



GRAY DAWES  
— CONSULTING —

RESEARCH PAPER

# ZOOMING INTO THE POST-COVID ERA

THE FALSE ECONOMY OF DIGITAL CONFERENCING

26<sup>th</sup> March 2021

# CONTENTS

*	3	WELCOME
*	4	EXECUTIVE SUMMARY
*	5	THE COVID EFFECT
*	7	IMPACTS OF HOME WORKING
*	11	IMPACTS OF GROUNDING BUSINESS TRAVEL
*	13	THE FUTURE
*	18	RECOMMENDATIONS
*	21	ABOUT US

# WELCOME

Part of the Gray Dawes Group, Gray Dawes Consulting is an impartial, team of experienced travel data experts who combine 90 years' experience, market-leading tools and inspired analytics to drive corporate travel booking efficiencies, cost savings and traveller satisfaction.

Our approach is to fully understand a client's business, its culture, employees and business objectives to help us make informed, realistic, achievable and measurable recommendations about enhancing your travel programme.

We deliver up to 22% in savings by looking at 28 KPIs surrounding costs. So if driving value is your goal then our holistic approach is designed to assess and measure efficiencies at every step of the booking process.

# EXECUTIVE SUMMARY

REMOTE WORKING AND THE POST-COVID ERA

**TRAVEL MANAGERS  
HAVE A ONCE-  
IN-A-LIFETIME  
OPPORTUNITY  
TO POSITIVELY  
IMPACT THE ENTIRE  
COMPANY BEYOND  
JUST COVID  
SAVINGS**

**Not only will COVID-19 bring a change to where we work, for some it will affect what we do. The hard reality is that with reductions in travel spend across service sectors, there is likely to be downsizing in travel managerial roles. The flexible worker, in terms of skillset, will be the survivor.**

Travel managers should lead the strategic revolution in terms of how their businesses conduct operations. Seeking to partner more closely with HR and other executives to source the systems that make every meeting better for employees, especially the virtual/hybrid meeting technology that now is part of every employee's everyday work life.

The biggest problem that travel managers have always faced with meetings management has been getting adoption and visibility beyond their small group of administrators. By partnering with HR, the territory and recommended solution becomes significantly larger, as it impacts every employee, not just executive admins and administrators. Travel managers have a once-in-a-lifetime opportunity to positively impact the entire company beyond just cost savings.

In summary, assisting employees with reducing bad meetings, optimizing meetings, improving employee virtual/hybrid meeting engagement and creating policies and an online meeting culture aligns to the most urgent priorities companies are facing in 2021 and beyond. Not only will this improve the employee experience and productivity, but it also will modernize your framework for business travel and daily meetings into the future. It is a unique opportunity for travel managers to grab a hold of and add to their existing scope of work to yet again demonstrate their value to the corporation.

---

# THE COVID EFFECT

---



**4 in every 5 of us whose work was once carried out in an office building now functions in a home office or living room.**

COVID-19 has forced many companies to transform their operations. For 4 in every 5 of us whose work was once carried out in office buildings now happens in home offices and living rooms. Subsequently the experience of walking down the hallway and running into a colleague is a distant memory.

Now these interactions are the product of weeks-long planning or email reminders, as organisations shifted to conferencing platforms such as Zoom and Microsoft Teams. Zoom said in November that in the fiscal third quarter of 2020 it witnessed a 485% year-over-year jump in business customers with more than 10 employees.

With vaccine delivery bringing a decrease COVID 19 cases in the UK, and crucially reducing transmission levels, the freedom and safety of movement is forecasted to return by mid June. As such businesses are now planning for how they will operate.

There are two schools of thought as the debate wrangles on:

## PRO DIGITAL WORKING

The pandemic, which forced people to work from their homes, has warmed companies up to digital conferencing tools' financial, health and environmental benefits. While Webex and Skype have been around for years, they were largely seen as a good-to-have option and were often dismissed as unwieldy.

