CHAPTER 5

RESULTS

5.1 INTRODUCTION

In the following section, the actual findings resulting from the research are reported and discussed. The objective is to explain the data and to identify the various factors that could lead to non-compliance with the corporate travel policy. The research also endeavours to determine organisations' objectives in the formulation of the policy and to identify the factors that create a business environment conducive to optimum work performance and travel policy compliance. From the research findings it will be possible to present a validated model for policy compliance, as proposed in chapter 3. The results guide the development of an optimum corporate travel policy that not only encourages policy compliance, but also increase the level of compliance.

The data discussed in this section is qualitative and quantitative by nature, and the use of charts, graphics and tables will enable a simplified reporting of the findings. All the relevant data will be included and discussed in this section. The findings from the qualitative Delphi technique will be discussed first, followed by the results from the quantitative questionnaire distributed to corporate travellers.

5.2 RESULTS FROM THE QUALITATIVE DELPHI TECHNIQUE

For the data gathered from the qualitative study of the corporate travel managers and TMCs, a content analysis technique was used to ensure an objective and systematic description of the manifest content of the communication from corporate travel executives. This allowed for the generation of the items required to describe the factors that influence the compliance of corporate travellers. According to Berelson (1952), content analysis is a research technique for the objective, systematic and quantitative description of the manifest content of communication. The key words in this definition are – 'objective', 'systematic', and 'quantitative'. Objectivity has to be the primary concern to ensure that the results reflect the procedures used rather than the persons making the observations. In other words, if different people used the researcher's system to determine the topics covered in the research study, they would get results very similar to that of the researcher. Being systematic means that the researcher's coding categories and procedures are complete and applied in the same way to the entire content. It also means that what actually appears is coded, not what coders think is intended or suggested. And finally, the content of communication is reduced to some quantity – number – that can later be used in mathematical analyses (Broom & Dozier, 1990). Three steps were followed to ensure that the data analysis complied with the requirements of being objective, systematic and quantitative. The question posed to experts during the first Delphi round read: 'Please provide **your opinion, as comprehensively as possible,** of all the factors that you see as having an influence on compliance.'

STEP 1: Listing of respondent statements (Round 1) (Please note, that respondents' comments are provided verbatim)

The statements were listed in no specific order or rank. For example:

- Travellers see loyalty programmes as their personal reward
- If travellers are never challenged, where they can, they will buck the system
- Travellers will push to use products that they have experienced previously where they have received satisfactory service
- When the corporate client does not drive policy compliance from the top

When respondents wrote a paragraph, individual statements were identified, separated and listed.

STEP 2: Coding of concepts within respondent statements

Attach a numerical code to each concept (not a value).

- Travellers see loyalty programmes as their personal reward (1)
- If travellers are never challenged, where they can, they will buck the system (2)
- Travellers will push to use products that they have experienced previously where they have received satisfactory service (3)
- When the corporate client does not drive policy compliance from the top (4)

Where:
1= frequent-flyer miles accrue to the traveller for personal use
2= there are inadequate consequences for non-compliance
3= travellers prefer to use suppliers with whom they have had personal experience
4= there is a lack of top management support for travel policy compliance

STEP 3: Consolidation of concepts

All the concepts were then consolidated into a new document. This document was sent out for a second round to the same respondents who participated in round one. The eight experts were asked either to agree or disagree with a number of statements regarding policy compliance. Five travel experts responded to round two. Because of the fact that the Delphi method deals with expert opinions, the researcher made a decision not to discard any opinions since, in the experience of the corporate travel manager, the reason given for non-compliance would have been valid in that particular organisation. Thus, even if only one of the five respondents agreed with a certain statement, the researcher included that statement in the final questionnaire. The only statements generated from the Delphi survey that were not included in the questionnaire were those where the travellers would not have been in a position to answer the question such as the quality of the MIS reports. The document distributed in round two, as well as the number of respondents who agreed and disagreed with the statements, is provided in table 5.1 below. The fourth column in table

5.1 shows which items from the Delphi study were included in the quantitative questionnaire. This clarifies the link between the qualitative and quantitative studies. As the responses of the experts failed to reveal additional factors influencing policy compliance that had not already been identified in the literature survey, the model was not refined and expanded to include any additional items.

Table 5.1: Round two of the Delphi process

	AGREE	DISAGREE	MEASURED IN QUESTIONNAIRE
Travel management is not a priority in the organisation	4	1	5, 21.4
Top management does not comply with the travel policy	4	1	15.14
A lack of top management support for travel policy compliance	2	3	20.3
Line management are unaware of the travel policy stipulations	2	3	
The department under which travel management falls for example finance, supply chain, procurement et cetera	2	3	5
The corporate culture of the company for example an informal entrepreneurial culture vs. a more formal bureaucratic culture	3	2	18
No dedicated full-time travel manager	4	1	5
The person responsible for the corporate travel function within the organisation does not have sufficient time to manage the travel function	4	1	5
A lack of control of travel expenditure	3	2	21.4
A poorly-formulated policy	3	2	15.7
No or difficult access to the travel policy	3	2	10
A lack of understanding of the travel policy	2	3	15.6
Outdated travel policies	3	2	15.6,15.7
A vague travel policy with possibilities of loopholes for non-compliance	5	0	15.7
An online booking tool with inadequate features to monitor compliance	3	1	
An online booking tool that does not align with the travel policy	3	1	
A TMC that does not work according to the travel policy	2	3	21.5, 21.6
Inferior MIS reports	2	3	
Inadequate formal processes to measure compliance	5	0	21.4
Out of policy travel are not managed prior to travel	4	1	21.1
Inadequate pre-trip authorisation process	3	2	21.2
Inadequate post-trip claim process	3	2	21.3
Inadequate consequences for non-compliance	5	0	29.5
Traveller ignorance on preferred suppliers for example: an airline's perceived safety performance	2	3	15.3, 23.2-5
Frequent-flyer miles accrue to the traveller for personal use	4	1	11
Travellers break policy because cheaper options are available	2	3	15.9
Traveller convenience comes before policy stipulations	4	1	20.6
Travellers' perception of more reliable, safer and greater quality products vs. those stipulated in the travel policy	3	2	23.2-5
Travellers prefer to use suppliers with whom they have had a personal experience	4	1	23.2-5

Traveller's personal self esteem is more important than policy stipulations	3	2	23.1
Old school vs. New school (older travellers are more likely to comply than younger travellers)	1	4	36
Travellers feel that business travel is disrupting their lives and thus they should be allowed certain options that is not necessarily included in the travel policy	3	2	20.1
Undisciplined travellers. If I miss my flight I will just take the later flight.	4	1	29.4
Newer travellers are more compliant than frequent travellers	2	3	35
A mentality of: "You cannot tell me what to do"	4	1	29.1
A mentality of: "What can I get away with?"	4	1	29.2
An attitude of: "What is not stipulated is allowed"	3	2	29.3
A non-compliance culture in the organisation	4	1	17
A well-documented travel requisition process will increase compliance	5	0	21.1
Highlighting areas of non-compliance in the company newsletter will increase policy compliance	3	2	29.5
Making an example of a non-compliant traveller will increase policy compliance	3	2	29.6

All five of the respondents agreed that the following four factors could influence travellers' non-compliance with the company travel policy: a vague travel policy with possible loopholes for non-compliance, inadequate formal processes to measure compliance, inadequate consequences for non-compliance and a well documented travel requisition process. Only one respondent agreed that older travellers were more likely to comply than younger travellers but, as already mentioned, this reason would have been valid in this respondent's organisation.

5.3 RESULTS FROM THE QUANTITATIVE SURVEY

5.3.1 Questionnaire structure

Table 5.2 provides an overview of the layout of the questionnaire, as well as the question numbers that measure the respective constructs. The questionnaire is found in Appendix F.

Table 5.2: Constructs to be measured

CONSTRUCTS	QUESTIONS
NON-COMPLIANCE	13; 14; 16
TRAVEL POLICY	8; 9; 10; 11; 12; 15
BUSINESS ETHICS	17, 18; 19
ORGANISATIONAL INJUSTICE	20
CONTROL MEASURES	21
INDIVIDUAL MORALITY	22
SELF-INTEREST	23
EMPLOYEE SATISFACTION Traveller satisfaction Job satisfaction Life satisfaction	 24; 25; 26 27 28
EMPLOYEE DEVIANCE	29

Questions one to seven not mentioned in the table above assessed the travel behaviour of employees; i.e. how many business trips the employee makes a year, the number of days spent away from home, the person responsible for making the employee's travel arrangements, as well as the method used for making such arrangements.

Questions 30 – 36 related to the traveller's profile, including the age of the traveller, the type of organisation for which the traveller works, the position the traveller holds in the organisation, the number of years the traveller has been employed by the organisation, as well as the traveller's marital status.

The reason for including the sections on travel behaviour and traveller profile in the questionnaire is to test whether these factors do indeed have an influence on policy compliance. The literature review and Delphi technique showed that these factors do have an impact on policy compliance, and the purpose of the empirical research is to assess whether this impact can be proven scientifically.

5.3.2 Descriptive statistics

Traveller Profile

This section determined whether respondents were in the private or public sector, their management level and certain personal details, which might be significant in terms of policy compliance as identified in the literature survey and the Delphi technique. More private sector than government sector organisations were surveyed. Other organisations

included educational facilities, non-governmental organisations and parastatals (partly government and partly private owned organisations) (figure 5.1). Almost all the respondents resided in South Africa as opposed to Europe (figure 5.2). The average age of travellers responding to the questionnaire was 42, while travellers had been employed by their organisations for an average of 12 years. Most of the respondents were male (figure 5.5), married/cohabiting, with children (figure 5.4) and part of middle management (figure 5.3).

Figure 5.1: Private or Public sector (Question 30; n=192)

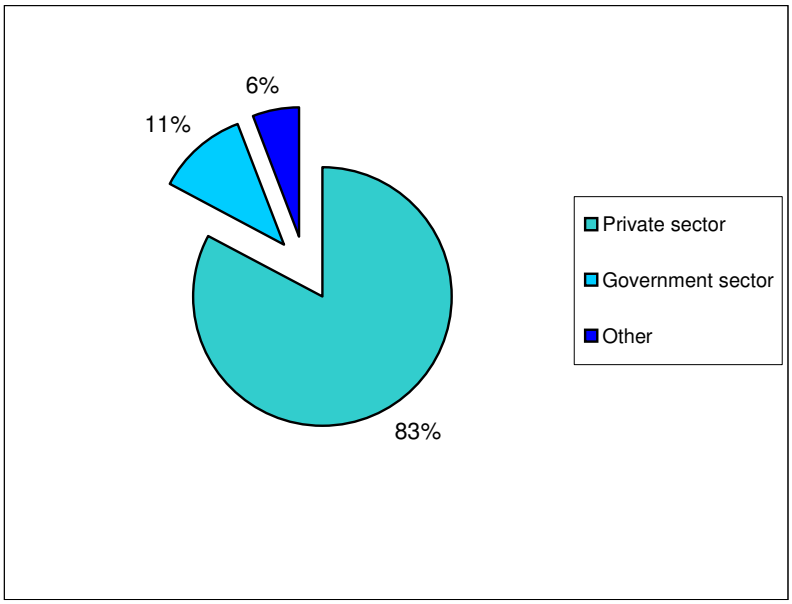


Figure 5.2: Place of residence (Question 31; n=192)

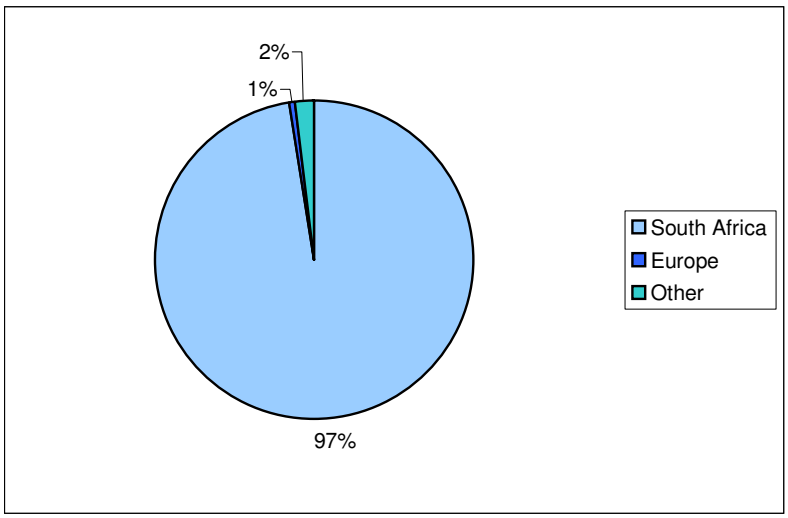


Figure 5.3: Position in the organisation (Question 32; n=192)

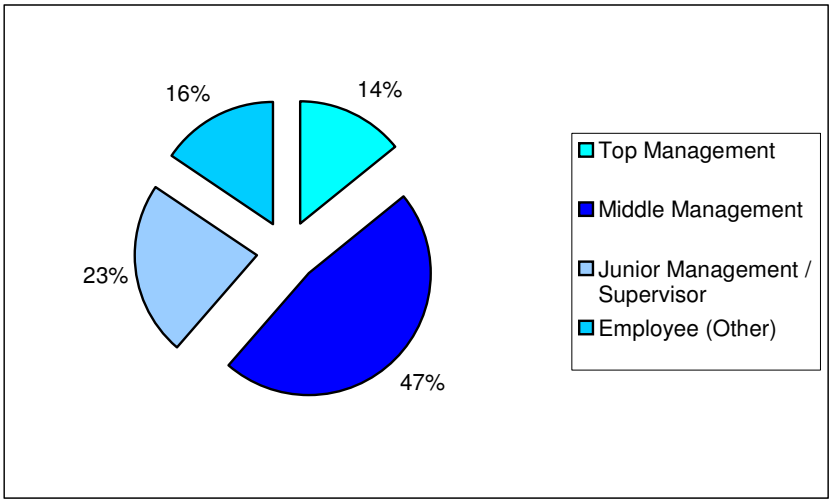


Figure 5.4: Marital status (Question 33; n=192)

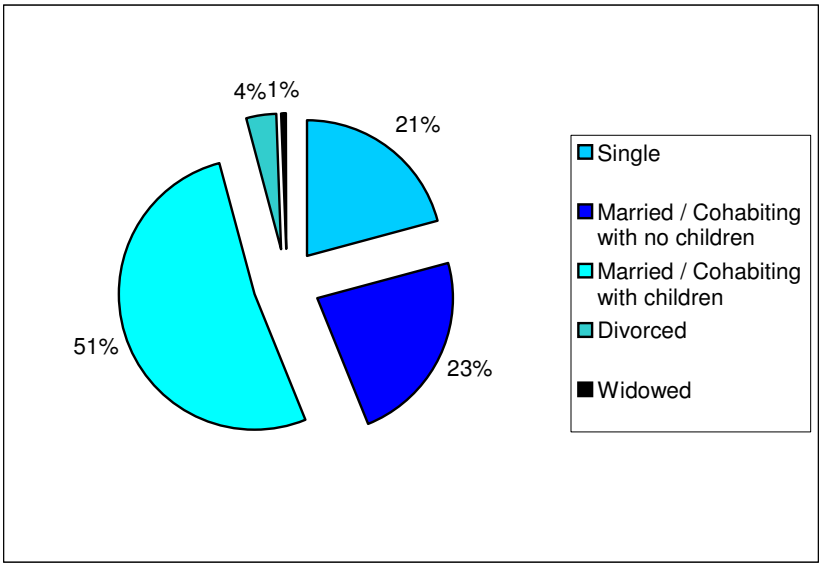
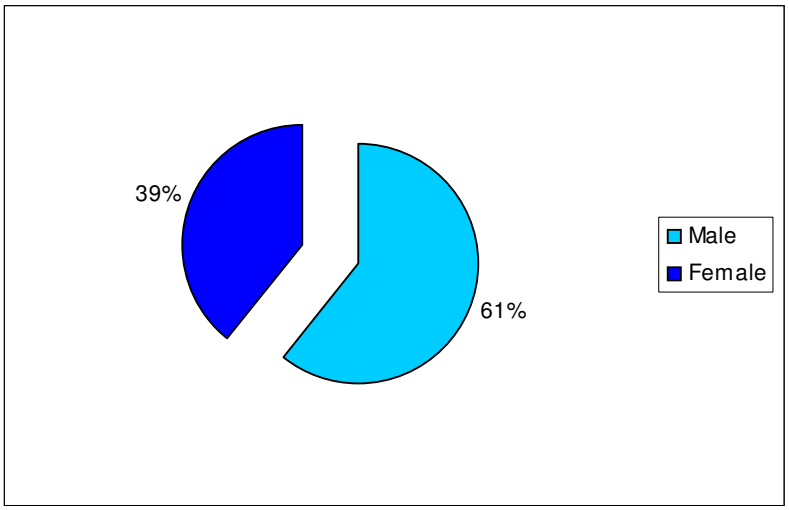


Figure 5.5: Gender (Question 34; n=192)



Travelling Behaviour of Employees

This section related to the type, frequency and duration of trips undertaken, as well as the channel of distribution used and the structure of the corporate travel department. Respondents to the questionnaire made an average of 14 trips domestically and four trips internationally. In total, they spent approximately 41 days in a year away from home on business trips. On average, a typical domestic business trip lasts three days, while an international business trip lasts seven days. When travelling for business purposes, a central travel department is mainly responsible for making the traveller's reservations (figure 5.6). The travel management function is part of the corporate travel department in the majority of organisations (figure 5.7). It is evident from the results that corporate self-booking tools are still not popular in South Africa, as only five per cent of respondents indicated that their organisations made use of self-booking tools (figure 5.8). Those respondents who marked 'other' at question six all indicated a combination of the options available. In the majority of organisations, an in-house travel agent is mainly responsible for making travel reservations with suppliers (figure 5.9).

Figure 5.6: Person responsible for making travel reservations (Question 4; n=193)

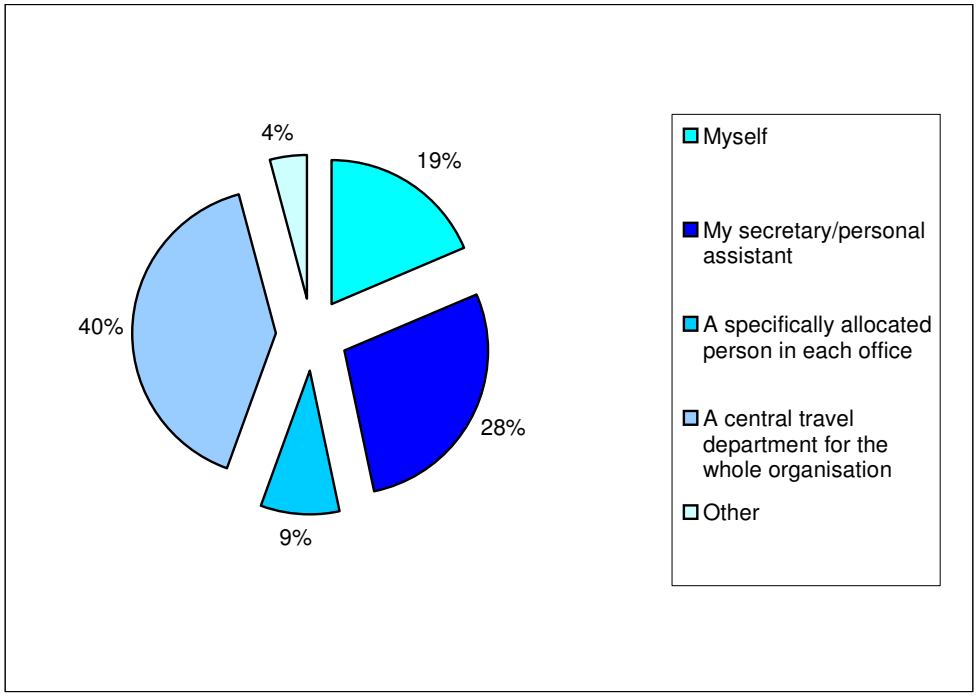


Figure 5.7: Is the travel management function in your organisation part of: (Question 5; n=192)

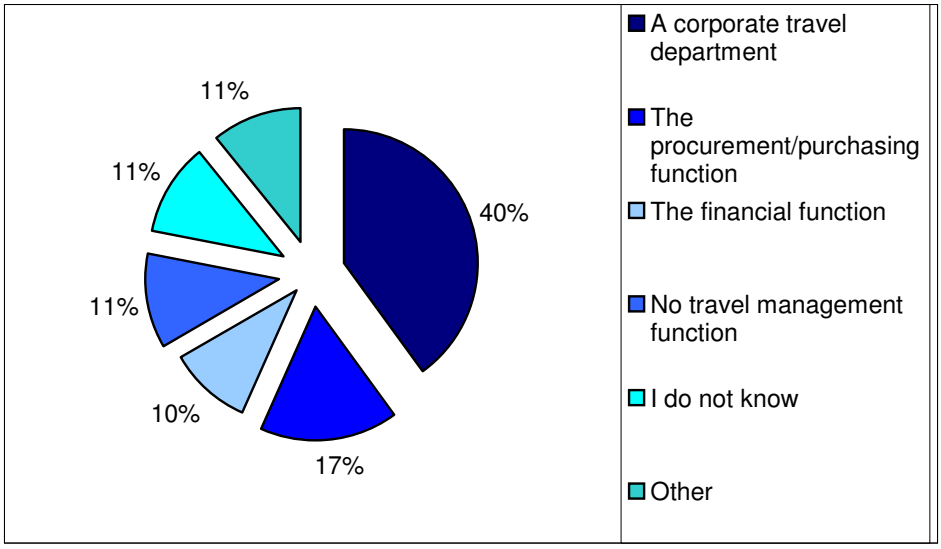


Figure 5.8: Does your organisation have a(n): (Question 6; n=193)

