

Tool No.6

Case Study 2



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Executive summary

Vodafone – reducing travel through video conferencing

- Air trips by Vodafone employees fell 20 per cent in 2006 - although not fully attributable to introduction of video conferencing (VC)
- Travel between sites with VC 'lounges' fell by 100 trips per month per site in 2006
- Utilisation of lounges during business hours is 85 per cent
- Estimated annual CO₂ saving of 5,520 tonnes in 2006
- Estimated return on investment in lounges in less than two months
- Around 200 globally connected VC units, including six lounges
- Single VC supplier used worldwide
- Connections updated from ISDN to more reliable Internet Protocol architecture
- Employees must state why they need to travel instead of using virtual conferencing
- Extensive marketing of benefits of VC to employees
- Presentation capability and multi-point service (ability for more than two units to participate on same call) considered essential for success

Strategic motivation

Vodafone has introduced video conferencing (VC) to reduce:

- Travel costs
- Employee wear and tear
- The carbon footprint associated with business travel

It wants employees to consider virtual conferencing (audio, video or web conferencing) as their first option. Travel should be undertaken only if virtual conferencing is not appropriate.

“Vodafone has a full-time global VC manager...”

“Consider which stakeholders in the organisation are most likely to be enthusiastic adopters of VC.”

Action plan – investment, travel policy and marketing

a) Personnel

Vodafone has a full-time global VC manager who is part of the group technology team within global operations. He works closely in association with the group’s global travel team.

b) Equipment

Number

Vodafone has around 200 globally connected VC units. All of them offer a multi-point service, which means that up to four units can participate in the same VC meeting. About half of the units are located in the offices of directors but can be used by other personnel if the director is absent. Twenty-four units are housed in ‘lounges’, specially built booths for which any employee may book meeting time. Vodafone currently has VC technology in 14 out of the 17 countries in which it operates.

Supplier

Almost all the units used by Vodafone are from the manufacturer Tandberg, which ensures a consistent experience for users. Vodafone describes the Tandberg 2000 as the workhorse of its portfolio, although this machine is no longer manufactured.

Connection

After a poor record of call quality with ISDN lines, Vodafone concluded VC would only gain widespread acceptance if the transmission quality could be improved. It achieved this by:

- Moving, where possible, to Internet Protocol architecture.
- Where not possible, investing in improvement to ISDN lines.

The reliability of ISDN lines used by Vodafone has risen from 70 per cent to 93 per cent, while the reliability of calls using IP is 99 per cent.

c) Policy

Before booking travel, Vodafone employees are required to consider whether their mission can be achieved instead through virtual conferencing (audio, video or web conferencing).

At present, employees make travel bookings by contacting the preferred travel management company by telephone or through an online Excel template. In either case, the employee must state why they need to travel instead of using virtual conferencing. The reason is recorded in a confirmation e-mail, which is sent to the traveller’s line manager for approval.

d) Communication

Vodafone has marketed its VC capability to employees through directed communications and via its intranet. It has also made employees aware that the strategy has been authorised at board level.

The opening of the lounges in December 2005 was accompanied by:

- Posters communicating messages that VC avoids the discomforts of travel, allows employees to spend more time with their family and is environmentally friendly.
- Promotional events at the lounges. Actors dressed as cabin crew explained how the units worked and handed out food along with sick bags containing items such as eye masks. The events used the slogan ‘Travel VC Class’.

“...Vodafone employees are required to consider whether their mission can be achieved instead through virtual conferencing...”

Results (as of February 2007)

Air travel

The number of air trips taken by Vodafone personnel fell 20 per cent in 2006. However, not all of this decline can be attributed to the introduction of VC: 2006 also saw the introduction of Vodafone's first fully consolidated global travel programme. Based on travel figures, average VC figures, average distance of trips and most common routes, Vodafone believes that its use of VC saved approximately 5,520 tonnes of CO² emissions in 2006.

Utilisation and payback

Travel between sites which introduced the lounges in 2005 dropped by 100 trips per month per lounge during 2006. Utilisation of the lounges during business hours is 85 per cent. Vodafone believes it obtained a return on investment in less than two months in terms of reduced travel.

Understanding

Vodafone has gained a clearer understanding of when VC and other types of virtual conferencing are an acceptable substitute for travel. Broadly speaking, it believes VC is appropriate for routine internal meetings where participants know one another, especially if they are an established team.

VC calls involving external participants are rare. One example where they are used is initial recruitment interviews undertaken by human resources to narrow the field of candidates. Later interviews are conducted in person.

Vodafone is also satisfied that VC is preferable to audio conferencing. For example, decisions and deadlines agreed in a call involving VC carry more conviction than on an audio-only call.

The future

Vodafone plans in 2007 to improve its web conferencing capability. It judges web conferencing to be the best medium for collaboration on documents, since these can be amended real-time during the call.

“Actors dressed as cabin crew explained how the units worked.”

“The number of air trips taken by Vodafone personnel fell 20 per cent in 2006.”

Best practice tips

Equipment essentials

Vodafone has concluded that a VC unit must include two features if it is to become an every-day tool rather than something which is used only occasionally:

- Presentation capability – participants must be able to look at the same document on their screens, usually by including a feed from a laptop computer. Vodafone employees use this presentation capability on almost every VC call.
- Multi-point service – it must be possible for up to four different units to participate on the same call. Furthermore, the participants should be able to connect to the call with minimum effort. The average number of participant units per call at Vodafone is 2.5.

Find champions

Consider which stakeholders in the organisation are most likely to be enthusiastic adopters of VC. In an early incarnation of its strategy, Vodafone tried to roll out VC among its national operating companies. It found more success when it approached again through employees in global functions

Take a balanced approach

Vodafone's philosophy was not to be coercive but to sell to employees the benefits that VC brings to themselves, their families and the environment. However, although VC has successfully replaced many internal meetings, this does not mean internal meetings can be dispensed with all together. Face-to-face communication between colleagues remains essential for building team relationships. A balance needs to be struck between these and virtual communication.

Institute of Travel Management (UK & Ireland)

The Institute of Travel Management (ITM) was established in 1956 to provide networking, education and best practice in business travel management. The association boasts over 1,000 buyer and supplier members in the UK and Ireland with a representation of over 25% of the business travel market in this region. ITM undertakes conferences, research, lobbying and training for its members..

Project ICARUS

Project ICARUS was established by ITM to promote carbon reduction in travel management programmes throughout the UK business travel industry. The project is led by and targeted primarily at travel buyers/managers as any movement to reduce carbon emissions needs to be focused on this community.

Project ICARUS was conceived after the ITM conference in 2006, when a number of leading industry figures and journalists all independently discussed their concerns with ITM about a lack of leadership on Climate Change in business travel management.

The Project's Goals

The intention of ICARUS in the first instance is to drive the UK travel industry to reduce carbon emissions in line with government targets of a 60% reduction by 2050.

After its initial focus on Carbon Emissions, the project will look at other areas of CSR, such as other greenhouse gas emissions, duty of care and sustainable procurement in due course. The project group has set about creating a plan of action to firstly inform buyers and suppliers of our environmental situation and the action they could take, and secondly to provide practical guidance and assistance for travel buyers to start on the environmental road.

For more information contact ITM on 01625 430 472 or visit www.itm.org