The enhancements seen in technologies such as Zoom and Microsoft Teams has provided a realistic and sustainable method to operate. Therefore, why go to the expense of traveling - not just the direct cost of airline tickets and hotels - but the time spent just moving people at sub-sonic speeds, can be transferred to close to the speed of light without even changing out of your pyjamas.

## AGAINST DIGITAL WORKING

While conferencing platforms might replicate much of the experience of face-to-face meetings, they have their limitations when it comes to networking, forging new partnerships or repairing damaged relationships with clients.

Depriving organisations of inspiration and productivity which sprung from unscheduled interactions. They are also an emotionally taxing and technologically demanding medium – sat on the periphery, despite being available decades, for good reason.

This paper will review the impact of this seismic shift in how businesses do business, exploring not only the physical but mental impact it has on businesses and their employees. We will also look to forecast the future of business travel programmes as they evolve beyond COVID19 restrictions and make recommendations on how to succeed in the post COVID era.

---

# THE IMPACTS OF HOME WORKING

---



**Less time commuting has meant more time being at work, but are we productive?**

During the early weeks of the first lockdown the consensus was mainly positive towards home working and digital platforms as an alternative to communication. Avoiding the rigors of the commute, the general mood was this would positively impact one's home life by increasing personal time.

However, a trend of back to back virtual meetings emerged. With fewer opportunities for informal catch-ups, many workers are spending more time in these meetings. One recent study conducted by Raffaella Sadun, Jeffrey Polzer and others, which included an analysis of emails and meetings for 3.1 million people in 16 global cities, found that the length of the average workday increased by 49 minutes during lockdown.

According to the National Bureau of Economic Research, this extra time in work is being spent in meetings. A Globlent survey of 900 office workers found that in order to compensate for the lack of physical connection, managers had increased the number of meetings with individuals and teams.

## WHAT'S THE MOST IMPORTANT WAY YOU'RE STAYING CONNECTED TO YOUR BROADER TEAM?



Researchers at Harvard Business School and New York University found that only have the number of meetings increased during the pandemic, on average, the number of attendees per meeting also grew by nearly 15 percent.

As a result of these micro-management techniques, productive time reduced by as much as 4 hours per week for most organisations.

The level of engagement to work among employees surveyed was also down by 5% as although, they attended virtual meetings, few actively collaborated or stayed present throughout. Thus, two thirds of meetings were considered unproductive and inefficient.

The increase in scheduled virtual meetings also impeded employees' efforts to receive timely feedback on spontaneous individual requests and activities, creating frustration and causing delays to areas which directly relate commercial operations.



## TOP FACTORS MORE NEGATIVELY IMPACTING WORK OUTPUT



### Less time commuting has meant more time being at work, but are we productive?

The sudden shift to a remote work setup has been stressful for many employees with two-thirds of pandemic triggered new home workers saying they found less the experience satisfactory than expectations. There are a few ways working from home is damaging our mental health.

First, people seem to feel more alone without the necessary support they need. The sudden lack of physical connection can leave workers feeling they have nowhere to turn when they feel stressed or anxious. It becomes more challenging to form the strong support network which is crucial for good mental health.

This issue is particularly acute during larger meetings, where the speaker is unable to see individual faces.

While working from home, childcare and household responsibilities often interrupt the workday, creating distraction. Globlent survey found that these distractions ranked first on the list of top problems that impact work output when working from home.

People who live with multiple housemates were more likely to think that working from home was worse for their health and wellbeing (41%), compared to people who live on their own (29%) or with just their partner (24%).

Then there's adapting to working from home, which can also contribute to an increased workload. There's the temptation to work longer hours, and for those who don't have a home office setup there's no disconnect between home and office life.

With no commute to create a boundary between work and personal life, work bleeds into evening hours that were previously reserved for leisure, chores or family.