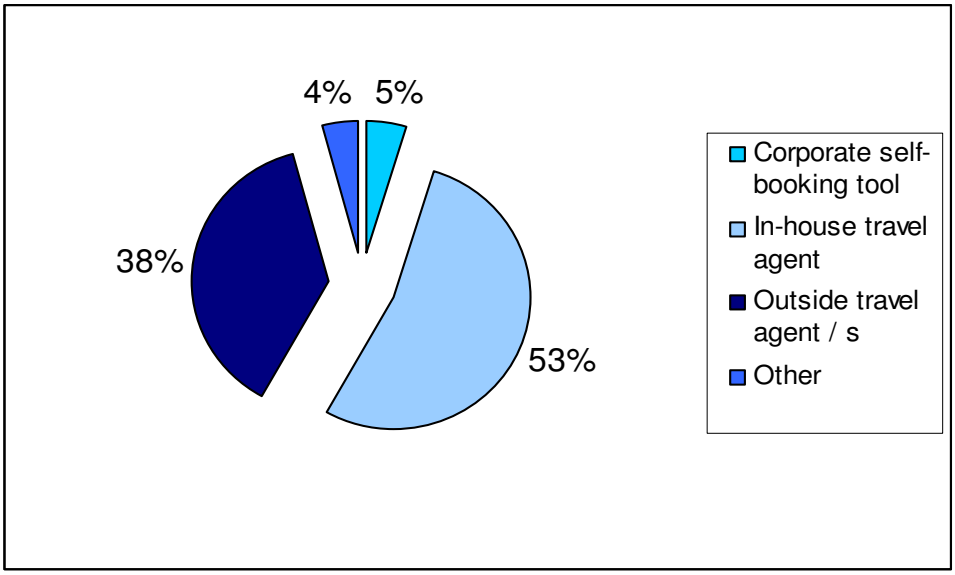
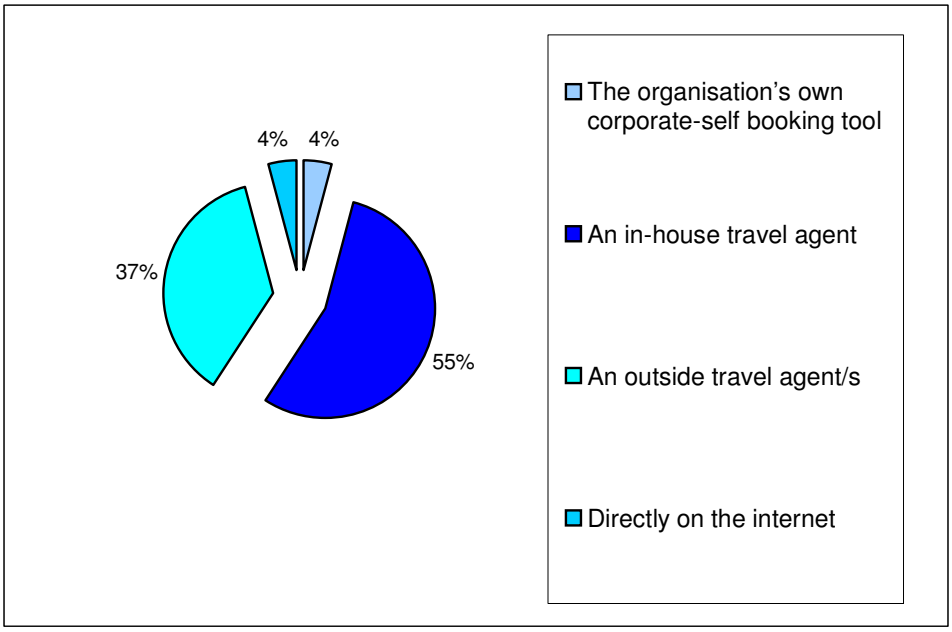


Figure 5.9: Are your business travel arrangements made MAINLY through: (Question 7; n=193)



Travel Policy

The section on the travel policy covered issues of control, fairness, communication, understanding, loyalty card points, rate of compliance and the travellers' views on the reasons for non-compliance. The majority of respondents thought their policy qualified as

high control (figure 5.10) and rated the policy as fair (figure 5.11). In most organisations, the policy was communicated to employees mainly online (figure 5.12) and understood very well (figure 5.13). Respondents felt that loyalty points should be for the traveller's personal use (figure 5.14).

Figure 5.10: Type of travel policy (Question 8; n=192)

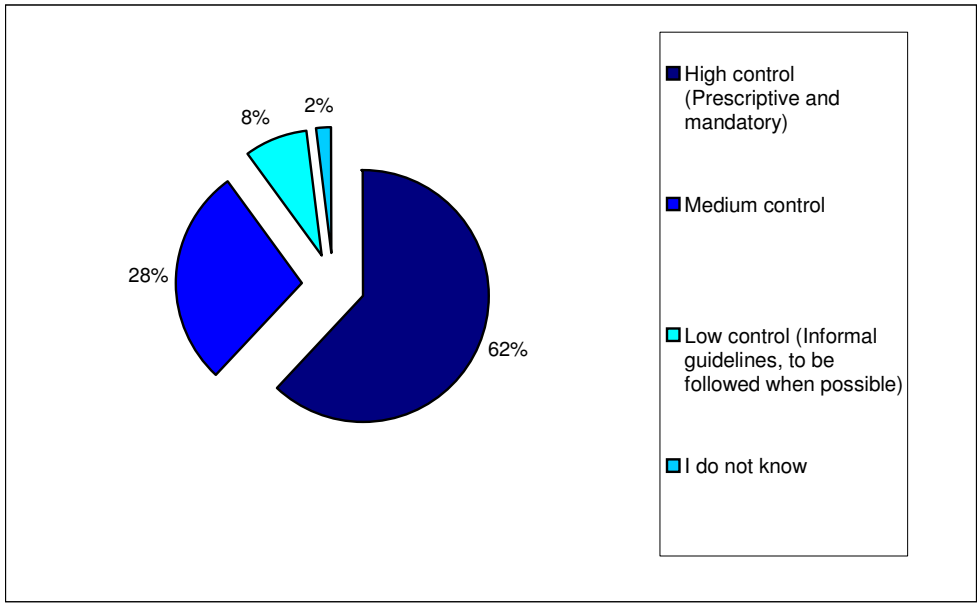


Figure 5.11: Overall, how would you rate your organisation's travel policy? (Question 12; n=192)

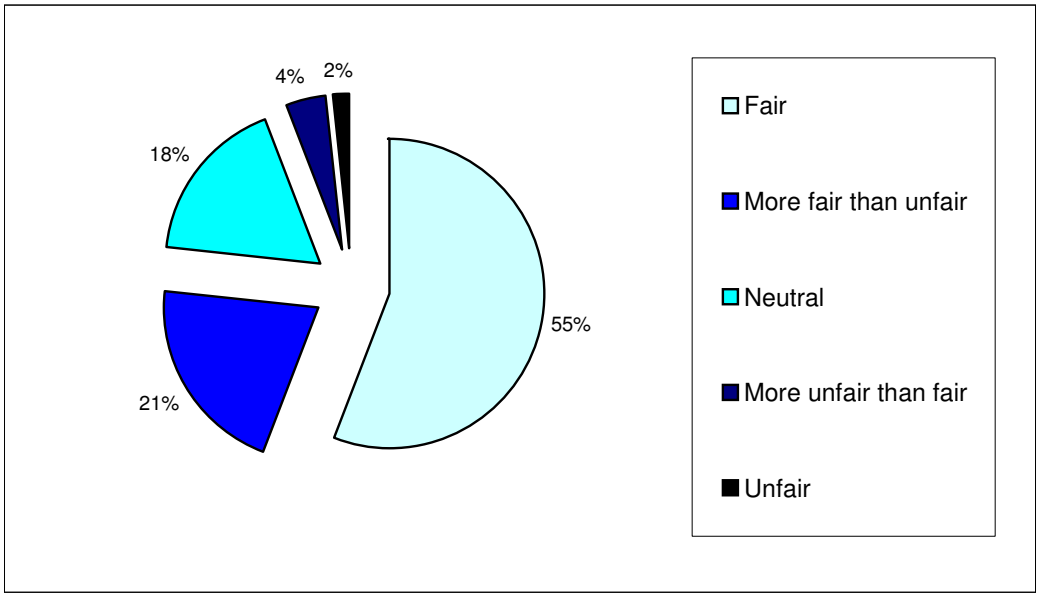


Figure 5.12: MAIN form of communication of the travel policy (Question 9; n=192)

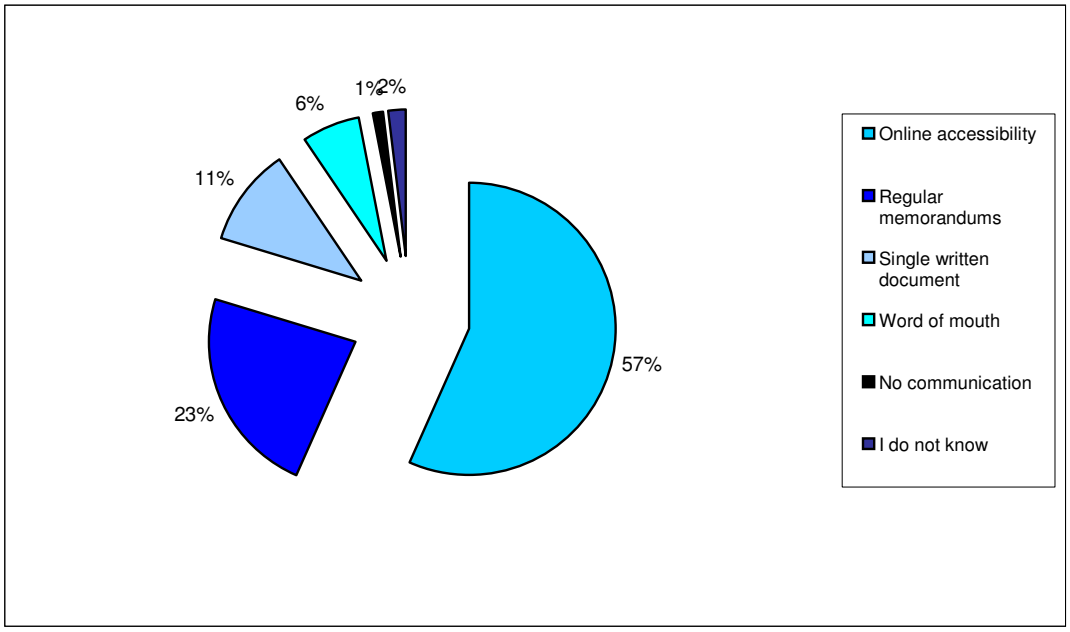


Figure 5.13: Level of understanding of the travel policy (Question 10; n=193)

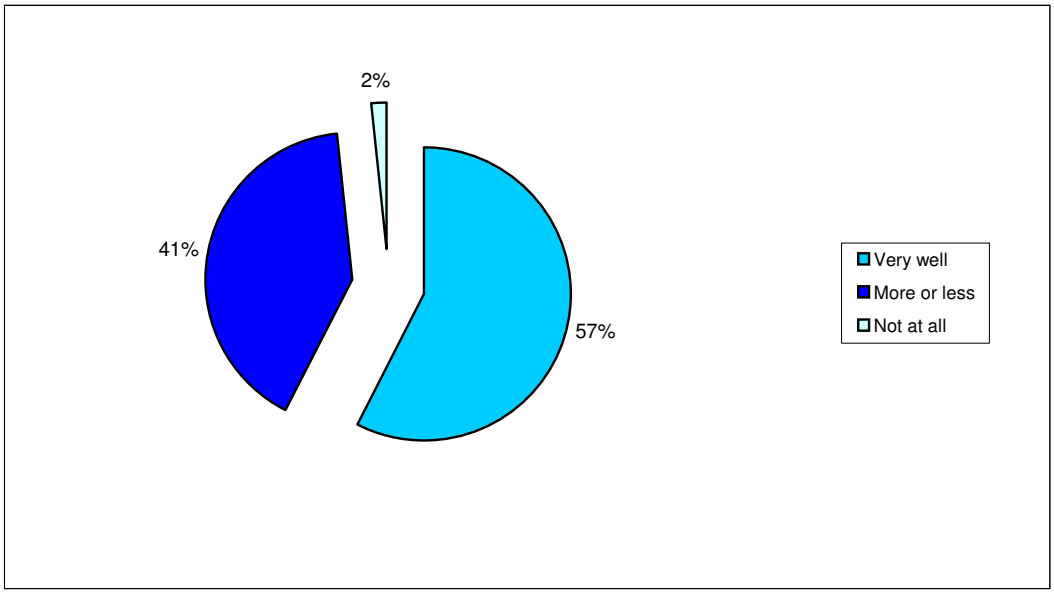


Figure 5.14: Distribution of the loyalty card points (Question 11; n=193)

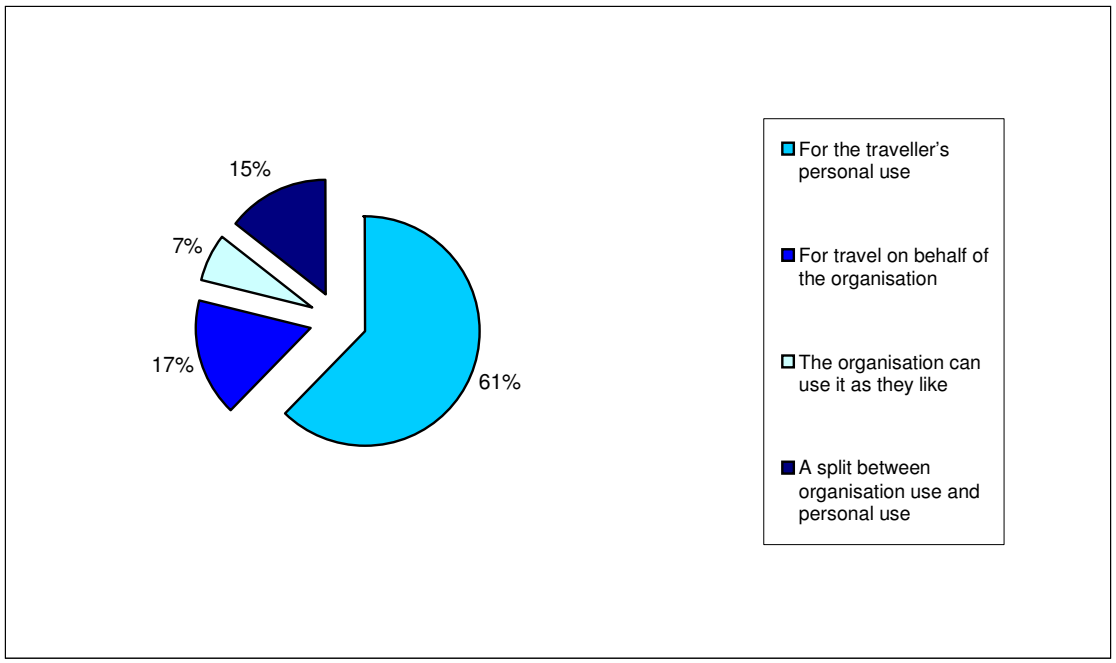


Figure 5.15: Reasons for non-compliance with travel policy (Question 15)

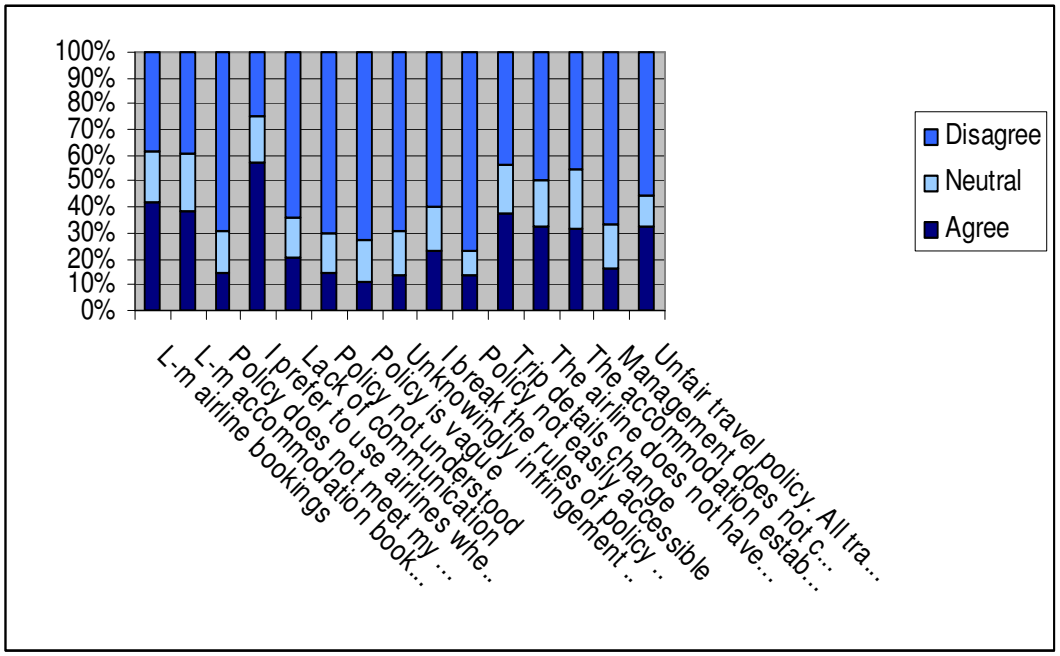


Table 5.3: Reasons for non-compliance with travel policy (Question 15)

REASON	RANK	MEAN	STANDARD DEVIATION	VARIANCE	MEDIAN
I prefer to use airlines where I am a loyalty card holder	1	4.6217	1.9703	3.8822	5
Last-minute airline bookings	2	3.9170	1.6966	2.8785	4
Last-minute accommodation bookings	3	3.8704	1.6982	2.8841	4
Trip details change	4	3.8481	1.7867	3.1926	4
Accommodation does not always have rooms available	5	3.5233	1.7620	3.1049	4

The results from figure 5.15 indicate the reasons for not complying with the travel policy. The reasons with which most respondents agreed were: I prefer to use airlines where I am a loyalty card holder, last-minute airline and hotel bookings because of inflexible business schedules, and I cannot always comply with the travel policy when my trip details change while I am on a trip. Table 5.3 ranks the reasons for non-compliance according to their mean scores. The statement: 'I prefer to use airlines where I am a loyalty cardholder' achieved the highest mean score. This indicates that loyalty cards were the reason for non-compliance that respondents most frequently agreed with. Since future research is envisaged to determine if significant differences exist between the views of corporate travellers and corporate travel managers on the reasons for non-compliance, the results of this study were briefly compared with the results from a survey amongst corporate travel managers in South Africa conducted in 2003. The time lapse between the two surveys makes them incomparable from a significance point of view, but nevertheless provides some foundation for pursuing research in this area. In the 2003 survey, seventy-eight per cent of **travel managers** said that last-minute bookings were a reason for non-compliance (compared with 42 per cent of **travellers** in the 2008 survey). In the 2003 survey, 69 per cent of **travel managers** said that unknowing infringement by travellers was a reason for non-compliance (compared with only 13 per cent of **travellers** in this survey), while 54 per cent of **travel managers** in 2003 indicated personal loyalty cards as being a reason for non-compliance (compared with 60 per cent of **travellers** in this survey) (Lubbe, 2003). The result on unknowing infringement is very interesting, since almost 70 per cent of **travel managers** in the 2003 survey thought that their travellers broke the travel policy unknowingly – thus, not on purpose. When **travellers** were asked the same question in the 2008 survey, only 13 per cent agreed that this was a reason for non-compliance. This

suggests that when travellers breach the travel policy, they do so knowingly and deliberately. Future research in this area is warranted.

Non-Compliance

The section on non-compliance dealt with the frequency with which problems in compliance are experienced, the areas in which difficulty is experienced, as well as the travellers' average rate of compliance with the corporate travel policy. The results from figure 5.16 show that 83 per cent of respondents experience problems in varying degrees in complying with the travel policy. Problems are most often encountered in the areas of travel approval procedures and choice of airline (figure 5.17). Sixty-seven per cent of respondents indicated that they experienced difficulty in complying with travel approval procedures. More than half of the respondents (53 per cent) said they never experienced difficulty in complying with the travel policy in the area of type of car, followed by choice of car rental company (47 per cent).

