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## The Waning Days of the Road Warrior

Why the current slowdown in business travel may not end when the economy recovers

by [Michelle Conlin](#)

For years, Irv Rothman, CEO of Hewlett-Packard's ([HPQ](#)) Financial Services division, traveled at least once a quarter—top three lieutenants in tow—from his New Jersey base to HP's Silicon Valley headquarters. After enduring Newark airport hell and six-and-a-half hours of stale, germey air, the team would arrive, strung out, to meet with their boss. For one hour. Then they would turn around and do the whole thing all over again.

So far this year, the quartet has made not one pilgrimage to Northern California. They meet Jon Flaxman, HP's chief administrative officer, over Halo, HP's hyper-realistic videoconferencing system. They are home in time for dinner. And they don't care if they ever see Silicon Valley again.

Whenever there's an economic downturn, corporations slash their travel budgets. The International Air Transport Assn. is already reporting that business and first-class travel have experienced the biggest plunge in five years. Typically, when the economy snaps back, so do the business trips.

This time, though, certain types of corporate jaunts may be dead for good. Across the U.S., companies as varied as Advanced Micro Devices ([AMD](#)), Xerox ([XRX](#)), Cisco Systems ([CSCO](#)), AstraZeneca ([AZN](#)), and Adecco are cutting internal business travel (grinding from corporate office to office) by as much as 50%.

That's not to say all business travel is going extinct. Globalization has expanded workplace networks exponentially. We all need to collaborate with—and stay connected to—more people than ever. Still, a growing number of managers are thinking twice before jumping on a plane.

### GOING GREEN

The super surge in oil prices and resulting spike in airfares is just one reason companies are ordering their road warriors home. Factor in, too, the misery of modern air travel, which has de-glamorized the business junket. HR types also have a new appreciation for how the frequent-flier lifestyle can wreck executives' health and family lives. And they have come to realize that jetting off for a one-hour meeting, while instinctual for corporate strivers, is rarely productive.

Plus, let's not forget that flying less is a great way to burnish a green image: Companies are racing to cut their carbon footprint—of which air travel is often a big piece. "What we're trying to do is keep people off the plane," says Rick Dipper, director of corporate responsibility at Nortel Networks ([NT](#)), which aims to slash internal travel by 50% and overall travel by 25% this year. "People are really becoming conscious of the environmental costs of business travel. That's a sea change that tells me we are probably not going to go back to where we were."

So, if managers aren't flying to meetings, what are they doing? Using newfangled technology that is finally delivering the kind of *Star Trek*-y, space- and time-shifting experiences that tech executives have blabbered on about forever. Videoconferencing, Web-enabled meetings, online collaboration tools—all are giving workers the ability to dart around the globe from their desk chairs.

Take HP's Halo and Cisco's TelePresence technologies, which cost up to \$300,000 a pop. Chief information officers of big companies say the systems usually pay for themselves within nine months. These machines bear no resemblance to the grainy, herky-jerky technology of yore. Researchers studying bodily reactions found that co-workers on different continents experienced the same chemical responses as they would in face-to-face meetings. The new technologies, says Procter & Gamble's ([PG](#)) chief information officer, Filippo Passerini, "empower collaboration, so you really can be there without leaving here. They are saving money and enabling us to collaborate and innovate faster, smarter, and more sustainably than ever before."

This year accounting firm Grant Thornton's travel and meetings director, Cheryl Geib, canceled three company offsites, involving 100 executives each, to cut costs. Geib is replacing them with online, virtual meetings. Executives are thrilled. "We won't ever go back," says Geib.

Consulting firm BDO Seidman is pushing employees to meet virtually by using WebEx technology, which lets co-workers across the globe scrawl on whiteboards and share documents. The company is saving \$1 million a year. "It's not just about travel reduction, it's also about increasing communication," says the firm's training and development director, MaryEm Musser. Workplace researchers agree, reporting that huddling with people more frequently in short bursts of time is more productive than flying off to long, drawn-out confabs.

How times have changed. Back in the day—say, eight years ago—road warriors measured status by how many frequent-flier miles they accrued, their admission to VIP lounges, and all the cool people they met at conferences. "When you say you were able to have a meeting in London and then go home and have dinner with your children," says Nortel's Dipper, "that's what people are jealous of now."

## Links

### British Business Deplanes

A report released on May 16 by Britain's World Wildlife Fund—*Traveling Light: Why the UK's Biggest Companies are Seeking Alternatives to Flying*—found that 89% of 350 large companies surveyed said they intended to reduce employee travel within the decade. Three-quarters also want more government investment in high-speed rail; they predict their road warriors will be spending more and more time on trains.

### Fewer Miles for Short Trips

United Airlines' ([UAUA](#)) frequent fliers have always received a minimum of 500 miles, no matter how short a trip they took. Not anymore, writes travel blogger Rick Seaney at FareCompare.com. "Starting July 1, if you fly, say, LaGuardia to Dulles, you WON'T get 500 frequent-flier miles; you will ONLY get the actual number of miles the trip took—about 230 miles. Just one more way the airlines are cutting back in the face of those off-the-chart jet fuel prices."

Conlin is the editor of the Working Life Dept. at *BusinessWeek* .