Over two-thirds (67%) of respondents say it's harder to maintain work-life separation while working from home, and over one-third (36%) say their work hours have increased since working from home.

With their usual routines thrown off, more employees are going to bed later, or sleep at irregular hours. Out of 84% of respondents who say their sleeping patterns have changed, close to a third (31%) say they're tired during the day and it's hard to focus on work. As shelter-in-place orders in some cities extend into the second month or even longer, all these negative patterns are likely to have an even greater impact, decreasing productivity and creating burnout.

---

# IMPACTS OF GROUNDING BUSINESS TRAVEL

---



**It's unlikely that face to face contacts have been replaced by relationships forged in the digital realm.**

A new survey of 1,003 US employees who travel or have travelled for business prior to COVID-19 conducted by Censuswide in partnership with PromoLeaf reveals some surprising information about the true impact of business travel on companies, those employees who do the traveling.

See overleaf for the key findings of this survey.

## Key Findings

- 32% of respondents told us lack of business travel had a negative impact on their business.
- 45% of respondents estimated their company has lost over 20% of revenue. Nearly 14% lost 40% or more
- 64% of business travellers enjoy their jobs less when they are not traveling, and nearly half (48%) are even considering a change in occupation.
- Motivation, productivity, and even the mental health of travellers has suffered due to the lack of business travel with over 40% claiming their personal lives had been adversely affected

45% of travellers missed an average of 70 connections made in person this year. Business travel has been growing faster than world GDP, despite the widespread adoption of alternatives like Skype, FaceTime or email, as it is much more challenging to make the same kind of relationship virtually, it's unlikely that those kinds of contacts have been replaced by those forged in a digital realm.

John Ross, the CEO of Test Prep Insight, told us.:

“It is clear that the lack of interpersonal communication that comes with business travel has throttled business development and new deals. It is just plain harder to close deals and develop new partnerships when you're trying to do everything over Zoom. I am sure most veteran salespeople will agree.”

---

# THE FUTURE

---



**The future belongs to the truly flexible.**

Ultimately, employers will react to client, prospect and employee's needs. And social interaction via business travel is an important part of the economic engine. Business travel is not transactional; it's about relationships.

A survey by Globetrender showed that 76% of frequent flyers believe that being face-to-face with clients is better than video conferencing for sales meetings and pitches. The reality is human interaction is a key element to partnership and success.

# EMPLOYMENT

Having been forced to trial alternatives to in-person meetings, many companies are now questioning the need for physical travel. As the low-cost option, virtual has become the default.

At the beginning of the pandemic, from the Square Mile to Shanghai, most white-collar workers looked forward to never climbing onto another crowded train in their life. And despite a retraction of 8% on that sentiment, according to a GBTA survey taken in the first wave and followed up in February of this year, a significant part of the population feel the world is a vastly improved place by hybrid working. But there is one fatal flaw in this new orthodoxy.

Because underlying the siren song of hybrid working is a central fallacy: the job is secure. When the economy is suffering its greatest contraction for three centuries, nobody's job is safe.

In The Spectator, James Foresyth said:

“If one can do their job from home in Britain, can someone else do it from abroad for a fraction of the cost? Probably. Lockdown and social distancing means business has discovered ways to operate with a smaller number of people and that will have a lasting effect after the restrictions have gone”.

Therefore, employees will survive only if they make themselves indispensable to your firm and if they make it unimaginable that their role could be sourced out for half the price. The future belongs to the truly flexible.



# BUSINESS ACTIVITIES

Many employees find comfort in maintaining a consistent routine which the 9-5 office role delivered. The commute itself offered an opportunity to remove home distractions and reflect.

As such, almost all (92%) respondents to a GBTA survey of members and stakeholders expect to return to the office by the end of the year. Yet three-quarters (77%) will commute to the office less frequently (once it opens) than they did before the pandemic. Only 1 in 10 who expect employees will come into the office the same number of days as they did before the pandemic. GBTA members and stakeholders vary in terms of their expectations, as only seven percent report their workers are already in the office and one-in-ten (13%) expect workers to return to the office in the next 1-3 months.