Figure 5.16: Experiencing problems in compliance (Question 13; n=193)

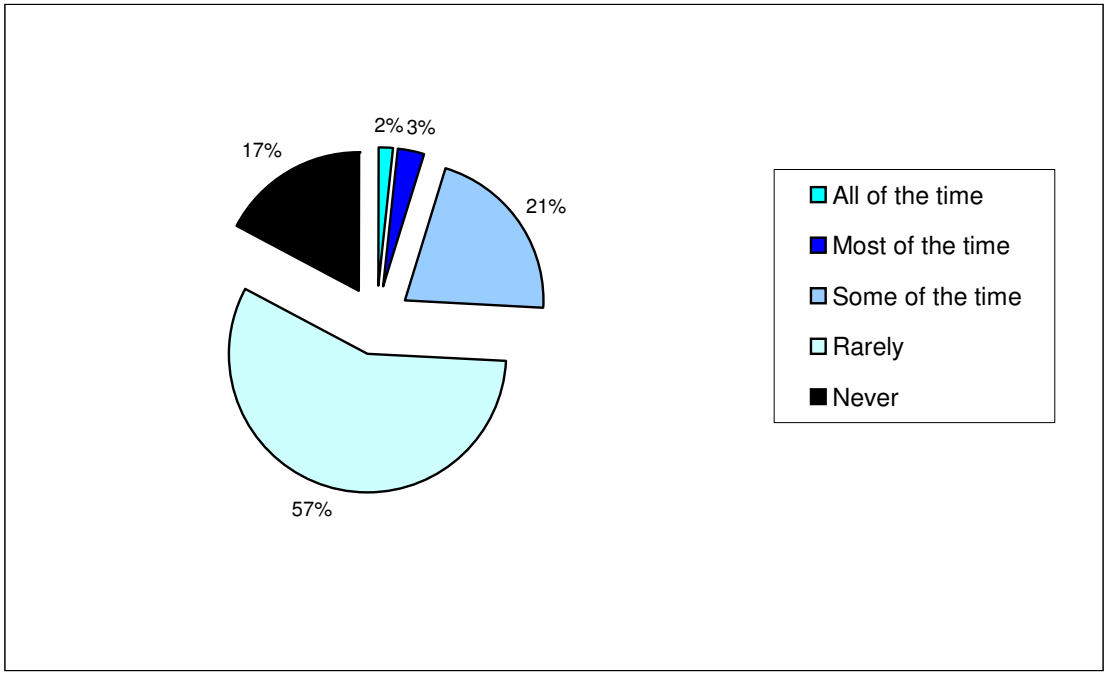
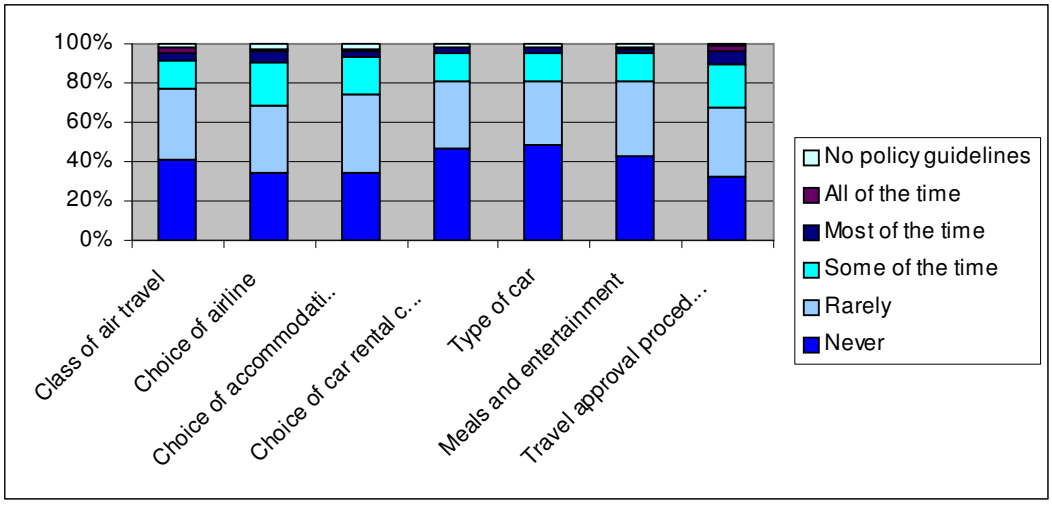


Figure 5.17: Difficulty to comply in the following areas (Question 14)



In question 16, respondents were asked what their approximate percentage of compliance with the travel policy was, and this emerged as 91 per cent. This means that travellers breach the travel policy 9 per cent of the time. This question was used to categorise travellers into high, medium and low compliance groups. These categories were used in the cross-tabulations, hypotheses tests and logistic regression model so as to assess the impact of various factors on each category of travellers.

Low compliance group: 0-84% compliance rate, where 0% can be regarded as never complying
Medium compliance group: 85-95% compliance rate
High compliance group: 96%+ compliance rate

Sixteen per cent of respondents fell into the low compliance group, 41 per cent into the medium compliance group and 43 per cent into the high compliance group.

Business Ethics

In this section, attention was paid to the corporate culture and perceived ethical nature of the organisation. The majority of respondents agreed that travellers in their organisations were generally policy compliant (figure 5.18), and the majority also described their organisations as bureaucratic (figure 5.19).

Figure 5.18: Travellers in my organisation are generally policy compliant (Question 17; n=192)

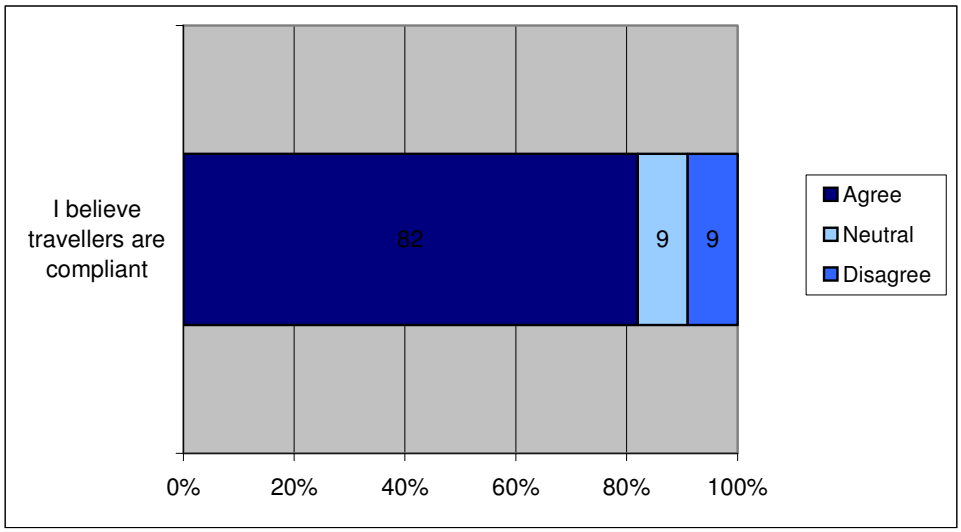
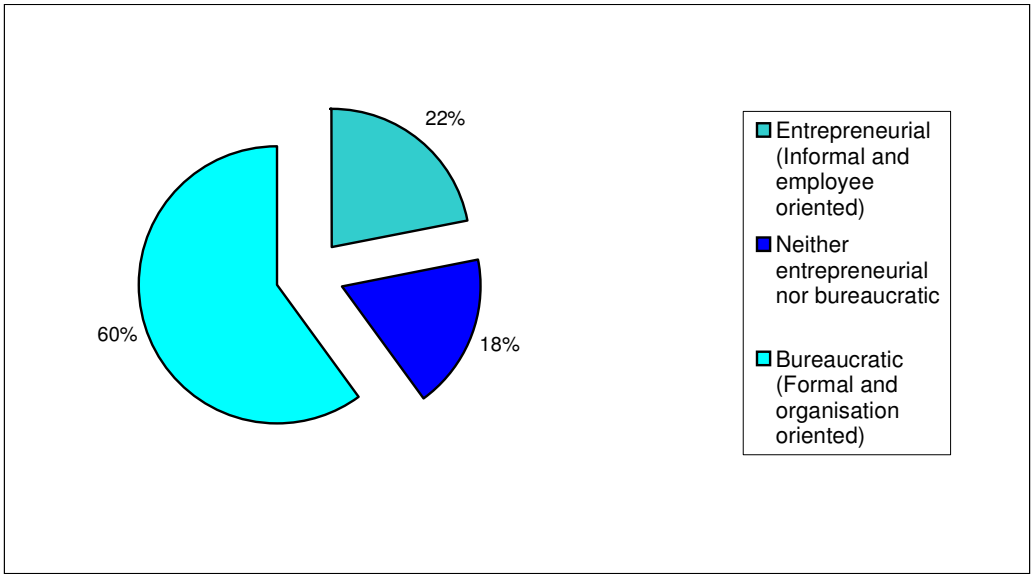


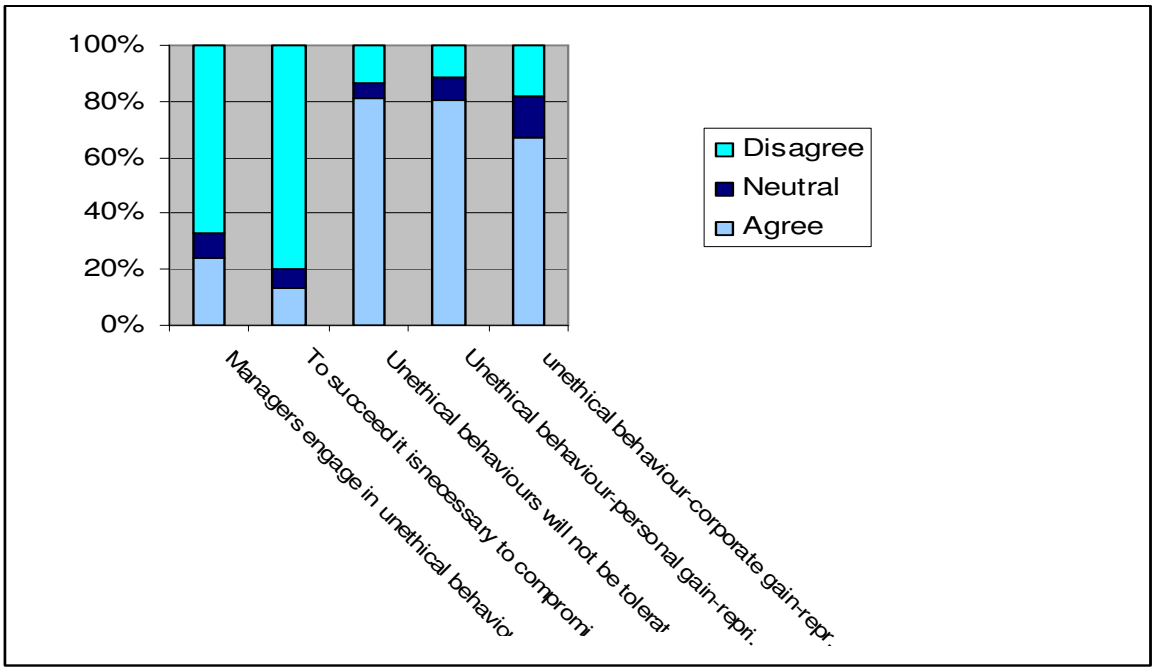
Figure 5.19: Description of my organisation (Question 18; n= 192)



With regard to business ethics (figure 5.20), it is necessary to highlight the following findings. Almost a quarter of respondents said that managers in their organisations often engage in behaviour that they consider to be unethical. What is more, eighty-one per cent of respondents indicated that their companies would not tolerate unethical behaviour, resulting in 14 per cent of respondents suggesting that their companies would tolerate unethical behaviour. Moreover, if a manager engaged in unethical behaviour culminating in personal gain, 81 per cent of respondents said that their companies would reprimand him,

but if a manager engaged in unethical behaviour resulting in corporate gain, only 67 per cent of respondents said that their companies would reprimand him.

Figure 5.20: Business Ethics (Question 19)



Organisational Injustice

The results on organisational injustice show that more than a quarter of respondents believe the travel policy to be unfair, because all travellers are not allowed the same treatment. A fifth of respondents feel that their organisation is insensitive to their safety needs. Almost half of respondents believe that corporate agreements with specific suppliers appear to be more important than the traveller's personal loyalty cards. Another 50 % of travellers also feel that their organisation is more concerned about money than the convenience of the traveller (figure 5.21). When comparing the mean scores of the statements on organisational injustice (table 5.4), it becomes evident that the statement with which most respondents agreed is: 'Corporate agreements with specific suppliers appear to be more important than personal loyalty cards.'

Figure 5.21: Organisational injustice (Question 20)

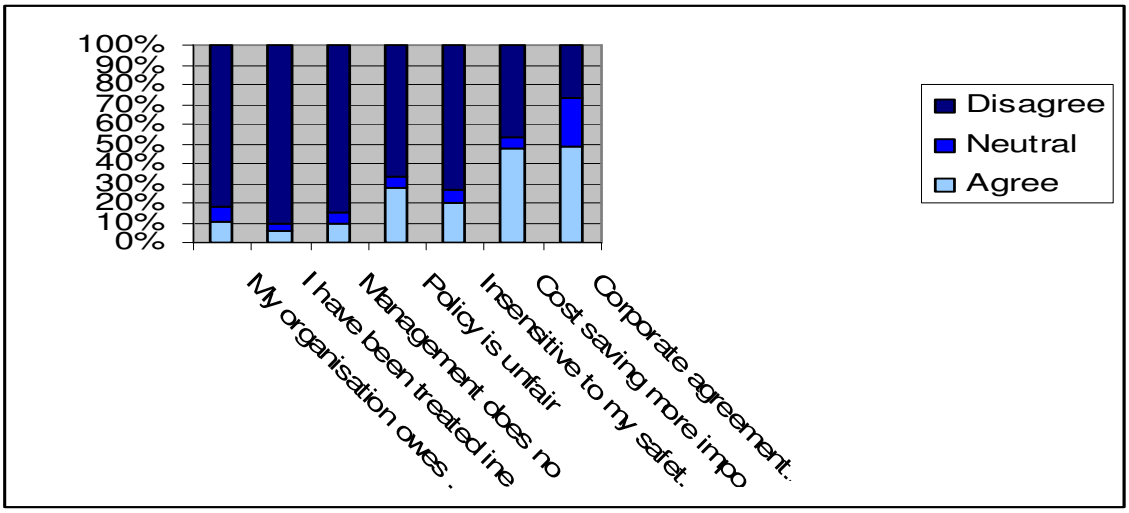


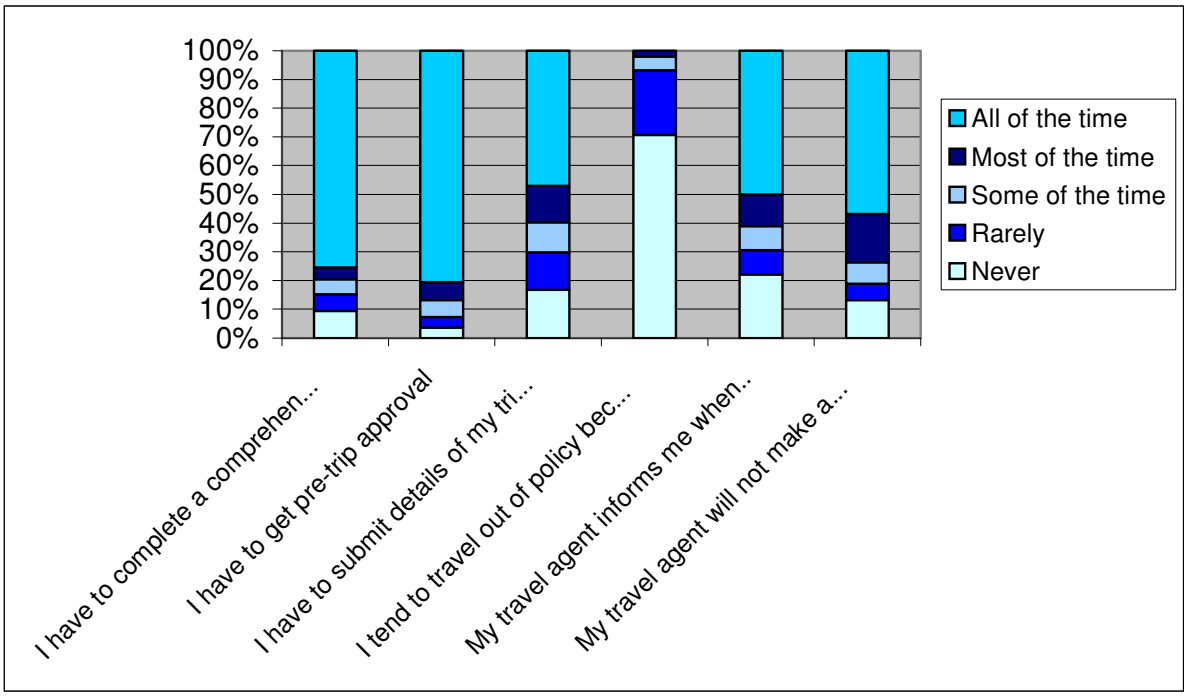
Table 5.4: Organisational injustice (Question 20)

STATEMENT	RANK	MEAN	STANDARD DEVIATION	VARIANCE	MEDIAN
Corporate agreements more important than loyalty cards	1	4.4474	1.8982	3.6030	4
Cost savings more important than traveller	2	4	2.0415	4.1675	4
Unfair travel policy	3	2.9115	1.9192	3.6832	2
Organisation is insensitive to safety needs	4	2.5497	1.8571	3.4488	2
My organisation owes me extra compensation	5	2.1302	1.5104	2.2814	2

Control Measures

The results on control measures (figure 5.22) showed that almost one quarter of travel agents never inform travellers when they make bookings that are in breach of policy. In other words, in some cases, the TMC will aid the traveller in not complying with the travel policy. What is more, a further 30 per cent of travellers said that they did not or rarely had to submit details of their trip for post-trip reviews. In reality, this means that a traveller has the opportunity to lie about the details of his/her trip because there is no control over whether he actually did what he said he would do during the pre-approval process. Almost 30 per cent of travellers indicated they tended to breach policy because there was very little control of the travel process.

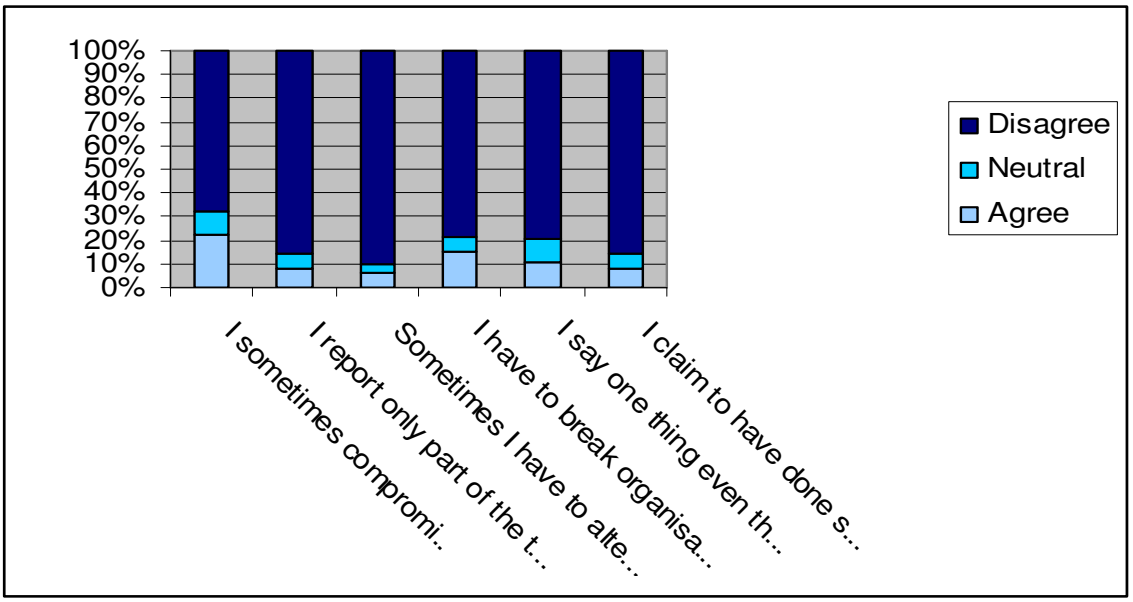
Figure 5.22: Control measures (Question 21)



Individual Morality

With regard to individual morality, it is necessary to highlight two findings shown in figure 5.23. First, 22 per cent of respondents agreed that they sometimes have to compromise their beliefs to do their jobs the way the organisation wants them to. This result reflects poorly on both the organisational culture and business ethics of some companies. Second, 15 per cent of travellers said that they had to break organisation policy to do what was necessary. Could this mean that travellers might also break the travel policy to do what is necessary for their organisations? If this is true, would it be fair if an organisation then reprimanded a traveller for breaking the travel policy?

