A MODEL FOR TRAVEL POLICY COMPLIANCE

by

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DECLARATION

I declare that the Doctor's thesis, which I hereby submit for the degree DCom Tourism Management at the University of Pretoria, is my own work and has not previously been submitted by me for a degree at another university.

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“PSALM 118:1 Oh give thanks to the Lord, for He is good; for His steadfast love endures forever!”



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ABSTRACT

A travel management programme allows an organisation to manage corporate travel expenditure, and through a well-formulated travel policy, to control its travel expenses. Traveller non-compliance of the travel policy is an increasing area of concern with surveys conducted amongst travellers showing various reasons for non-compliance, both deliberate and unknowing. This study goes beyond established reasons and argues that non-compliance may also be the result of underlying factors not yet fully investigated or recognised by management and industry in general. Two broadly conceptualised factors that influence travel policy compliance are identified. The first is termed corporate related factors and the second, personal related factors. The overall purpose of this study was to conceptualise and test a model of travel policy compliance based on these factors. To achieve this, a literature review as well as empirical research was conducted. Finally, a conceptual model for policy compliance was proposed which served as the framework for the empirical research and from which hypotheses were derived and tested.

The empirical research was conducted as a formal, descriptive and explanatory study. Corporate travel management, Travel Management Companies (TMCs) and corporate travellers made up the target populations of the study. Non-probability sampling methods, namely purposive and convenience sampling were used in this study. The researcher used qualitative as well as quantitative methods to gather data. In depth interviews and the Delphi technique, a qualitative method; was used to collect data from TMCs and management for the purpose of establishing an exhaustive list of possible determinants of policy non-compliance. Quantitative methods used to collect data from corporate travellers included self-administered, structured questionnaires. A multinomial logistic regression modelling technique was used to test the conceptual model in order to identify the factors that have the most significant influence on policy compliance. A limitation of the study within which data analysis occurred was the low response rate. This limitation was taken into account in the interpretation of the results and the recommendations. The study shows a number of significant results and as such provides a valuable contribution to the corporate travel literature by being the first study of its kind to measure the impact of factors not previously identified. This study shows that travel policy non-compliance within organisations needs to be viewed at a much deeper level than previously considered. The

results show corporate-related factors such as an ineffective travel policy, lacking control measures and perceived organisational injustice have a significant influence on policy compliance. Personal related factors such as self-interest could also impact policy compliance significantly. The results should enable corporate travel management to identify factors within their organisations that could lead to non-compliance. The implementation of the tested model could lead to a higher compliance rate within organisations and ultimately to considerable cost-savings.

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GLOSSARY

Business travel: Business travel involves professionals travelling to a destination for business purposes. It covers those who travel in order to attend to business matters in countries or areas other than the physical location of their organisation.

Corporate travel: Undertaken by employees of organisations with a substantial travel budget requiring management and control.

Corporate travel management: The corporate function of managing the business travel activities of an organisation's employees.

Corporate traveller: Corporate travellers travel on behalf of their company, which is generally a large corporation with a large travel account and often has a separate travel department and an established travel policy.

Corporate travel policy: A roadmap to a company's travel management programme. It is the audible, visible and – most important – measurable embodiment of all the controls, contracts, practices and senior management expectations that comprise the corporate travel management agenda.

Corporate related factors: Organisational factors or rules and regulations imparted by a company as set out in the travel policy, over which the employee has little control.

Personal related factors: Relate to the needs and values held by corporate travellers and include matters such as the honesty of a traveller, the extent of morality that a traveller possesses and actions related to self-interest and the level of satisfaction that the traveller enjoys.

Business ethics: Identifying and implementing standards of conduct that will ensure that, at a minimum level, business does not detrimentally impact on the interests of its stakeholders.

Organisational injustice: Perceived unfairness in the workplace.

Self interest: Unethical behaviour occurs when such behaviour benefits the actor.

Morality: Refers to principles of right and wrong in behaviour, by conforming to a standard of right behaviour.

Employee satisfaction: An employee who is gratified to the full.

Employee deviance: Voluntary behaviour that violates significant organisational norms and in so doing threatens the well-being of an organisation, its members or both.

Control measures: To check, test, or verify the documents of employees who travel on behalf of their organisation.