The office also offered a breeding ground for creativity and productivity. A dedicated arena for people with a common purpose to drive results. Therefore, particularly for departments relating to teamwork and daily operations, an “engine room” is essential for driving commercial objectives.

Although, this enforced experience has not been the entirely positive experience anticipated, it can be very beneficial in feeding the creative soul. There is an encouraging trend forming referred to as “the digital nomad”.

Intrepid voyagers, no longer bound to the office, use telecommunications technologies to conduct their work and personal lives in a nomadic manner.

Such workers often work remotely from foreign countries, coffee shops, public libraries, co-working spaces, or recreational vehicles free to expand their knowledge base and expertise through real life experiences. The output can be very beneficial to an organisation in terms of innovation and productivity. This can be achieved on a smaller scale with business travellers extending their stays beyond the traditional Saturday night stay over to a week.

Employers will still want to reduce fixed costs on office space, supplies, utility bills and other facilities while encouraging productivity so the additional cost of the stay over can be offset by the benefits.

# BUSINESS TRAVEL

The argument to invest in travel may prove even harder to make as economic conditions deteriorate. Microsoft co-founder Bill Gates led the debate when he predicted late last year that more than 50% of business travel would permanently disappear after the COVID-19 pandemic.

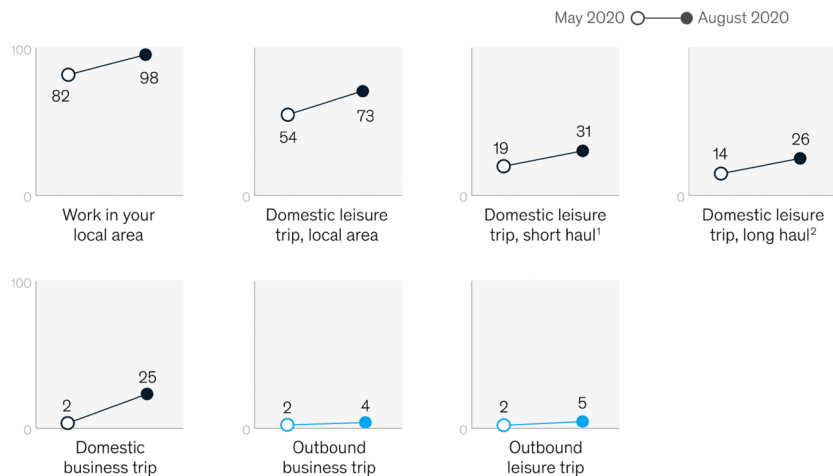


An International Air Transport Association poll of about 4,700 travelers released this week, for example, showed that 62 percent of respondents said they expect to travel less for business even after Covid-19 is contained—a solid majority, albeit a smaller percentage than the last time IATA took such a poll, in September.

While people will try and stick to doing things virtually, the first time a business loses a sale to a competitor who showed up in person and who took the team for dinner and got to know them better would be the last time they would do that. They will get back on the road and double down on getting back on the road.

Research from China, carried out by McKinsey, seems to back up this theory, as business travel strongly rebounded once COVID-19 restrictions were lifted in Q3 of 2020. Domestic travel sees significant increase, while outbound travel is still paused.

“In the past two weeks, did you go out for the following activities?,” % of respondents (weighted)



<sup>1</sup>One to two nights, or fewer than three hours' drive.  
<sup>2</sup>Three or more nights.  
 Source: Travel Sentiment Survey of Chinese tourists, May 2020 (n = 1,569), August 2020 (n = 1,532)



Internal meetings will be slower to recover but going to a team event and socialising, that's where you get to know people whom you can pick up the phone and call them if you need them. We're not going to get that from virtual meetings. It's a question about human nature, and human nature has not changed.