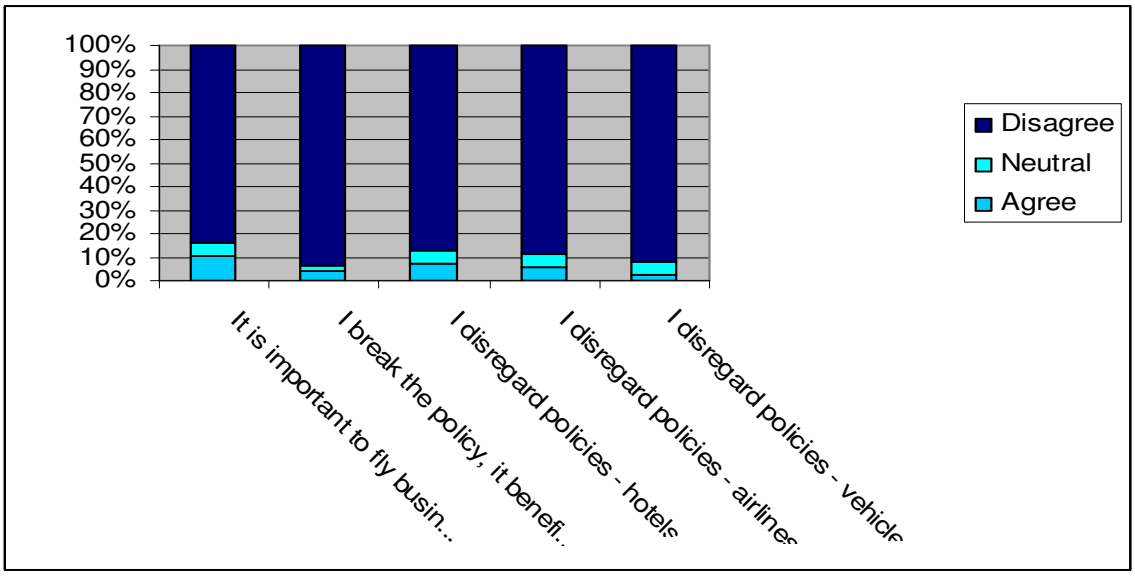
Figure 5.23: Individual morality (Question 22)



Self-Interest

As shown in figure 5.24, only a small number of respondents agreed with the statements relating to self-interest. The statement drawing the highest 'agree' response was that travellers feel it was important to fly business class, even if this was not allowed, in order to present a degree of status to their business colleagues.

Figure 5.24: Self-interest (Question 23)



Employee Satisfaction

Overall, employee satisfaction was measured on three levels: traveller satisfaction, job satisfaction and life satisfaction.

Traveller satisfaction

Overall, respondents were satisfied with the service providers as prescribed in their travel policies. Less than 15 per cent experienced a degree of dissatisfaction with the three respective suppliers (figure 5.25).

Figure 5.25: Level of satisfaction with the service providers (Question 24)

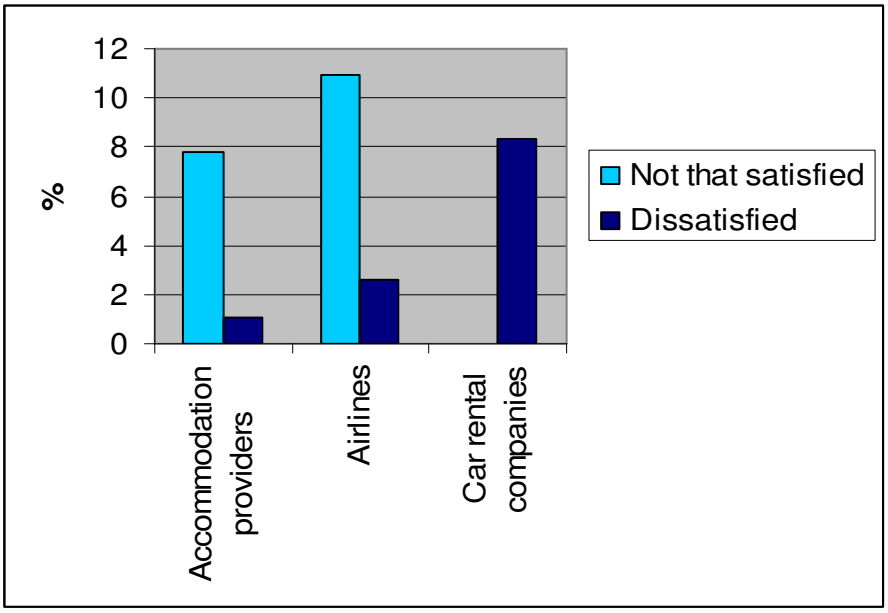


Figure 5.26: Importance of factors when travelling by air (Question 25)

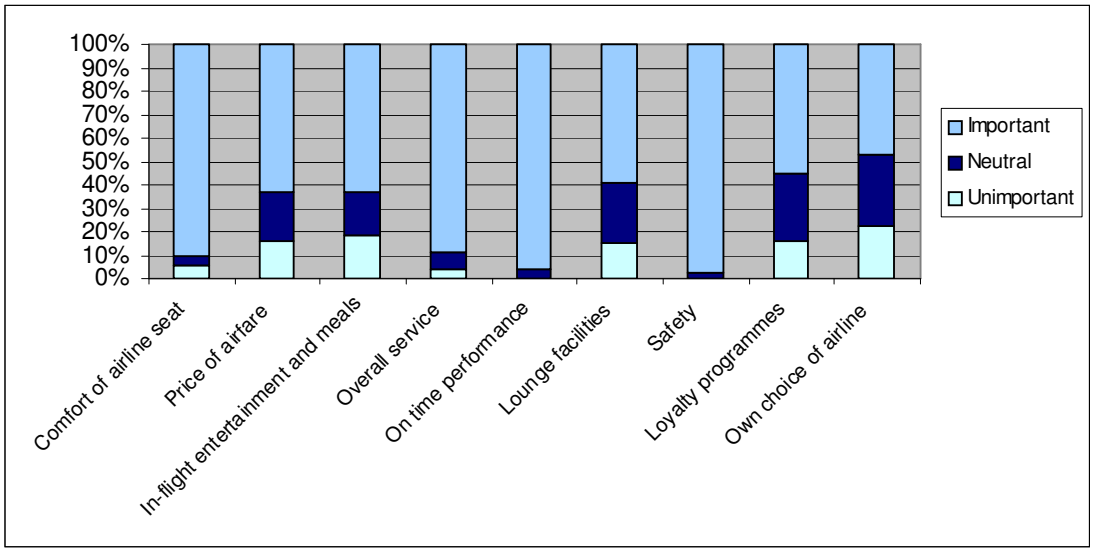


Table 5.5: Important factors when travelling by air (Question 25)

FACTOR	RANK	MEAN	STANDARD DEVIATION	VARIANCE	MEDIAN
Safety	1	4.8632	0.4013	0.1611	5
On-time performance	2	4.6198	0.5569	0.3102	5
Comfort of airline seat	3	4.5052	0.8313	0.6911	5
Overall service	4	4.2708	0.8247	0.6802	4
In-flight entertainment and meals	5	3.6354	1.0985	1.2067	4

From the above figure (5.26), it is evident that the most important factor when travelling by air is safety, followed by on-time performance and comfort of seat. Table 5.5 compares the mean scores of the factors and ranks them in order of importance.

Figure 5.27: Importance of factors - accommodation establishments (Question 26)

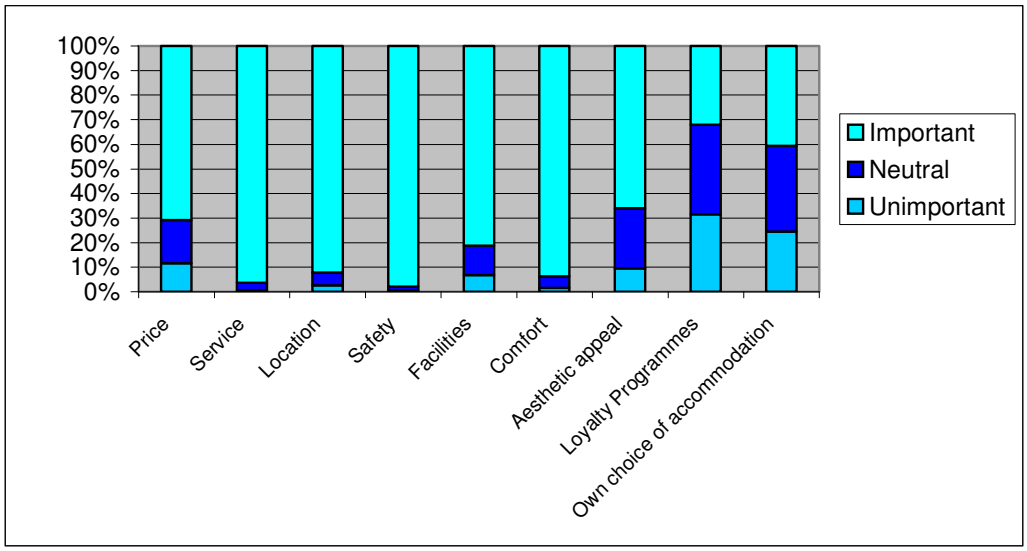


Table 5.6: Important factors with regard to accommodation establishments (Question 26)

FACTOR	RANK	MEAN	STANDARD DEVIATION	VARIANCE	MEDIAN
Safety	1	4.7435	0.5049	0.2549	5
Service	2	4.4323	0.5839	0.3409	4
Location	3	4.4062	0.7318	0.5356	5
Comfort	4	4.3125	0.6602	0.4358	4
Facilities	5	4.0833	0.8881	0.7888	4

From figure (5.27) it is evident that the most important factor when making use of accommodation establishments is safety, followed by service and location. Table 5.6 compares the mean scores of the factors and ranks them in order of importance.

Job satisfaction

Taking into consideration that job satisfaction might have an influence on policy compliance, as explained in chapter 3, it is necessary to take note of the following: less than 60 per cent of travellers were satisfied with their promotion opportunities, while only 75 per cent of respondents agreed that they were satisfied with their job security (figure 5.28). Table 5.7 compares the mean scores of the statements and ranks them according to the statement with which most respondents agreed.

Figure 5.28: Level of job satisfaction (Question 27)

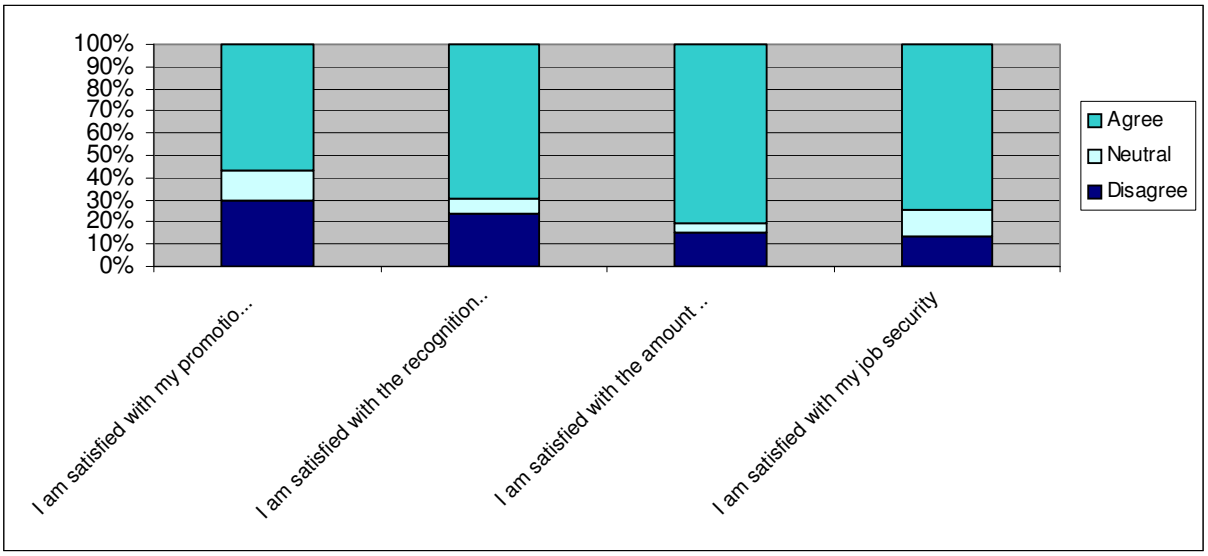


Table 5.7: Job satisfaction (Question 27)

FACTOR	RANK	MEAN	STANDARD DEVIATION	VARIANCE	MEDIAN
I am satisfied with the amount of say	1	5.3926	1.4895	2.2186	6
I am satisfied with my job security	2	5.2041	1.6141	2.6054	6
I am satisfied with the recognition	3	4.8958	1.7574	3.0885	5
I am satisfied with my promotion opportunities	4	4.5287	1.8087	3.2713	5

Life satisfaction

As is shown in figure 5.29, almost 90 per cent of travellers agreed with all the statements relating to life satisfaction. The only statement that rendered lower 'agree' responses was whether the traveller sees him/herself as an extrovert. Table 5.8 compares the mean scores of the statements, ranking them according to the statement with which most respondents agreed.

Figure 5.29: Life satisfaction (Question 28)

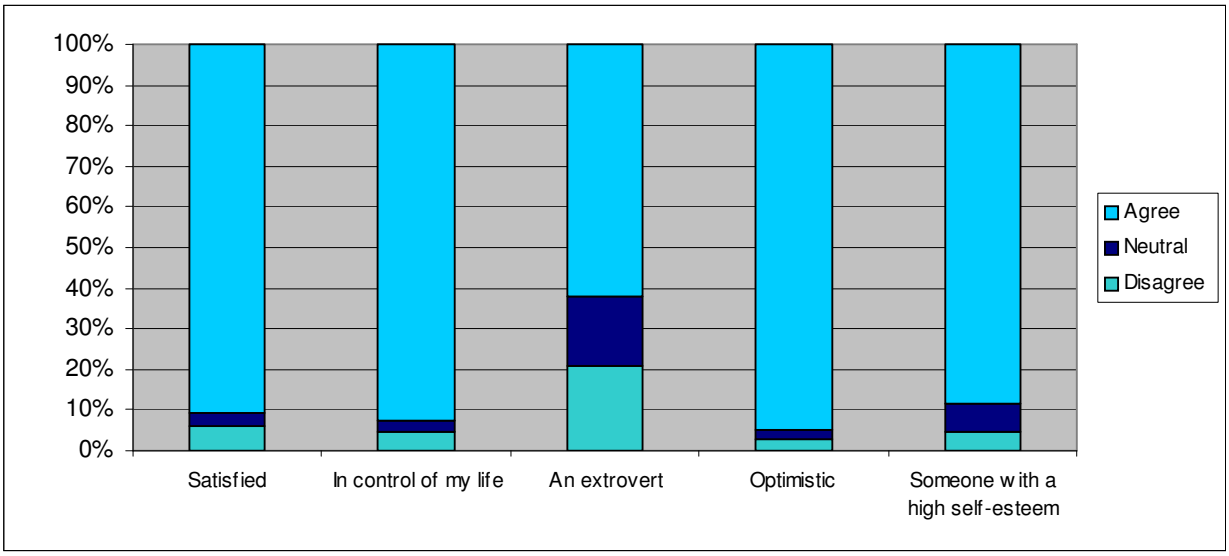


Table 5.8: Life satisfaction (Question 28)

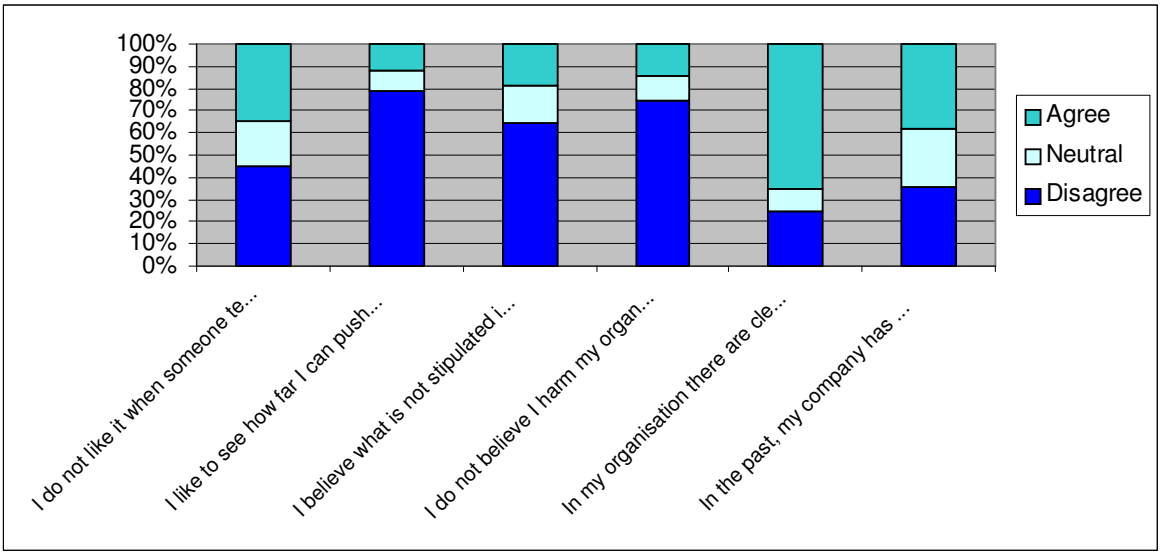
FACTOR	RANK	MEAN	STANDARD DEVIATION	VARIANCE	MEDIAN
Optimistic	1	5.8796	0.8530	0.7275	6
In control	2	5.8743	0.9597	0.9210	6
Someone with a high self-esteem	3	5.7958	1.0235	1.0476	6
Satisfied	4	5.6667	0.9833	0.9668	6
An extrovert	5	4.7	1.5599	2.4333	5

Employee Deviance

A number of the statements measuring employee deviance provided some meaningful results (figure 5.30). Thirty-five per cent of respondents agreed that they did not like it when someone told them what to do. Almost 20 per cent of respondents believed that what was not stipulated was allowed. Only 65 per cent indicated that there were consequences to non-compliance in their organisations, while a mere 38 per cent of respondents agreed that their companies had made an example of a non-compliant traveller. A number of statements also rendered high neutral responses. Twenty per cent of respondents neither agreed nor disagreed that they did not like it when someone told them what to do. A further 27 per cent did not agree or disagree that their company had made an example of a non-compliant traveller, and 17 per cent were neutral about the statement: 'I believe that what is not stipulated is allowed.' A deduction that could be

drawn from this is that travellers did not understand the statement, that they genuinely had a neutral opinion on the statement, or were uneasy about answering the statement truthfully, concerned that they might be identified.

Figure 5.30: Employee deviance



5.4 CROSS-TABULATION

A number of variables were cross-tabulated using chi-square tests for significance in order to determine the relationships between and among these variables. (Where more than 20 per cent of the cells had expected counts of less than 5, the Fisher's exact test was used instead). A number of relationships were found to be significant. Findings are presented in the table below. In question 16, respondents were asked to indicate their approximate percentage of compliance with the travel policy. The results of this question were cross tabulated with the results of a number of other questions. Only those tests that proved significant, with a p-value of less that 10 per cent, are shown in table 5.9. Although some of the results shown in table 5.9 fall outside the 5 % level of significance margin, it is still important to include them. Although statistically they might not indicate a significant relationship, they still show a tendency towards a correlation between two factors, and for this reason they were included in the findings. Where cells had low counts, categories were combined: for example, 'strongly disagree', 'disagree' and 'somewhat disagree' were combined to form 'disagree'.

From previous research (Douglas, 2005), and according to industry sources, the average rate of non-compliance in organisations can range between 10 and 20 per cent. For this research study, the following categorisations were made:

- Category 1: Low compliance rate (0 % - 84%; where 0 % can be regarded as never complying)
- Category 2: Average compliance rate (85% - 95%)
- Category 3: High compliance rate (96% +)

Table 5.9: The relationship between the rate of compliance and factors that could lead to non-compliance (row percentages are given)

		COMPLIANCE RATE			
		0%-84%	**85%-95%**	**96%+**	**P value**
FAIRNESS OF POLICY (Question 12→Question 16)	**Fair =** Fair + more fair than unfair	10.58	38.46	50.96	0.0576[1]
	Neutral	25.00	50.00	25.00	
	Unfair = More unfair than fair + unfair	20.00	42.00	38.00	
PROBLEMS IN COMPLIANCE (Question 13→Question 16)	**All of the time, most of the time, some of the time**	44.83	24.68	18.75	0.0184[2]
	Rarely	37.93	64.94	58.75	
	Never	17.24	10.39	22.50	
TRIP DETAILS CHANGE (Question 15.11→Question 16)	**Disagree =** Strongly disagree + disagree + somewhat disagree	4.88	34.15	60.98	0.0001[3]
	Neutral	12.12	42.42	45.45	
	Agree = Strongly agree + agree + somewhat agree	30.00	50.00	20.00	
MANAGEMENT DOES NOT COMPLY (Question 15.14→Question 16)	**Disagree =** Strongly disagree + disagree + somewhat disagree	7.94	40.48	51.59	0.0001 (Fisher's Exact test: P=3.393E-05) [4]
	Neutral	29.03	54.84	16.13	
	Agree = Strongly agree + agree + somewhat agree	34.48	31.03	34.48	

TO PRESENT A DEGREE OF STATUS IT IS IMPORTANT TO FLY BUSINESS CLASS (Question 23.1→Question 16)	**Disagree =** Strongly disagree + disagree + somewhat disagree	13.46	39.74	46.79	0.0536 (Fisher's Exact test: P=0.0790)[5]
	Neutral	20.00	70.00	10.00	
	Agree = Strongly agree + agree + somewhat agree	30.00	40.00	30.00	
COMMUNICATION METHOD OF POLICY (Question 9→Question 16)	**Single written document**	10.00	35.00	55.00	0.0409[6]
	Regular memorandums	16.28	30.23	53.49	
	Online	13.21	45.28	41.51	
	Other = Word of mouth, no communication, I do not know	35.29	52.49	11.76	
LEVEL OF UNDERSTANDING OF POLICY (Question 10→Question 16)	**Not at all, More or less**	21.79	43.59	34.62	0.0586[7]
	Very Well	11.11	39.81	49.07	
I LIKE TO SEE HOW FAR I CAN PUSH THE BOUNDARIES (Question 29.2→Question 16)	**Disagree =** Strongly disagree + disagree + somewhat disagree	12.33	45.21	42.47	0.0015 (Fisher's Exact test: P=0.0026)[8]
	Neutral	42.11	36.84	21.05	
	Agree = Strongly agree + agree + somewhat agree	14.29	19.05	66.67	
I TEND TO TRAVEL OUT OF POLICY BECAUSE OF LITTLE CONTROL (Question 21.4→Question 16)	**Never**	12.21	35.88	51.91	0.0001 (Fisher's Exact test: P=1.084E-04)[9]
	Rarely	16.67	61.90	21.43.	
	Some of the time, most of the time, all of the time	50.00	33.33	16.67	
IMPORTANCE OF SAFETY WHEN TRAVELLING BY AIR (Question 25.7→Question 16)	**Neutral**	0.00	100.0	0.00	0.0569 (Fisher's Exact test: 0.0928)[10]
	Important	16.02	40.33	43.65	

The results in table 5.9 show the following:

1. The compliance rate in an organisation is higher when the travellers view the travel policy as fair, with more than 50 per cent of respondents who believe the policy to be fair in the high compliance category, as opposed to only 11 per cent of respondents who believe the policy is fair in the low compliance category. Of those who fall into the

low compliance category, almost twice as many (20 per cent) say the travel policy is unfair as opposed to fair (11 per cent).

2. The more frequent problems in compliance are experienced, the higher the instance of non-compliance is. Forty-five per cent of travellers who experienced problems in compliance all the time, most of the time or some of the time, belong to the low compliance group as opposed to only 19 per cent in the high compliance group. Furthermore, while forty-five per cent of travellers belonging to the low compliance group experienced problems in compliance all the time, most of the time or some of the time, 17 per cent falling into the low compliance group never experienced problems in compliance.
3. Travellers who disagreed that changing trip details might be a possible reason for non-compliance are more likely to comply with the travel policy. While more than 60 per cent of respondents who disagreed that changing trip details might be a possible reason for non-compliance fall in the high compliance group, only 5 per cent of the low compliance group disagreed with the statement. It is also of value to note that, of those travellers who agreed that changing trip details might be a possible reason for non-compliance, almost 30 per cent fall into the low compliance category, and 50 per cent into the average compliance category.
4. Similarly, those travellers who disagreed that they did not want to comply with the policy because management did not comply were more likely to comply with the travel policy, with 52 per cent of respondents disagreeing with the statement in the high compliance category, as opposed to only 8 per cent of the low compliance category. Again, it is interesting to note that of those who agreed with the statement, more than one-third fall within the low compliance category. While only 8 per cent of the low compliance group disagreed that they did not want to comply with the policy because management did not do so, 35 per cent of this group agreed with the statement.
5. While 47 per cent of travellers who disagreed that it was important to fly business class to present a degree of status to business colleagues even if this breached policy fell in the high compliance group, only 14 per cent of the low compliance category disagreed with the statement. Seventy per cent of travellers who agreed that it was important to fly business class to present a degree of status even if this breached policy, fall into the low and medium compliance categories. Thus, the more a traveller disagreed that it was important to fly business class to present a degree of status to business

colleagues even if this flouted policy, the more likely he was to comply with the travel policy.

6. Fifty-five per cent of respondents who said that their travel policy was communicated mainly as a single written document belonged to the high compliance category, as opposed to 10 per cent in the low compliance category. Thus, travellers are more likely to comply with the policy when it is distributed as a single written document. Moreover, 35 per cent of travellers who said that their travel policy was communicated primarily by means of other methods such as word of mouth fell in the low compliance category. It can therefore be said that the most effective method for communicating the policy is as a single written document, while the most ineffective method is to use other forms of communication such as word of mouth.
7. Travellers who understand the policy very well are more likely to comply with the policy than those who understand it partly or not at all. Forty-nine per cent of travellers who understood the travel policy very well fell within the high compliance group, as opposed to only 11 per cent in the low compliance group. Non-compliance decreases as the level of understanding of the travel policy increases, with 22 per cent of the low compliance group indicating that they knew the policy more or less or not at all, as opposed to only 11 per cent of the low compliance group who understood the policy very well.
8. Of the travellers who agreed that they like to see how far they can push the boundaries, 67 per cent fall within the high compliance category, as opposed to 14 per cent in the low compliance group. While 67 per cent of the high compliance group agreed with the statement, only 43 per cent disagreed with it. This might mean that although an individual likes to see what they can get away with, it does not necessarily mean that they will breach the travel policy.
9. The more frequently a traveller tends to travel in defiance of the policy because there is little control of the travel process; the more likely he is to fall into the low compliance category. Fifty-two per cent of travellers who said that they never tended to travel in breach of policy because there was little control of the travel process were in the high compliance category as opposed to only 17 per cent of this category who tended to sometimes, mostly or always travel in breach of policy. Furthermore, 50 per cent of the low compliance category sometimes, mostly or always tended to travel in breach of policy, while 12 per cent of the low category never tended to do so because there was little control of the travel process.

10. The more important air safety is to a traveller, the more likely s/he is to comply with the travel policy. Forty-four per cent of travellers who indicated the importance of safety when travelling by air, fall into the high compliance category, as opposed to only 16 per cent in the low compliance category. Furthermore, 100 per cent of respondents who had neutral opinions on safety when travelling by air belonged to the medium compliance group.

A significant relationship ($P < 0.0259$) was also indicated between frequency of international trips and preference of travellers to use airlines where they are loyalty cardholders. Seventy- one per cent of the travellers who agreed that they preferred to use airlines where they were loyalty cardholders belonged to the frequent traveller group (4-30 flights), while 51 per cent belonged to the infrequent traveller group. Thus, loyalty card programmes are more important to frequent international travellers than to infrequent international travellers.

5.5 HYPOTHESES TESTING

Two hypotheses have been developed for this research study:

H_1: Personal-related factors influence policy compliance

$H_{2:}$ Corporate-related factors influence policy compliance

Since the personal-related-factors-construct and corporate-related-factors-construct are made up of a number of individual factors, the hypotheses as stated above cannot be tested in their entirety and require to be further divided into sub-hypotheses. These sub-hypotheses are presented together with their null hypotheses:

$H_{1a:}$ An ineffective travel policy leads to a higher incidence of travel policy non-compliance.
H_0: An ineffective travel policy has no influence on policy compliance.

$H_{1b:}$ A perceived lack of business ethics leads to a higher incidence of travel policy non-compliance.
$H_{0:}$ A perceived lack of business ethics has no influence on policy compliance.

$H_{1c:}$ Perceived organisational injustice leads to a higher incidence of travel policy non-compliance.
$H_{0:}$ Perceived organisational injustice has no influence on policy compliance.

$H_{1d:}$ A lack of control measures leads to a higher incidence of travel policy non-compliance.
$H_{0:}$ A lack of control measures has no influence on policy compliance.

$H_{2a:}$ Individual immorality leads to a higher incidence of travel policy non-compliance.
$H_{0:}$ Individual immorality has no influence on policy compliance.

$H_{2b:}$ Self-interest leads to a higher incidence of travel policy non-compliance.
$H_{0:}$ Self-interest has no influence on policy compliance.

$H_{2c:}$ Traveller dissatisfaction leads to a higher incidence of travel policy non-compliance.
$H_{0:}$ Traveller dissatisfaction has no influence on policy compliance.

$H_{2d:}$ Job dissatisfaction leads to a higher incidence of travel policy non-compliance.
$H_{0:}$ Job dissatisfaction has no influence on policy compliance.

$H_{2e:}$ Life dissatisfaction leads to a higher incidence of travel policy non-compliance.
$H_{0:}$ Life dissatisfaction has no influence on policy compliance.

$H_{2f:}$ Employee deviance leads to a higher incidence of travel policy non-compliance.
$H_{0:}$ Employee deviance has no influence on policy compliance.

The internal consistency reliability for each factor was computed first in order to assess the degree to which instrument items are homogeneous and reflect the same underlying constructs. To measure this, Cronbach's Alpha was used. Teo and King (1996) and Malhotra (1993) suggest that a Cronbach's Alpha coefficient equal to 0.60 or more is desirable for internal consistency reliability. Certain questionnaire items were reverse-scored to calculate the Cronbach's Alpha. These items were: 19.3; 19.4; 19.5; 21.4; 29.5 and 29.6. Table 5.10 provides a summary of the Cronbach's Alpha scores for the questions. From the table it is evident that only question 29 did not present a desirable score. Further tests were done to see whether the Cronbach Alpha scores would increase

should certain items be removed from the individual questions. Column three in table 5.10 indicates those variables which were deleted from a question because it resulted in a higher Cronbach Alpha score.

Table 5.10: Cronbach's Coefficient Alpha scores

Question	Cronbach Coefficient Alpha	Deleted Variables
15	0.860745	15.4
19	0.756704	19.3
20	0.786995	20.7
21	0.690963	21.3; 21.4
22	0.792869	22.3
23	0.789594	23.1
24	0.735811	
25	0.718859	25.2; 25.5; 25.7
26	0.763416	26.1; 26.3; 26.4
27	0.829362	
28	0.711582	
29	0.517805	

As question 29 measuring the employee deviance construct did not present an acceptable Cronbach's Alpha score, it could not be used to test $H_{2f.}$ Table 5.11 presents the various questions used to test the different sub-hypotheses as mentioned above.

Table 5.11: Questions used to test hypotheses

CONSTRUCTS	QUESTIONS	HYPOTHESES
NON-COMPLIANCE	16	H1+ H2
TRAVEL POLICY	15	H1a
BUSINESS ETHICS	19	H1b
ORGANISATIONAL INJUSTICE	20	H1c
CONTROL MEASURES	21	H1d
INDIVIDUAL MORALITY	22	H2a
SELF-INTEREST	23	H2b
EMPLOYEE SATISFACTION Traveller satisfaction Job satisfaction Life satisfaction	 24; 25; 26 27 28	 H2c H2d H2e

The results of the hypotheses tests are provided in table 5.12 below and discussed after the table. All the hypotheses were tested using the Kruskal Wallis test.

Table 5.12: Hypotheses tests

HYPOTHESIS	CATEGORIES OF COMPLIANCE	MEAN	MEDIAN*	STANDARD DEVIATION	P VALUE
1a	Low Medium High	3.9015 3.2059 2.7280	4.1429[a] 3.0714[b] 2.6071[c]	1.0084 0.8954 0.9251	0.0000
1b	Low Medium High	2.5862 2.7045 2.5656	2.5000 2.2500 2.2500	1.0696 1.4100 1.2175	0.9160
1c	Low Medium High	2.8908 2.6818 2.2938	2.3333 2.5000 2.0833	1.5851 1.1841 0.9068	0.0954
1d	Low Medium High	3.7672 4.0519 4.3354	4.0000[a] 4.5000[a] 5.0000[b]	1.1179 1.0133 0.9780	0.0037
2a	Low Medium High	2.4897 2.2312 2.1000	2.2000 2.0000 2.0000	1.1815 1.1305 0.9824	0.3530
2b	Low Medium High	2.2758 1.8571 1.6188	1.7500[ab] 2.0000[a] 1.2500[b]	1.4211 0.8075 0.7568	0.0444
2c (question 24)	Low Medium High	3.6897 3.8095 3.9625	4.0000 4.0000 4.0000	0.6954 0.7324 0.6582	0.2335
2c (question 25)	Low Medium High	3.8678 3.8290 3.7468	3.8333 3.8333 3.8333	0.6992 0.5911 0.7349	0.6463
2c (question 26)	Low Medium High	3.9828 3.7294 3.7625	3.8333 3.8333 3.6667	0.5258 0.6100 0.6665	0.3871
2d	Low Medium High	4.9138 5.0130 5.1313	4.7500 5.5000 5.2500	1.2558 1.4361 1.2170	0.7129
2e	Low Medium High	5.5241 5.5091 5.6294	5.6000 5.6000 5.8000	0.7827 0.7302 0.7615	0.3974

* Superscripts with different letters indicate a significant difference between medians on a 10 % level of significance.

H_{1a}: An ineffective travel policy leads to a higher incidence of travel policy non-compliance.

The Kruskal Wallis test presented an acceptable P value < 0.0001. When the multiple comparisons test was done, significant differences were shown between the high, medium and low compliance groups. In table 5.12, hypothesis 1_a shows that when comparing the median scores from question 15, it is evident that the low compliance group acquired a higher median score than the high compliance group. Similarly, the medium compliance group also obtained a higher median score than the high compliance group, while the low compliance group attained an even higher median score than the medium compliance group. This means that the more ineffective the travel policy is, the lower compliance with the travel policy will be. H_0 can thus be rejected, because an ineffective travel policy has an influence on policy compliance. An ineffective travel policy does lead to a higher incidence of travel policy non-compliance.

H_{1c}: Perceived organisational injustice leads to a higher incidence of travel policy non-compliance.

The Kruskal Wallis test resulted in an acceptable P value < 0.0954. Although this is above the 5 % level of significance, it still shows a tendency. The multiple comparisons test did not show any significant differences between the different compliance groups, but when comparing the mean scores of the low, medium and high compliance groups for hypothesis 1_c in table 5.12, it becomes evident that the low compliance group had a higher mean score than the medium and high compliance groups. Similarly, the medium compliance group had a higher mean score than the high compliance group. This result shows that when a traveller perceives organisational injustice, compliance with the travel policy will be lower. H_0 can thus be rejected, because perceived organisational injustice has an influence on policy compliance. Perceived organisational injustice does lead to a higher incidence of travel policy non-compliance.

H_{1d}: A lack of control measures leads to a higher incidence of travel policy non-compliance.

The Kruskal Wallis test rendered a significant P value < 0.0037. The multiple comparisons test showed significant differences between the low and high compliance groups and between the medium and high compliance groups. When comparing the median scores from question 21, the low compliance group had a lower median score than the high

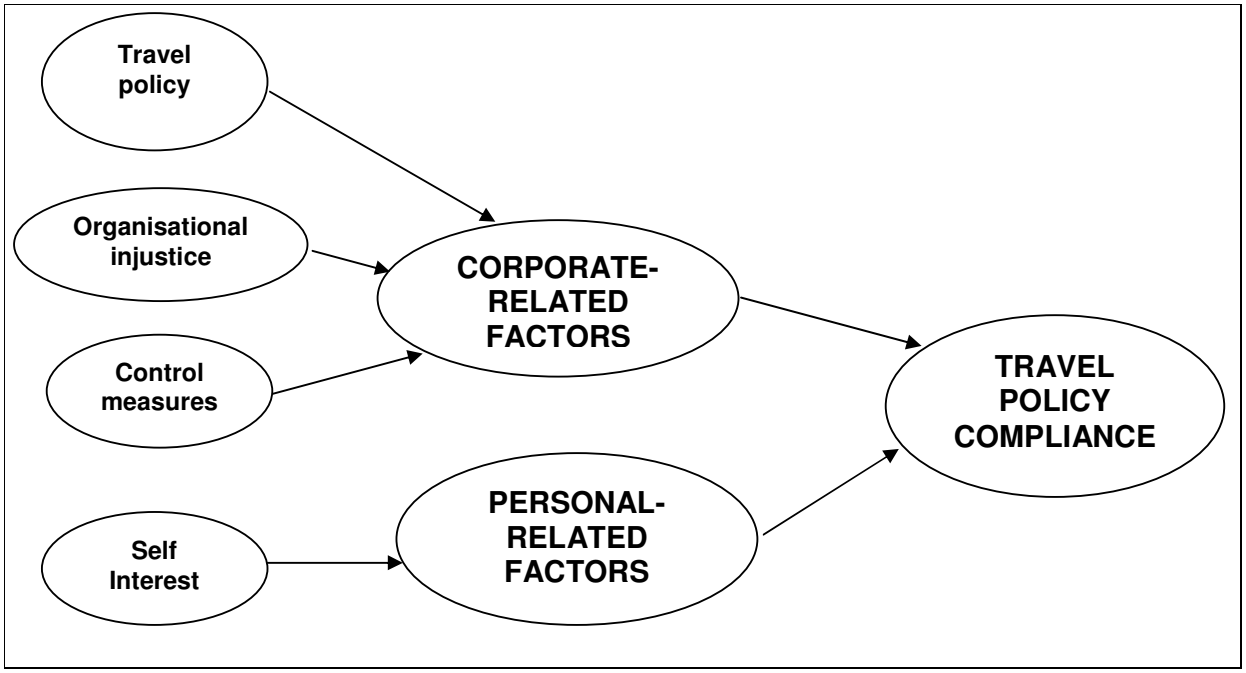
compliance group. Similarly, the medium compliance group obtained a lower median score than the high compliance group. This signifies that the less control there is of the corporate travel process, the higher non-compliance will be. H_0 can thus be rejected, as a lack of control measures does have an influence on policy compliance. A lack of control measures does lead to a higher incidence of travel policy non-compliance.

H_{2b}: Self-interest leads to a higher incidence of travel policy non-compliance.

This hypothesis showed an acceptable P value < 0.0444. The multiple comparisons test showed a significant difference between the medium and high compliance group. The median scores from hypothesis 2_b in table 5.12 point out that the medium compliance group had a higher median score that the high compliance group. This shows that a traveller intent on serving his/her own purpose will be less compliant with the travel policy. H_0 can thus be rejected, as the results show that self-interest has an influence on policy compliance. Self-interest does lead to a higher incidence of travel policy non-compliance.

In viewing the significant results described in this section, the conceptual model for policy compliance illustrated in figure 3.4 should be adapted as follows:

Figure 5.31: Model of corporate travel policy compliance



At this stage it is important to point out that although only the hypotheses discussed above can be rejected statistically, this does not mean that if the research were replicated the other hypotheses would fail to be rejected. Given the limitations inherent in the sample, the results may differ should a different or larger sample be used. The literature review suggests that relationships exist between compliance and the various factors as tested above, and for this reason the researcher is of the opinion that further studies are essential before a final model can be regarded as scientifically valid and reliable.

5.6 LOGISTIC REGRESSION MODELLING

Two types of regression models were specified in section 4.10.4. In assessing the magnitude of influence of personal- and corporate-related factors on policy compliance, a multinomial logistic regression model for a polytomous dependent variable was specified. Multinomial logistic regression is an appropriate technique for classification when the dependent variables are more than two choices. Corporate travellers were divided into three categories: high compliance, low compliance and medium compliance. These were the categorical dependent variables in the multinomial logistic regression model, where the estimated probability (converted to odds) of compliance predicted by certain personal- and corporate- related factors is the outcome of the maximum likelihood function. In other words, the respondents' rate of compliance with the travel policy was considered as a function of corporate- and personal-related factors such as employee satisfaction, organisational injustice, self-interest and others.

Table 5.13 summarises the questions to be used as input into the forward stepwise model.