Gates himself confessed in that interview with The New York Times that he hasn't made new friends since the pandemic began:

“The fact that the software does not have any sort of serendipitous thing of people you run into after a meeting or a gathering. So, more could be done there. There is something missing there.”

# RECOMMENDATIONS



# HOME WORKING

The remote work environment requires different management strategies than an in-office one. The time based employee and employer The best way to manage remote work is to focus on results, not how employees achieve those results. Encourage clear communication about schedules, so employees know when a team member is offline or unreachable and can plan accordingly. Beyond that, try not to micromanage how employees get their work done.



- An organisation wide policy is needed with regards to remote working
- Remote working requires considerable management time and effort to make it work successfully
- Mental health wellbeing needs to be seen by employers as a vital part of their responsibilities, consideration for the impact working remotely can have on an employee's mental health needs to be considered
- Managers need to foster social and professional interaction, providing a sense of belonging to a bigger group. Problems that may arise from isolation, stress and mental ill-health need to be understood and advice and help provided.
- A "one size fits all approach" should never be taken when it comes to individual staff working remotely
- Trust between the manager and the employee is vital for remote working to succeed
- Assuming the remote worker is based mainly at home, or using it as a base, it must be established whether the employee has suitable space; Employees working at home are likely to need a desk, chair, computer, broadband, phone and storage for any sensitive materials.

# BUSINESS TRAVEL

In the last 12 months, travel managers have worked closely with business lines and C-suite executives to ensure travel policies offered the right degree of protection and reassurance.

Now they must work with the same budget holders on a different challenge: strategic evaluation of the purpose and commercial value of travel.



- What makes a business trip essential?
- How does it generate business value and what is that value?

It is now the travel manager's responsibility to address these questions, and also ask new questions of their own about who should travel, when, where and for how long. Answering these queries accurately will require a big adjustment in both culture and process. There are a couple of changes organizations will need to make in order to make it possible.

First, travel managers must build stronger relationships with budget holders. This might be hard to begin with. Travel managers are associated with the administration of travel policy not the direction of travel budget. But in truth there is a strategic heart to almost every travel question.

For example, what is the correct ratio of permanent desks to hot desks? The CFO might be happy with a smaller headquarters. But what is the impact on travel now there is less space to meet and collaborate? And is there an emotional cost of reduced physical contact that travel could help to mitigate?

In many companies, sales wields the biggest travel budget. What is the true impact of reduced travel on sales revenue? Start by assessing the rate of lead conversion on lockdown. How does this rate compare to previous years when travel was the default?

The second change organizations need to make is to break down the data silos that obstruct the generation of operational and commercial insights. Executive boards will require hard numbers to illustrate the effectiveness of travel against the alternatives.

With the right relationships and the right data travel managers can take an important step towards convincing budget holders they are valued strategic partners. But changing roles is hard. And changing the perception of others is harder.

# ABOUT US

## MEET THE TEAM

90 YEARS OF CORPORATE TRAVEL MANAGEMENT EXPERIENCE,  
DELIVERING AWARD-WINNING CONSULTANCY AND ANALYSIS TO  
DRIVE BUSINESS EFFICIENCIES AND PROCESS INNOVATION



### GAVIN SANDERSON

CLIENTS

A seasoned business travel professional, Gavin works closely with clients to fully understand their business to identify how and where we can add tangible value.



### AMAN POURKARIMI

CONSULTING

Aman is a management consultant who specialises in assisting organisations transition to a more disciplined approach to their business travel operations.



### DAVID BISHOP

COMMERCIAL

With a wealth of experience on both client and supplier sides, David provides high-level business planning to target and achieve company objectives.



GRAY DAWES  
— CONSULTING —

a GRAY DAWES GROUP company  
[www.gdg.travel/consulting](http://www.gdg.travel/consulting)

© Gray Dawes Travel Ltd