Table 5.13: Questions used as input into the forward stepwise model

CONSTRUCTS	QUESTIONS
NON-COMPLIANCE	16
TRAVEL POLICY	15
BUSINESS ETHICS	19
ORGANISATIONAL INJUSTICE	20
CONTROL MEASURES	21
INDIVIDUAL MORALITY	22
SELF-INTEREST	23
EMPLOYEE SATISFACTION Traveller satisfaction Job satisfaction Life satisfaction	 24; 25; 26 27 28

Because question 29 and some other questionnaire items did not provide acceptable Cronbach's Alpha scores (refer back to table 5.10), a decision had to be made whether to use the items as individual inputs into the model or whether to exclude them from the model. To support the decision, chi-square tests were done to ascertain whether significant relationships existed between each of these questionnaire items and compliance. The rationale behind this reasoning was that if the chi-square test showed a relationship between the item and compliance, the model would also probably highlight the relationship. If no relationship existed according to the chi-square test; the model would possibly also not show a relationship. The chi-square tests showed significant relationships between compliance and questions 21.4; 23.1; 25.2; 25.7; 26.1; 26.4; 29.2. It was decided to use all the items except for 29.2 as individual inputs into the forward stepwise model. Although 29.2 showed a significant P-value < 0.0026, the results indicated that travellers might have understood the question differently. The chi-square test pointed out that of the travellers who agreed that they liked to see how far they could push the boundaries, 67 per cent fell within the high compliance category. This might mean that although an individual likes to see what they can get away with, it does not necessarily mean that they will breach the travel policy. For this reason, question 29.2 was excluded from the forward stepwise model.

Even though question 15.4 gave a P-value < 0.2560, it was decided to use it as an individual input into the model. Loyalty card programmes have been shown to have a significant influence on policy compliance (Campbell, 2002; Mason, 1999; Arnesen *et al.*, 1997). The reasons why a significant relationship between compliance and loyalty programmes has not been shown in this research study might be threefold: first, the question wording was not very clear. The statement read: 'I prefer to use airlines where I am a loyalty cardholder.' Respondents might have argued that although they prefer to use airlines where they are loyalty cardholders, this does not mean that they break the policy to do so. Second, in South Africa, most organisations have supplier agreements in place with South African Airways. So if a respondent is a loyalty card member of South African Airways, he/she will be guaranteed to accumulate Voyager miles on most of his/her flights. Third, research shows that loyalty cards are becoming less important to consumers. It is likely that a traveller will belong to more than one loyalty programme, meaning that loyalty programmes will no longer be the deciding factor when choosing an airline. None the less, the literature did show a meaningful correlation between loyalty programmes and

compliance and, for this reason, the questionnaire item was used as an individual input into the model.

The original model for policy compliance was separated into two models: a corporate and a personal model. The results of the corporate model will be discussed first.

5.6.1 Corporate logistic regression model

The final model chi-square statistic tests the null hypotheses that all model coefficients are zero in the population, equivalent to the overall F test in regression. Because $p < 0.05$, the null hypothesis can be rejected; thus, at least some effect in the model is significant (see Table 5.14). Pseudo R-square measures (Table 5.15) try to measure the amount of variation (as functions of the chi-square lack of fit) accounted for by the model. The model explains only a modest amount of variation (the maximum is 1).

Table 5.14: Model Fit Summary (Corporate)

Model Fitting Information

Model	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	375.149			
Final	329.760	45.389	6	.000

Table 5.15: Pseudo R-Square Summary (Corporate)

Pseudo R-Square

Cox and Snell	.219
Nagelkerke	.251
McFadden	.121

Table 5.16: Likelihood Ratio Tests (Corporate)

Likelihood Ratio Tests

Effect	Model Fitting Criteria: -2 Log Likelihood of Reduced Model	Likelihood Ratio Tests: Chi-Square	df	Sig.
Intercept	329.760[a]	.000	0	.
VV21_4	343.067	13.307	4	.010
MEANQ15	352.772	23.012	2	.000

The chi-square statistic is the difference in -2 log-likelihoods between the final model and a reduced model. The reduced model is formed by omitting an effect from the final model. The null hypothesis is that all parameters of that effect are 0.

a. This reduced model is equivalent to the final model because omitting the effect does not increase the degrees of freedom.

In the Likelihood Ratio Tests table (5.16), a test of significance for each effect after adjusting for the other effects in the model is given. The caption explains how it is calculated. Question 21.4 and the mean of question 15 are highly significant.

Table 5.17: Parameter Estimates (Corporate)

Parameter Estimates

VV16[a]		B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B): Lower Bound	Upper Bound
0-84	Intercept	-3.483	1.355	6.604	1	.010			
	[VV21_4=1 NEVER]	-1.689	.930	3.300	1	.069	.185	.030	1.143
	[VV21_4=2 RARE]	-.735	1.024	.514	1	.473	.480	.064	3.572
	[VV21_4=3,4SOME]	0[b]	.	.	0	.	.	.	.
	MEANQ15	1.171	.269	18.961	1	.000	3.227	1.904	5.467
85-95	Intercept	-1.156	1.125	1.055	1	.304			
	[VV21_4=1 NEVER]	-.685	.911	.566	1	.452	.504	.085	3.003
	[VV21_4=2 RARE]	.623	.967	.415	1	.519	1.865	.280	12.413
	[VV21_4=3,4SOME]	0[b]	.	.	0	.	.	.	.
	MEANQ15	.505	.195	6.697	1	.010	1.658	1.130	2.431

a. The reference category is: 96+ .

b. This parameter is set to zero because it is redundant.

The parameter estimates table (5.17) contains the coefficient information for the parameters in the model. There are two sets of parameters. One set is for the probability ratio of the ‘low compliance category’ to the ‘high compliance category’ which is labelled ‘0-84’. The other set is for the probability ratio of ‘medium compliance category’ to ‘high compliance category’ labelled ‘85-95’. For each of the two outcome probability ratios, each

predictor is listed, plus an intercept, with the estimated B coefficients and their standard errors; a test of significance based on the Wald statistic; and the Exp (B) column, which is the exponentiated value of the estimated B coefficient, along with its 95 % confidence interval. These coefficients are interpreted as estimates for the effect of a particular variable, controlling for the other variables in the equation. The intercept represents the log of the expected probability ratio of two outcome categories when all covariates are zero and all factor variables are set to their reference category values. For covariates, the B coefficient is the effect of a one-unit change in the independent variable on the log of the probability ratio. Question 15 was used to measure the effectiveness of the corporate travel policy. The higher the mean of question 15 is, the more ineffective the travel policy is. Examining the mean of question 15, for every unit increase in the mean of question 15, the odds not to comply (0-84%) increase 3.2 times. For every unit increase in the mean of question 15, the odds to not comply (85-95%) increase 1.7 times. Thus, the more a traveller agrees that the travel policy is inadequate, the more likely s/he is to breach the travel policy.

The multinomial logistic regression procedure uses a General Linear Model coding scheme. Thus, for each categorical predictor (here 21.4), the last category value is made the reference category and the other coefficients for that predictor are interpreted as offsets from the reference category. In examining the table, it is evident that the last category for 21.4 has B coefficients fixed at 0. Because of this, the coefficient of any other category can be interpreted as the change associated with shifting from the reference category to the category of interest, controlling for other predictors. Question 21 measured the control of the travel process with question 21.4 testing the statement: 'I tend to travel out of policy (not according to policy stipulations) because there is very little control of the travel process.' Interpreting the above table, it becomes evident that when compared to the low compliance category (0-84%), the odds are approximately 5.4 (1 / 0.185) times higher to comply (96%+) if a person says that s/he never travels out of policy because there is very little control of the travel process (question 21.4), compared to when a person travels some/most/all of the time out of policy because of very little control over the travel process. Thus, the odds to comply increase as a person marks lower in 21.4.

Table 5.18: Classification Table (Corporate)

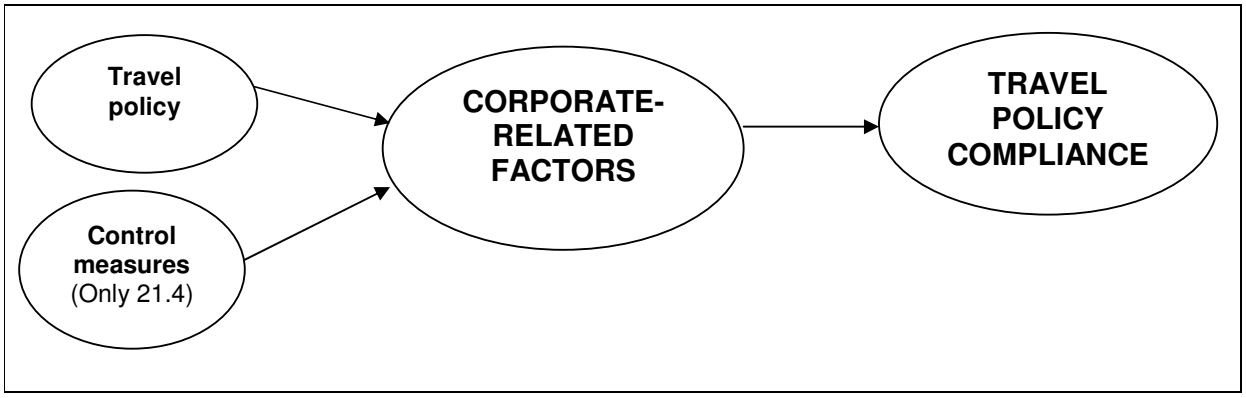
Classification

Observed	Predicted			
	0-84	85-95	96+	Percent Correct
0-84	7	14	8	24.1%
85-95	4	40	32	52.6%
96+	1	24	54	68.4%
Overall Percentage	6.5%	42.4%	51.1%	54.9%

The classification table (table 5.18) provides a measure of how well the model performs. With three outcome categories we are interested in the overall accuracy of model classification, the accuracy for each of the individual outcome categories, and patterns in the errors. The rows of the table represent the actual outcome categories, while the columns are the predicted outcome categories. Overall, the predictive accuracy of the model is 54.9 %. The classification table thus allows one to evaluate a model from the perspective of predictive accuracy. Whether this model would be adequate depends in part on the value of correct predictions and the cost of errors.

Based on these results, the model can be adapted to look as follows:

Figure 5.32: Corporate Model for travel policy compliance.



5.6.2 Personal logistic regression model

The final model chi-square statistic tests the null hypotheses that all model coefficients are zero in the population, equivalent to the overall F test in regression. Because $p < 0.05$, the null hypothesis can be rejected; thus, at least some effect in the model is significant (see table 5.19). Pseudo R-square measures (table 5.20) try to gauge the amount of variation

(as functions of the chi-square lack of fit) accounted for by the model. The model explains only a modest amount of variation (the maximum is 1).

Table 5.19: Model fit summary (Personal)

Model Fitting Information

Model	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	378.604			
Final	368.242	10.362	2	.006

Table 5.20: Pseudo R-square summary (Personal)

Pseudo R-Square

Cox and Snell	.054
Nagelkerke	.062
McFadden	.027

In the Likelihood Ratio Tests table (5.21) a test of significance for each effect after adjusting for the other effects in the model is given. The caption explains how it is calculated. The mean of question 23 is highly significant.

Table 5.21: Likelihood Ratio Tests (Personal)

Likelihood Ratio Tests

Effect	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood of Reduced Model	Chi-Square	df	Sig.
Intercept	393.993	25.751	2	.000
MEANQ23	378.604	10.362	2	.006

The chi-square statistic is the difference in -2 log-likelihoods between the final model and a reduced model. The reduced model is formed by omitting an effect from the final model. The null hypothesis is that all parameters of that effect are 0.

Table 5.22: Parameter Estimates (Personal)

Parameter Estimates

VV16[a]		B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
0-84	Intercept	-2.378	.506	22.127	1	.000			
	MEANQ23	.718	.230	9.734	1	.002	2.051	1.306	3.220
85-95	Intercept	-.626	.374	2.813	1	.094			
	MEANQ23	.340	.196	2.998	1	.083	1.405	.956	2.065

a. The reference category is: 96+ .

Question 23 measured the self-interest factor. Taking the above table (5.22) into consideration, it could be argued that for every unit increase in the mean of question 23, the odds not to comply (0-84%) increase 2 times. For every unit increase in the mean of question 23, the odds not to comply (85-95%) increase 1.4 times. Thus, the more a traveller is focused on his/her own interest, the more likely s/he is to break the travel policy.

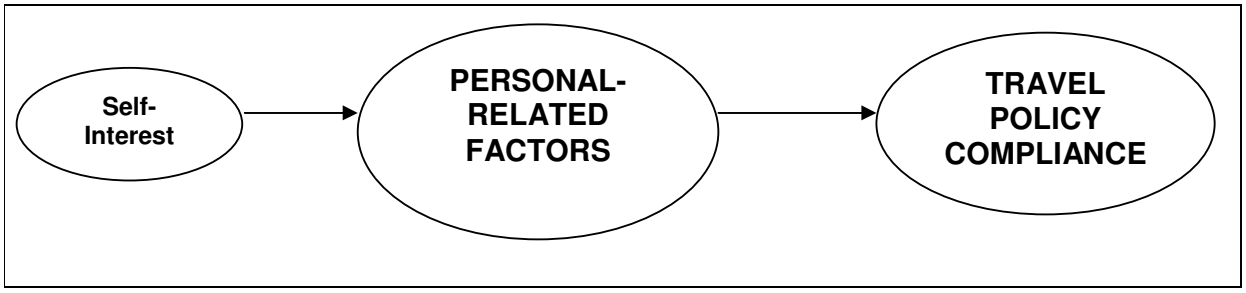
Table 5.23: Classification Table (Personal)

Classification

Observed	Predicted			
	0-84	85-95	96+	Percent Correct
0-84	2	12	15	6.9%
85-95	0	46	31	59.7%
96+	0	31	49	61.3%
Overall Percentage	1.1%	47.8%	51.1%	52.2%

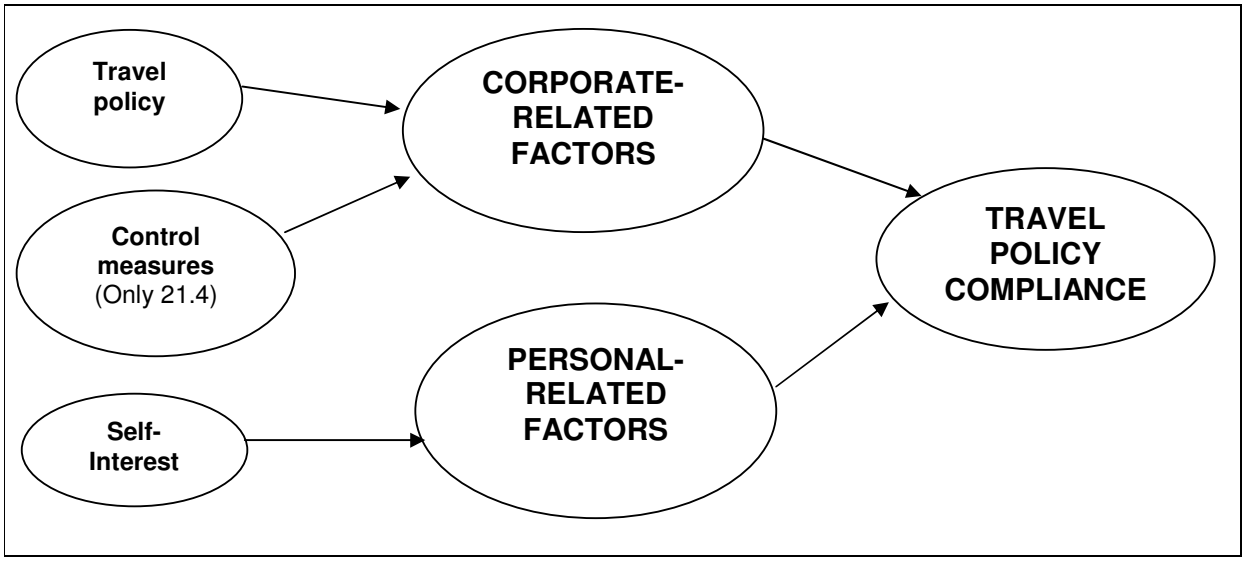
From table 5.23 it is evident that the overall predictive accuracy of the model is 52.2 %. Based on these results, the model can be adapted to look as follows:

Figure 5.33: Personal Model for travel policy compliance.



From the results of the multinomial logistic regression technique, the model for corporate travel policy compliance should therefore be modified to look as follows:

Figure 5.34: Model for travel policy compliance based on the results of multinomial logistic regression



It is once again imperative to emphasise that although only the factors discussed above can be included in the model based on statistical evidence, this does not mean that the other factors should be excluded from the model. Given the limitations inherent in the sample, the results may differ should a different or larger sample be used. The literature review indicates that relationships exist between compliance and the various factors as tested above, and for this reason the researcher is of the opinion that none of the factors should be excluded from the model based on the statistical evidence of this study alone, and that further studies are essential before a final model can be regarded as scientifically valid and reliable.

5.7 CONCLUSION

This research shows that corporate travel policy non-compliance is a serious problem in organisations. Most of the travellers responding to the questionnaire worked for organisations belonging to the private sector in South Africa. Travellers described their organisations as bureaucratic. Given this result, one would think that travellers would view their travel policy as unfair. Unexpectedly, most travellers thought their policy was more fair than unfair. Problems in compliance were mostly experienced in the area of travel approval procedures. Some of the results regarding business ethics reflected poorly on organisations. A number of travellers also perceived instances of injustice within their

organisations. When one considers that cost saving is a priority for most organisations, it is surprising that effective control measures are still lacking in some organisations. The fact that an inadequate travel policy was highlighted as a major reason for non-compliance should also trouble organisations. The results on personal-related factors proved to be interesting, with traveller self-interest being emphasised as a definite reason for non-compliance.

In the final chapter of this research study, its limitations will be discussed. Recommendations on managerial action and directions for future research will conclude the study.

CHAPTER 6

CONCLUSIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

The aim of this study was to develop a model representing the factors influencing corporate travel policy compliance in organisations. These factors were categorised into corporate- and personal-related factors and the following specific research objectives were identified:

- to determine organisations' objectives in the formulation of the travel policy
- to identify factors that influence travel policy compliance
- to develop a measurement instrument to assess the propensity for corporate traveller policy compliance within an organisation
- to develop a model for travel policy compliance
- to propose a travel policy framework that includes all the essential elements for optimal travel policy compliance

Certain hypotheses were also formulated to guide the empirical research:

H_1: Personal-related factors influence policy compliance

$H_{2:}$ Corporate-related factors influence policy compliance

In this chapter the limitations against which data analysis was undertaken are highlighted first. Thereafter, the results as presented in chapter 5 are interpreted and, finally, conclusions and recommendations are drawn from these results.

6.2 LIMITATIONS

Although the theoretical policy compliance model identified in this study is based on a universally accepted theoretical framework for policy compliance, the results of the empirical research and subsequent policy compliance model is limited to the organisations and respondents targeted in this study. Thus, the results are confined to the population as delineated and cannot be generalised to apply to all travellers and organisations in the corporate travel market. Comparable research on the factors that influence policy compliance will have to be done in other organisations to determine the factors to be addressed in the compliance model for that particular organisation. The instrument used, tested and refined in this research study is proposed as a reliable and valid instrument for organisations.

A non-probability sampling method, namely purposive sampling, was used for measuring qualitative data from TMCs and corporate travel managers. Another non-probability sampling method – convenience sampling – was used to collect responses from corporate travellers. The disadvantage of a non-probability sample, with specific reference to convenience sampling, is that there is no real control of the sample selection process, which means that samples may be unrepresentative of the population. Nevertheless, results from this sample proved significant and make a valuable contribution to the corporate travel literature.

Meaningful responses to the corporate traveller questionnaire required that respondents had travelled for business purposes on behalf of their organisations. Therefore, the questionnaire is intended primarily for identifying the factors that influence policy compliance as perceived by current or past corporate travellers.

An additional limitation of the study is the number of responses received. Despite a very lengthy data collection period of approximately five months (12 December 2007 to 16 May 2008) and extensive follow-up efforts by means of reminder emails, telephone calls and the distribution of more questionnaires, the researcher obtained only 193 responses. The questionnaire was answered anonymously, so there was no way to track the companies who responded or the response rate for the questionnaire. A list with names of companies

who verbally agreed to take part in the research is provided in Appendix D. Another limitation to take into consideration is the web survey tool that was utilised to capture responses. After data collection had started, certain technical difficulties occurred. The flow of the questionnaire for web-based responses was not user-friendly. The web questionnaire designer separated the questions into too many single questions, even though the scales for responses were the same. As a result, the questionnaire appeared unnecessarily long and this could have deterred travellers from completing it. This could have had a significant influence on the number of responses received. Better technical layout of the questionnaire by the web questionnaire designer should prevent this problem from recurring in the future.

According to Moss and Hendry (2002:586), the timing of the reminder notice and the reward offered to respondents for completing the questionnaire could also have an influence on the response rate of web-based questionnaires. To prevent these problems from occurring in future research, a few suggestions are made. In this research study, the first reminder notice was emailed to respondents one month after the initial invitation to respond. According to Moss and Hendry (2002:586), a two-day reminder notice is suggested. No reward or incentive was offered to respondents who took part in this study. Some researchers have identified the lack of reward possibilities when using the Internet as a reason for lower response rates (Dommeyer & Moriarty, 1999). It is therefore suggested that rewards or incentives are employed in order to encourage respondents to participate in the research, should the research objectives allow for this.

A further possible limitation was the sensitivity of the topic. Morality and ethics are difficult issues to address, and some travellers might have felt anxious and guilty about answering the questions and afraid of being identified. Because of this, they might have decided not to complete the questionnaire or not to provide honest responses.

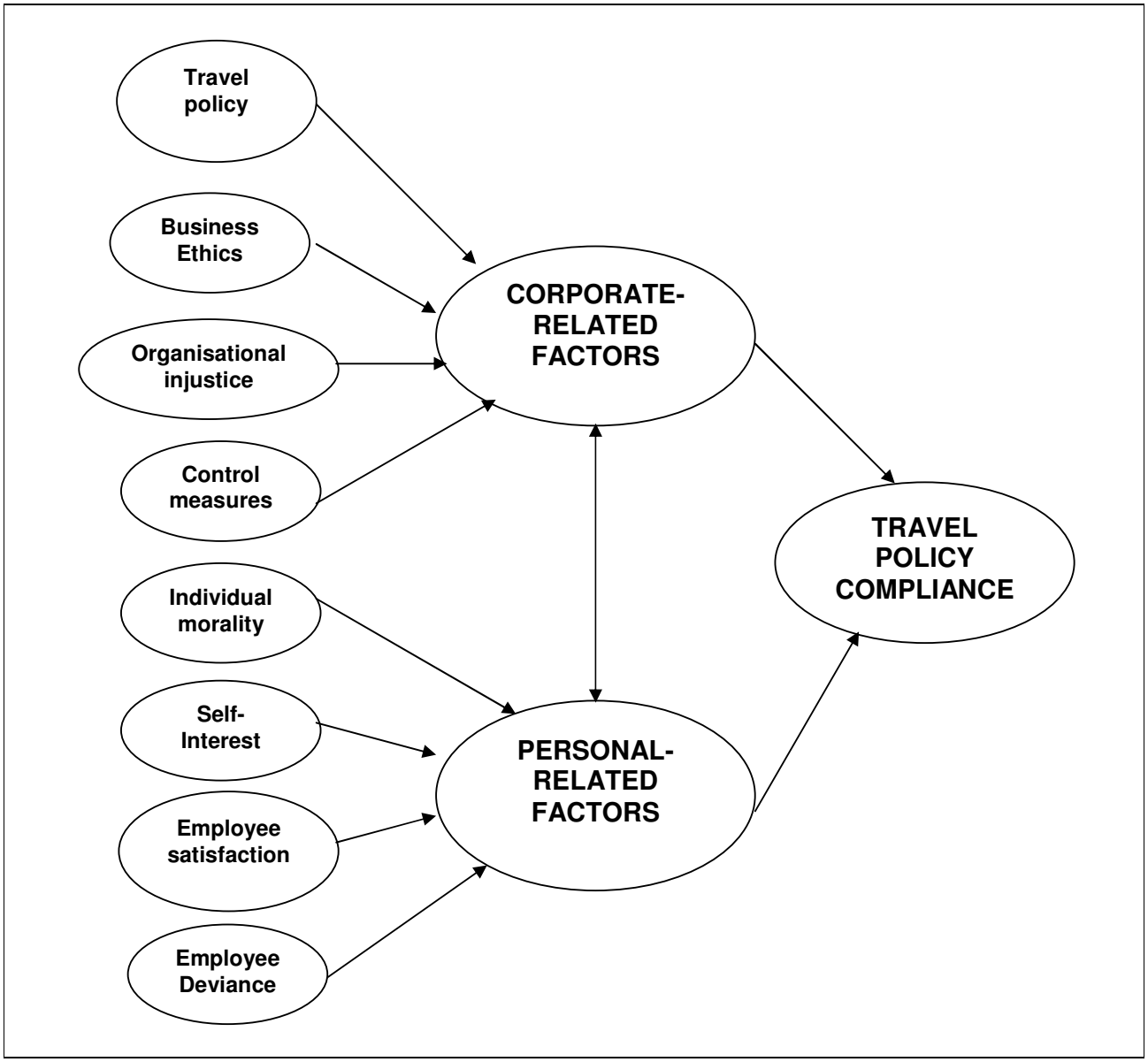
Despite these limitations, the study does provide a foundation for future studies.

6.3 CONCLUSIONS DRAWN FROM THE RESULTS

In this section, conclusions are presented according to the results as set out in chapter 5. In addition, recommendations based on these findings are made. The overall purpose of this study was to develop a model for policy compliance against which the empirical research could be conducted. Conclusions are drawn in terms of this model (figure 6.1).

When the profile of the traveller responding to the questionnaire is analysed, it becomes clear that the majority of the respondents were male (61 per cent). The bulk of travellers (46 per cent) fell within the middle-aged category (31-45 years) and had been employed by their organisation for longer than 10 years (46 per cent). Most of the respondents were employed in the private sector (82 per cent) and held middle management positions (47 per cent). Forty-four per cent of travellers can be regarded as frequent domestic travellers, while 30 per cent can be classified as frequent international travellers. When travelling on behalf of his/her organisation, the traveller's travel reservations are made mainly by a central travel department (40 per cent) which forms part of the corporate travel department (40 per cent) of the organisation. An in-house travel agent is usually responsible for making travel arrangements with the suppliers (55 per cent).

Figure 6.1: Model of corporate travel policy compliance



6.3.1 Corporate-related factors

The first corporate-related factor addressed in the model is the ***travel policy***. Questions 8, 9, 10, 11, 12 and 15 measured the effectiveness of the policy. More than two-thirds of respondents felt that their organisation's travel policy was prescriptive and mandatory – in other words, high control. In most organisations, the travel policy is communicated online. Although most respondents felt that they understood the travel policy very well (57 per cent), 43 per cent indicated that they only understood the policy more or less or not at all.

As was expected, more than 60 per cent of respondents indicated that loyalty card points should be available for travellers' personal use. Forty-four per cent of travellers are not convinced that their travel policy is completely fair. The results further indicated that the reasons cited most often by respondents for not complying with the travel policy include: last-minute airline and hotel bookings, travellers prefer to use airlines where they are loyalty card holders, and the problem of changing trip details. Furthermore, more than a third of travellers said that they do not comply with the travel policy because it is unfair. They felt that not all travellers are allowed the same treatment. Almost a quarter of respondents indicated that they sometimes break the travel policy to save the organisation money. Although the intentions of travellers are good, they are still breaching policy and this contradicts the true purpose of what the policy is aiming to do. Educating the traveller could prevent him/her from breaching the policy for this specific reason. Linked to this, a fifth of respondents said that they broke the policy because there was a lack of communication on correct travel procedures. When taking into account that most organisations distribute the policy online but that the highest possible compliance rate is achieved when the policy is distributed as a single written document, organisations should possibly consider using a combination of communication methods. A policy that is not communicated properly to employees is of no use to an organisation.

The next corporate-related factor in the model is ***business ethics***. Questions 17, 18 and 19 assessed how travellers perceived the business ethics of their employers. More than 80 per cent of respondents believed that travellers in their organisations were generally policy-compliant. Two-thirds of respondents described their organisations as formal and organisation-oriented. Only 81 percent of respondents agreed that their companies would not tolerate unethical behaviour. Moreover, if a manager engaged in unethical behaviour resulting in personal gain, 81 per cent of respondents said their companies would reprimand him, but if a manager engaged in unethical behaviour resulting in corporate gain, only 67 per cent of respondents agreed that their companies would reprimand him. This means that from the organisation's viewpoint, it is more acceptable for an employee to behave unethically when the company gains, but less acceptable for an employee to behave unethically when the individual gains. What is more, almost a quarter of respondents said that managers in their organisations often engaged in behaviour which respondents deemed unethical. These results show that not all organisations in South Africa have impeccable business ethics records.

The ***organisational injustice*** factor was measured by question 20. Respondents believed that corporate agreements were more important than the traveller's loyalty card. Travellers also felt that their company was more concerned about money than the convenience of the traveller (47 per cent). Research conducted by Douglas in 2005 showed exactly the same result, with 47 per cent of travellers agreeing that cost savings seem to be more important to the organisation than traveller convenience. Douglas's research (2005) was conducted amongst corporate travellers from only one organisation. The current research was conducted amongst corporate travellers from various organisations. This therefore confirms that travellers from most organisations often feel that money is more important to their companies than their human capital. Once again, almost a third of travellers noted that their travel policy was unfair and that not all travellers were allowed the same treatment. Organisations should take note of this finding and should ensure that their travel policy does not discriminate or appear to discriminate against travellers. One fifth of respondents believed that their companies were insensitive to their safety needs. This is a very serious allegation to make and companies should investigate whether travellers truly feel unsafe, or whether this is a misperception in the minds of travellers. Traveller education should alleviate many of the fears currently experienced by travellers.

The last corporate-related factor in the model is ***control measures***, measured by question 21. The results on control measures show that almost one quarter of travel agents do not inform travellers when they make a booking that flouts policy. In other words, in some cases, travel agents may unwittingly aid the traveller in not complying with the travel policy. According to Douglas (2005), travellers are of the opinion that the most critical success factor when managing the corporate travel process is travel expenditure control. Even so, this research study indicated that almost 30 per cent of travellers tend to travel outside the policy framework because of a lack of control measures. It is also worrying to see that organisations place more emphasis on pre-trip approval than on post-trip reviews.

A number of corporate-related variables were cross-tabulated using chi-square tests to inspect the relationships between and among these variables. Some significant relationships were discovered:

- There is a significant relationship between *compliance* with the travel policy and the perceived *fairness* of the travel policy. The compliance rate is higher when the travellers view the travel policy as being fair.
- The more frequently *problems* in *compliance* occur, the higher the incidence of non-compliance.
- A significant correlation exists between *changing trip details* as a possible reason for non-compliance and the *compliance* rate of travellers. Of those travellers who agreed that changing trip details might be a possible reason for non-compliance, almost 30 per cent fall into the low compliance category. It could be argued that trip details that change during the course of the journey are beyond the control of the traveller. The corporate travel manager should thus ensure that the policy is flexible enough to take this problem into consideration, so that travellers will not be forced to breach the policy when this happens.
- Travellers who disagreed that *management non-compliance* is a reason for their own non-compliance are more likely to obey the travel policy. Again, it is interesting to note that of those who agreed with the statement that they did not comply with the policy because management did not do so, almost one-third fall within the low *compliance* category.
- An association exists between the *method used to communicate* the travel policy and the rate of *compliance*. Fifty-five per cent of respondents belonging to the high compliance category said their travel policy was communicated primarily as a single written document, as opposed to 10 per cent in the low compliance category. Thus, travellers are more likely to comply with the policy when it is distributed as a single written document. Moreover, 35 per cent of the low compliance category said that their travel policy was communicated mainly by means of other methods such as word of mouth. It can therefore be said that the most effective method for communicating the policy is as a single written document, while the most ineffective method is to use other forms of communication such as word of mouth. None the less, the majority of organisations indicated that they distributed their policy online.

As suggested earlier, organisations should consider using a combination of methods to communicate the policy.

- As can be expected, a relationship was shown between the level of *understanding* of the travel policy and the *compliance* rate. Travellers who understand the policy very well are more likely to comply with the policy than those who understand it partly or not at all.

Three of the four hypotheses associated with the corporate-related factors showed significant p-values:

$H_{1a:}$ An ineffective travel policy leads to a higher incidence of travel policy non-compliance.
$H_{1c:}$ Perceived organisational injustice leads to a higher incidence of travel policy non-compliance.
$H_{1d:}$ A lack of control measures leads to a higher incidence of travel policy non-compliance.

Although the business ethics hypothesis could not be rejected statistically, some significant results were revealed which indicated the questionable nature of the business ethics of some organisations.

The corporate multinomial logistic regression model confirmed the above results, with an ineffective travel policy and little control of the travel process highlighted as being the best predictors of policy non-compliance.

6.3.2 Personal-related factors

The first personal-related factor in the model is ***individual morality***. Question 22 was used to measure this factor. More than a fifth of respondents agreed that they had to compromise their beliefs so as to perform their jobs in the way the organisation wanted them to do. This result once again reflects poorly on some South African organisations. Second, 15 per cent of travellers said that they had to break organisation policy to do what was necessary. This might mean that travellers break the travel policy to do what is necessary for their organisations. Should an organisation then reprimand a traveller for breaking the travel policy?

The second personal-related factor addressed in the model is ***self-interest***. Question 23 in the questionnaire was used to measure this factor. Most respondents disagreed with the statements.

The next personal-related factor in the model is ***employee satisfaction***, which was measured on three levels, namely: *traveller satisfaction, job satisfaction* and *life satisfaction.*

In 2003, Douglas and Swart conducted research on the demands and needs of the corporate travellers of an international organisation with offices in South Africa. According to the study, the three most important factors for corporate travellers when travelling by air are on-time performance, comfort and service (Douglas & Swart, 2003). A study undertaken by Douglas (2005) supported these results, although respondents indicated the price of the airfare as the third most important factor when travelling by air. This research study revealed that travellers felt that the most important factor when travelling by air is safety, followed by on-time performance and seat comfort. Douglas and Swart (2003) and Douglas (2005) disclosed that for South African corporate travellers, the most important factors when making use of accommodation establishments are location, facilities and service. The results from this research study are somewhat different, with travellers indicating that the most important factor when making use of accommodation establishments is safety, followed by service and location. In 2003 and 2005, the safety factor was not included in the questionnaires. It is none the less interesting to note that, in this study, safety was the most important aspect when travelling by air and when making use of accommodation establishments. This is a worrying reflection of the environment in which respondents have to travel.

Less than 60 per cent of travellers are satisfied with their promotion opportunities, while only 75 per cent of respondents are satisfied with their job security. Just 70 per cent of respondents agreed that they were satisfied with the recognition that they received from their employers. When referring back to a previous result where travellers feel that money is more important to their organisations than the convenience of travellers, it becomes evident that travellers often believe that their organisations do not value and appreciate them. This might result in job dissatisfaction and, ultimately, policy non-compliance. Although the empirical results did not show a correlation between job satisfaction and

policy compliance, the literature survey does indicate such a relationship. Should the study be replicated on a larger or different sample, a significant correlation might become evident.

The last personal-related factor in the model is ***employee deviance***. Some of the statements measuring employee deviance provided some important results. Thirty-five per cent of respondents agreed that they did not like it when someone told them what to do. A further 20 per cent believed that what is not stipulated is allowed. Only 65 per cent of respondents indicated that there were consequences to non-compliance in their organisations, while a mere 38 per cent of travellers agreed that their organisations had made an example of a non-compliant traveller. This could be a problem in organisations. How would a travel manager prevent a traveller from breaking the policy if there are no consequences to non-compliance? A number of statements rendered high neutral responses. A possible explanation for this could be that travellers did not understand the statements. Although all the statements were indicated in the literature review and Delphi survey as possible reasons for non-compliance, the results did not confirm this. Another problem experienced with this construct was that when the internal consistency reliability was calculated using Cronbach's Alpha, it did not present an acceptable score. This means that the individual instrument items were not homogeneous and did not reflect the same underlying construct – namely, employee deviance. For this reason, question 29 could not be used to test $H_{2f,}$ and was also not used as an input into the logistic regression model. It should be eliminated for future studies using this tool.

A number of personal-related variables were cross-tabulated using chi-square tests to inspect the relationships between and among these variables. Some important relationships were revealed:

- A strong correlation exists between compliance and whether travellers believe it is important to fly business class even if this is not allowed. While 47 per cent of the high compliance group disagreed that it was important to fly business class to present a degree of status to business colleagues even if this flouted policy, only 8 per cent of the low compliance category disagreed with the statement. Seventy per cent of travellers who agreed that it was important to fly business class to present a degree of status even if it is out of policy fall into the low and

medium compliance categories. Thus, the more a traveller disagrees that it is important to fly business class to present a degree of status to business colleagues, the more likely s/he is to comply with the travel policy. This result confirms what Lubbe (2000) and Mason and Gray (1999) say. According to Mason and Gray (1999), a traveller will have a list of personal needs when travelling for business purposes that include having perceived status through use of business class. Lubbe (2000) identified a secondary motivation of corporate travel called status or prestige motivators, which include a desire for recognition, attention, appreciation, knowledge and a good reputation. A traveller would achieve this by flying business class.

- Of the travellers who agreed that they liked to see how far they could push the boundaries, 67 per cent fall within the high compliance category. This might mean that although an individual likes to see what they can get away with, it does not necessarily mean that they will breach the travel policy.
- The more important safety is to a traveller, the more likely s/he is to comply with the travel policy. Travellers who breach the policy might jeopardise their own safety, since their organisation would not have a record of their travel arrangements. This result shows that a non-compliant traveller is not as concerned about his safety as a compliant one.

Only one of the five hypotheses associated with the personal-related factors obtained an acceptable p-value:

$H_{2b:}$ Self-interest leads to a higher incidence of travel policy non-compliance.

Once again, although the other hypotheses could, based on statistical evidence, not be rejected, they nonetheless provided some valuable results.

Although the descriptive statistics revealed that most respondents disagreed with the statements measuring self-interest, the hypothesis measuring the relationship between self-interest and compliance showed an acceptable p-value. The personal multinomial logistic regression model confirmed the hypothesis result by highlighting self-interest as being the best predictor of policy non-compliance.

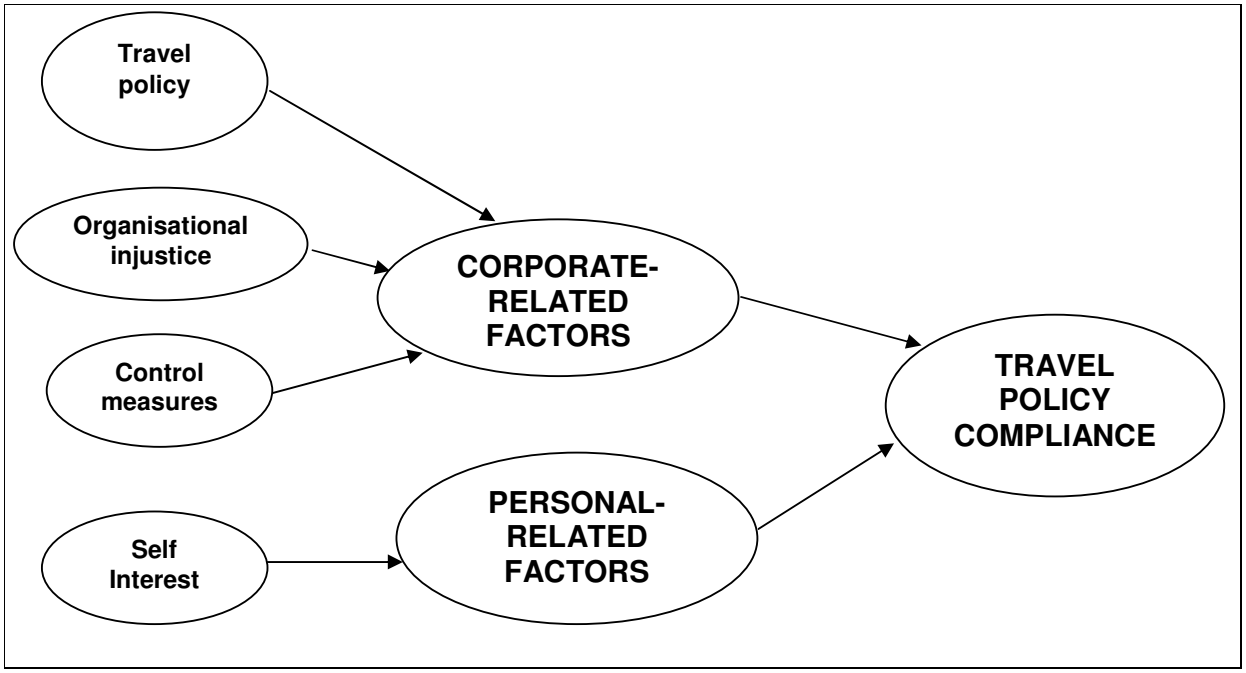
When developing the questionnaire, a decision had to be taken on how to deal with sensitive topics such as individual morality and employee deviance. It was feared that if certain questions were to be asked directly to the respondents, they would not answer the questions truthfully, since they might be worried that even though the questionnaire was answered anonymously, their responses could be traced. One option was to ask sensitive questions in the third person. For example, instead of stating: 'I believe what is not stipulated is allowed', the question would state: 'my colleagues believe what is not stipulated is allowed'. In some cases this approach might have given a true reflection of the perception of the respondent because they would include themselves in the statement. Therefore, even though the statement is asking about their colleagues, they would also include themselves. The problem with this approach is that some respondents might not include themselves with their colleagues. A respondent might also feel that they do not know all their colleagues well enough to give an honest opinion. When this happens, the researcher does not get a true reflection of the perception of an individual respondent, and this might have a significant influence on the reliability of the research results. For this research study, the decision was made to follow the first approach and ask questions directly to respondents. This might have influenced the response rate, but it is believed that the most reliable research results were obtained using this approach. It would be interesting to see whether the results of this research study would be different if the third-person approach was followed.

6.3.3 Travel policy compliance

Questions 14, 15 and 16 were used to measure travel policy compliance. Eighty-three per cent of respondents experienced problems to varying degrees in complying with the travel policy. Difficulties were most often experienced in the areas of travel approval procedures and choice of airline. The average rate of compliance with the travel policy was 91 per cent. This means that travellers breached the travel policy 9 per cent of the time. Furthermore, 16 per cent of travellers fall within the low-compliance group (0-84 % compliance rate), 41 per cent within the medium-compliance group (85-95 % compliance rate) and 43 per cent within the high compliance group (96 %+ compliance rate).

If significant results alone were to be included in the model, it would be adjusted as shown in figure 6.2, but taking the limitations of the research into account, any replication of this study should use the conceptual model (figure 6.1) as a framework.

Figure 6.2: Adjusted model of corporate travel policy compliance



6.4 RECOMMENDATIONS

The last research objective of this study was to propose a travel policy framework that included all the essential elements for optimal travel policy compliance.

According to Wilkinsom (2001:10), travel management has never been for the faint-hearted. It necessitates staying on top of several interactive working relationships. It is designed to reconcile a company's policies and travellers' preferences and to process that purchasing dynamic through a series of suppliers. An explicit and comprehensive travel policy should be the cornerstone of effective travel and expense management (Atlastravel, n.d.).

Based on the above statements, the literature and the results of the research done in this study, certain recommendations will be made. These will ensure that policy compliance within organisations will not only be increased, but also encouraged.

6.4.1 Corporate-related factors

The corporate travel policy

As mentioned above, an explicit and comprehensive travel policy should be the cornerstone of effective travel and expense management. Unless a company's views regarding travel expenses are committed to paper and distributed both to travellers and to executives with the responsibility for approving expense reports and monitoring compliance with policy, only minimal control is possible (Atlastravel, n.d.). Although a corporate travel policy is regarded as standard practice in organisations, the results of this research study show that many organisations employ inadequate travel policies and that this has a significant influence on their travellers' compliance with the policy.

The results further demonstrate that travellers often feel that money is more important to their organisation than their employees. It is thus important to remember that a good travel policy should not only generate savings for the company, but should also consider traveller comfort, safety and convenience, as well as common preferences in areas such as frequent-flyer programmes and hotel locations (Chua, 2003). Mandating employee compliance will be an effort if the policy is not matched with the organisation's business practices, business beliefs and overall culture. Permitting flexibility in travel expenditure can mirror a corporation's approach towards travel. Some companies permit greater flexibility in allowances for meals and in choice of hotels and airlines. This may result from the corporation's readiness to reduce the hardship of considerable employee travel by upholding employee satisfaction and by addressing the employees' needs for flexibility while entertaining for business (MasterCard, 1998:6).

In this research study, most travellers cited last-minute bookings and the use of personal loyalty cards as possible reasons for non-compliance. To combat this, Lubbe (2003) urges organisations to:

- control the issue of last-minute bookings more effectively through increased awareness of travel deals, as well as by policy monitoring
- take inflexible travel arrangements into account when negotiating deals with suppliers
- provide or effectively manage a system where authorisation for travel is compulsory so that travellers avoid perceiving travel as a necessary expense

Arnesen *et al*. (1997:52) maintain that business travellers see loyalty programmes as compensation for flight delays, awful food, lost baggage and time spent away from home, and advise organisations not to confiscate them, as this may very well lead to lower employee morale which, in turn, affects productivity.

The results of this research also showed that the perceived unfairness of the policy has a definite influence on policy compliance. To overcome this, Wint and Avish (2003:6) suggest that the travel policy must be set out in a cost-effective and equitable fashion; for example, by flight duration or geographic region, as opposed to management level.

Travellers said that they experienced problems most often in the area of travel approval procedures. To alleviate this, Wint and Avish (2003:6) recommend that documentation requirements should be included in the travel policy for every expense category. These requirements have to be clear and comprehensive. Furthermore, travellers need to be given sufficient incentive to submit expense reports correctly and in a timely fashion (for example, through the utilisation of user-friendly automated expense management tools).

Communicating the corporate travel policy

Shapiro (2003) believes that simple changes in communications efforts can improve compliance. Educating travellers and travel management companies can lead to higher

compliance with the policy. It is believed that an informed traveller will make the right decisions.

This research showed that the travel policy is communicated ineffectively in many organisations. The results indicated a correlation between the methods used to communicate the travel policy and policy compliance. It is important to promote the policy actively, for example via alerts on the company intranet. Employees are often unsure of the content of the policy and how to access it. Two successful ways of communicating policy are by supplying the policy online and through educational seminars, emphasising issues relating to usage, compliance and other topics that seem suitable. The size and technological ability of the company can have and influence on which types of communication are cost- effective and efficient. The cost of the communication programme should be compared against the expected benefits to decide which solutions are viable for a particular company. With the Intranet and Internet, however, costs for mass communications generally decrease considerably (MasterCard, 1998:5).

Enforcing the corporate travel policy

A policy is only effective if employees comply with it (MasterCard, 1998). When travel policy non-compliance occurs frequently, organisations must consider whether it is the policy rather than the traveller that is to blame. One of the main findings in this study related to policy control. This area requires a great deal of attention. Control measures need to be carefully considered and implemented. Some travellers agreed that they break the travel policy because there is very little control over the travel process. Shapiro (2003) believes that the travel policy should never be made optional. One way of ensuring this is by loading the policy onto the organisation's online booking tool. When a traveller then chooses an option that breaks the policy, this contravention will be reflected on the system and s/he will be directed to follow the exception to-policy approval process in order to complete the booking (Shapiro, 2003). Kirshner (2005) adds that the arrival of technologies that permit travel managers to steer and examine compliance through their online booking tools has permitted companies to re-emphasise the significance of travel policy to travellers. Even companies developing a travel programme from the ground up can build policy directly into the booking system, enabling immediate, direct communication with travellers and improved exception reporting.

The research results revealed that not all organisations require their travellers to be granted pre-trip approval before undertaking a business trip. Pre-trip exception reporting can be effective in managing travel exceptions. By requiring approvals, the travel manager can effectively force travellers to apply business reasons for exceptions in real time. S/he can also provide monthly or quarterly exception reports and managers' approval by department in order to emphasise problem areas. The exception rules must be laid out in black and white in order for the travel agency to manage it efficiently and clearly (Kirshner, 2005). Wint and Avish (2003:6) further suggest that it is necessary to evaluate whether or not supervisors comprehensively review expense reports, or whether they simply approve them automatically.

In this research study, not all respondents agreed that there are consequences to non-compliance in their organisations, while only a few said their organisation had made an example of a non-compliant traveller. This means that travellers know that they will not be penalised for breaking the policy. It is therefore suggested that organisations start showing the consequences of non-compliance to travellers. With progress being made in management reporting, programme managers, employees and managers of employees have access to information with regards to compliance with corporate policies and can often measure losses. Some companies identify policy compliance as a performance dimension and generate rewards and penalties based on compliance. For example, this information can be included in an employee’s and their manager’s yearly performance reviews. Business units may be charged a fee for measured losses. Card programmes with rewards programmes may only recompense those purchases that are in compliance. These practices place the responsibility in the hands of the employees and their managers, rewarding those who comply and discouraging those who do not (MasterCard, 1998:9). Some degree of enforcement is necessary, either by refusing reimbursement or by reprimanding travellers, depending on the culture of the organisation (Kirshner, 2005).

The results further showed that travellers often feel they do not want to comply with the corporate travel policy because they see that senior management does not do so. Levine (1996) thus suggests that the support of senior management is vital. This support allows travel managers to service travellers' needs rather than police travel policy. Having the support of executives means travel policy and travel culture filter down to travellers,

resulting in a cost-effective culture that starts at the top and is administered through a service-oriented agency (Levine, 1996).

Making sure staff follow corporate travel policies saves money in the short term, but streamlining travel habits and keeping good records of data also helps boost future savings, because reliable information about employees' travel habits is key to negotiating with airlines, hotels and car-rental companies (Lewers, 2003).

6.4.2 Personal-related factors

Employee satisfaction

In addition, it is recommended that organisations implement programmes and feedback systems to identify the specific needs of corporate travellers. The corporate travellers travel on behalf of the organisation, and therefore comfort and convenience is necessary so that they can produce optimal results for the company. Some of the findings of this study reflect a conflict of interest between travellers and management. In order to resolve these problems, it is imperative that the policies and procedures implemented reduce this conflict, and encourage travellers to work within the stipulated policies and guidelines. For example, systems where travellers share in the cost benefit achieved when accepting inconvenience should be investigated (Lubbe, 2003). It is also recommended that organisations adjust their travel policy to be more traveller-friendly. This includes allowing employees to keep frequent-flyer miles, not forcing them to take the lowest rates, and sometimes allowing more expensive direct flights (Gross, 1996). Including employees in travel policy-making is crucial to ensuring maximum compliance. Tactics such as involving a wide range of employees across all departments, positions and offices will ensure success. Another suggestion comes from Shapiro (2003), who advises that travel managers should combine comfort and compliance. Furthermore, it is vital for management to ensure that travellers know that they are valued and that the organisation considers their needs when formulating the policy, and to consider traveller involvement in policy-setting. Organisations can use this study to identify the specific limitations of their current policy, in order to make appropriate adjustments. It will be necessary for organisations to carry out ongoing research into the needs of their corporate travellers, because these needs are not static and can change from one year to the other.

6.4.3 Success factors for an effective corporate travel policy

To conclude this study, 10 success factors for a more effective travel policy are recommended. From the literature review and results of the empirical research, it became evident that there are certain success factors that need to be included in the travel policy to guarantee its effectiveness. These factors (in no specific order or rank) are:

1. A **fair** corporate travel policy.

The empirical research showed that travellers often perceive their corporate travel policy as being unfair, because not all travellers are allowed the same treatment. The results indicated that there is a relationship between the perceived unfairness of the policy and non-compliance. Furthermore, travellers who feel that the policy is unfair will probably feel that they are treated unfairly by their organisation. This could, in turn, have an influence on the traveller's job satisfaction. If a traveller is not satisfied with his/her job, then s/he will most likely not be productive. Travellers said that they did not want to comply with the policy because management did not do so. This supports research conducted by Mason (1999:75) who reported that business traveller attitudes towards the corporate travel policy may be most affected by companies that created travel policies favouring those at the top of the corporate hierarchy. It is therefore suggested that organisations set their policies in a cost-effective and equitable fashion – for example, by flight duration or geographic region, as opposed to management level.

2. **Loyalty** card programme management.

Many research studies have been done on the issue of loyalty card programmes. The effect of loyalty card programmes on the ethics of travellers has been investigated, the cost of loyalty card programmes has been calculated and it has been found that such programmes influence traveller compliance. Still, no solution has been found on the allocation of loyalty card points. Some argue that loyalty points are the property of the organisation, seeing as how it is the company that pays for the business trip. This might have an effect on the morale of travellers since they see the loyalty points as a bonus for the inconvenience endured during these trips. To avoid low staff morale, it is suggested that the loyalty points be shared between the organisation and the traveller. This could

indeed solve many problems for an organisation. First, loyalty points would no longer be an incentive for non-compliance. Second, travellers indicated that they experienced problems with compliance in the area of choice of airline. If loyalty points no longer accrue to the traveller alone, then this will no longer influence their choice of airline. It will thus be easier for them to comply with the choice of airline offered by the travel agent.

3. Effective **communication** of the corporate travel policy.

Some travellers indicated that they only understood the travel policy more or less, while others said that they did not understand it at all. Other travellers said there was a lack of communication on correct travel procedures in their organisations. Results revealed that compliance is the highest when the travel policy is distributed as a single written document, although the results reveal that most organisations communicate their policy online. These results show that the travel policy is communicated ineffectively in many organisations. If travellers do not know what they are allowed in terms of travel choices or how to proceed when making travel arrangements, they cannot be expected to comply with the travel policy. It is thus advised that organisations use a variety of methods to communicate the policy. It is possible to communicate it online, with regular memorandums, and as a single written document. Educational workshops can also be held on a regular basis, and new employees should be compelled to attend such workshops as part of their induction.

4. **Education** of the traveller.

Linked to the previous success factor is the education of the traveller. A number of the results in this study revealed that travellers are not educated on the travel industry and the travel process. Travellers said that they breached the policy to save their organisation money. This shows that travellers are unaware that their non-compliant behaviour might jeopardise the supplier agreements that their organisations have in place. Some travellers felt that their organisations were insensitive to their safety needs. Uneducated travellers often believe that low-cost carriers are unsafe. This could explain the opinion of these travellers. Traveller education could clear both the misperceptions mentioned above and educational workshops, as referred to earlier, could serve this purpose. Furthermore, it is proposed that travel managers should inform their employees when changes in the travel

policy are made, as well as providing reasons for these changes. This would prevent misunderstandings and misperceptions.

5. Impeccable **business ethics**.

Many of the results illustrated that the business ethics records of some organisations are not as flawless as they should be. If we accept the argument of Sinclair (1993:64) who says that organisations shape the ethics exhibited by organisational members, then travellers are only partly to blame when they exhibit unethical behaviour by breaching the travel policy. Rossouw (2006) further states that the social settings or organisations in which individuals work can have either a positive or corrupting influence on their moral character. People with dubious or even upright moral characters can turn to unethical behaviour if they find themselves in organisations where unethical conduct is the standard. The opposite is equally true. Unethical people can be restrained from unethical behaviour should they find themselves in organisations that do not accept deviant behaviour, but reward ethical behaviour (Rossouw, 2006). Consequently, it is advocated that organisations scrutinise their own business ethics to ensure that they have a faultless record, because only then will travel policy compliance be increased.

6. **Control** measures.

Post-trip reviews are essential. A correlation was shown between laxity in the travel process and non-compliance. Almost all of the respondents indicated that they always had to be granted pre-trip approval, while less than half indicated that they had to submit details for post-trip reviews all the time. This means that there is little control of whether the traveller concluded the trip in the way in which it had been approved. By introducing post-trip reviews, an organisation can tighten control measures and decrease non-compliance.

7. **Enforcement** of the travel policy.

Not all respondents agreed that there were clearly-defined consequences to non-compliance in their organisations, while only a few said that their organisation had made an example of a non-compliant traveller. This means that travellers know that they will not

be penalised for breaking the policy. It is therefore suggested that organisations start showing the consequences of non-compliance to travellers. These consequences will obviously differ between organisations, as the corporate culture will dictate which penalties will be acceptable. For some organisations, a simple word of warning to a traveller will be enough. For others, more explicit consequences will be needed, such as refusing reimbursement of the business trip. Another suggestion is to penalise travellers by keeping their loyalty card points or part of their points.

8. Importance of **job satisfaction**.

The results show that travellers were not contented with various aspects of their jobs and not all respondents were satisfied with their promotional opportunities. This means that a traveller might feel that there is no future for him/her within the organisation. Travellers were also not satisfied with the recognition they received from their companies. This predicament will be further discussed below. Although the results did not demonstrate a significant relationship between job satisfaction and travel policy compliance, it could still be argued that a traveller who is dissatisfied with his/her job will display negative feelings towards his or her organisation. According to Cohen (2000), the travel policy is an ideal opportunity to express rebelliousness through relatively trivial transgressions of company rules. This was substantiated by a South African survey on corporate travel, where organisations agreed that their travel policy was deliberately infringed (Lubbe, 2003). This might also explain why corporate travellers justify their unethical behaviour by saying that their company owes them added payment for the time and inconvenience involved in business travel (Samee, 2004:3).

9. **Appreciation** of the corporate traveller.

Related to the previous success factor is that the organisation needs to show the traveller that it appreciates him or her. Some of the results of this study clearly indicate that travellers often feel that their organisation does not value and affirm them. A number of respondents agreed with the statement: ‘cost-saving seems more important than traveller convenience’. Others felt that corporate agreements contracted between their organisations and specific suppliers appeared to be more important than personal loyalty cards. This clearly demonstrates that travellers have the perception that organisations

value profits more than their employees. The traveller obviously then feels unappreciated by the organisation and might start to harbour negative feelings towards the company. In the previous point, it was mentioned that the travel policy presents an ideal opportunity to express rebelliousness towards the organisation. Some of the results of this study showed a tendency towards rebellious feelings. Several travellers said that they did not like it when someone told them what to do. Others believed that what is not stipulated is allowed, while a number of respondents did not believe that they harmed the organisation when they missed their flight and simply took a later one. Although no significant relationship was shown between rebelliousness and non-compliance, organisations must ensure that they nurture employees and show appreciation in order to prevent rebellious feelings from spilling over into non-compliant behaviour.

10. **TMC** enforcement of the corporate travel policy.

A key tool for monitoring and enforcing companies' travel policies is the TMC. TMCs can maintain travel policy compliance by advising adherence to, or enforcing travel policies on the part of the individual traveller at the point of booking. Companies using TMCs both to counsel and to enforce policy realise higher levels of compliance than companies who use TMCs for only one of these tasks (Hans *et al.,* 2003:18). Organisations should question whether they are effectively using the TMC to enforce the travel policy. The results revealed that travel agents often do not inform travellers when they make a booking that goes against policy, while other respondents indicated that their travel agent would knowingly make a booking that flouts policy. It is thus advised that organisations should include policy compliance monitoring in their service level agreement with the travel management company. Should the organisation then discover that the travel agent is not enforcing the policy, then the agent should be reprimanded and penalised.

6.5 DIRECTION FOR FUTURE RESEARCH

In section 2.3, the corporate travel management model was introduced. This study aimed to expand on the research conducted by Lubbe (2003) and Douglas (2005) by further developing a component of the model. To test the effectiveness of the entire corporate travel management model would not have been feasible in this study. The reason for this

is that each individual component of the model needs to be tested first, so as to clarify the relationships and definitions of the different elements of the component. Only then can the model as a whole be scientifically tested. For this reason, the study only focussed on developing a measurement instrument to determine factors that could lead to non-compliance with the travel policy. Future research should focus on other components of the corporate travel management model–for example, to investigate the influence of technology on the successful management of the corporate travel function.

This study focused on developing a model to determine factors that could lead to non-compliance with the travel policy and should be replicated by other researchers, either to validate the results in other settings, or to adjust the model accordingly. Comparisons could be drawn between the results from this study and those in other regions, and an assessment made as to whether the factors that lead to non-compliance are the same in different areas. One of the aims of this research study was to compare the compliance rate of public and private sector organisations. Unfortunately, due to a low response rate from the former, this was not possible. Future research could try to obtain more responses from public sector organisations in order to facilitate this comparison. It is also suggested that this study be repeated with a larger sample after a suitable time-lapse so as to assess whether the findings would be the same when a different, bigger sample is used.

6.6 CONTRIBUTION OF THE THESIS

In 2003, Lubbe conducted research on corporate travel management in South African organisations and identified the need for further investigation of this aspect. She also conceptualised a model for the effective management of corporate travel and stated the need for it to be tested. In 2005, Douglas further developed this conceptual corporate travel management model. This research study expanded on the research conducted by Lubbe (2003) and Douglas (2005) by further developing a component of the model namely non-compliance of the corporate travel policy.

This research study thus aims to aid private and public companies to better manage corporate travel. The first step taken in this process was to develop a model for corporate travel policy compliance. Factors that could lead to travellers not complying with the travel

policy were identified. From the model, a measurement instrument was developed that not only assessed factors that could lead to non-compliance amongst corporate travellers, but also identified factors necessary to create a corporate travel environment that promotes an equitable relationship between a company and its corporate travellers. To the researcher's knowledge, no research has been conducted to develop a model or measurement instrument to assess factors that could lead to possible non-compliance with the travel policy. The model and measurement instrument not only serves the purpose of assessing corporate traveller satisfaction, but also investigates the abuse of corporate travel for personal gain and attempts to find ways to combat this exploitation by developing a corporate travel policy framework that will encourage and increase policy compliance.

One of the most significant contributions of the study lies in the identification of factors not previously considered as having an influence on policy compliance such as business ethics, individual morality, employee deviance and self-interest.

The model for travel policy compliance can also probably be applied in other departments within the organisation. The factors that lead to non-compliance with a policy would remain the same in any environment within an organisation. The factor "an ineffective travel policy" could be adapted to fit the specific scenario/department.

This study makes a significant contribution towards the limited academically based corporate travel literature, as well as augmenting the body of knowledge available on corporate travel by means of generating new information.

6.7 CONCLUSION

In this final chapter, two important areas were drawn together. The first was the theoretical framework for travel policy compliance which was derived from the foundations laid in the initial three chapters. In these chapters, the concepts and theories relating to policy compliance were explained as the way in which an organisation can identify factors that could lead to non-compliance with its travel policy.

The second area, which was drawn into this final chapter, was the empirical research, the results and conclusions of which provided the basis for the recommendations on how an organisation can improve policy compliance.

The results and findings should be evaluated, taking into consideration the limitations and scope of the study. The objectives of the study were successfully achieved and the research problem addressed.

This study expands the theory on corporate travel management by presenting an original and tested model for travel policy compliance. It can be used for further research into corporate travel from an academic perspective. It should also be a valuable tool for organisations to assess their policy compliance, highlighting problem areas and providing guidelines for improving compliance. The final implication for organisations is that there needs to be an improvement in travel expenditure control.