

Detailed Reference 7 Guide to Travel Risk Management and Duty of Care

The traveling employee is a stakeholder in – and a customer of – responsible travel management

The social and ethical dimension of responsible travel management goes beyond sustainable procurement. Business travel has become an integral part of conducting business and as such needs to be considered in duty of care with health and safety policies.

When discussing safety and security, the focus tends to be on the most prominent issues like natural disasters, terror incidents and kidnapping. Less dramatic, but far more frequent, are issues like car accidents and medical incidents abroad.

The broader notion of traveler well-being and duty of care issues are not only linked to emergencies and medical incidents. The stress of business travel caused by delays, lost baggage, less productivity (yet consistently high workload) or the simple fact of being away from friends and family should not be underestimated.

This component of the GBTA CSR Toolkit raises awareness of the employee perspective around duty of care and provides an overview of the key components in travel risk management as part of responsible travel management.

For a copy of the Traveler Tracking & Risk Management Solutions white paper, which includes valuable information on duty of care, please go to www.gbta.org/Lists/Resource%20Library/Forms/USA_Whitepapers_and_Articles.aspx.

As with the other elements of the CSR Toolkit, providing for travelers and risk management programs require a balanced approach

Collaboration between many internal divisions within a company (i.e., travel, HR, legal, risk management, medical, security and procurement) is necessary to establish the balance required for a successful and comprehensive program.

With corporate mobility being critical to conducting business, responsible travel management requires companies to go beyond strictly environmental concerns.

Travel risk programs need to be tailored to fit a given organization's specific needs, and integrated into overall risk management programs.





Understanding and mitigating risks is extremely important for traveling employees, their families and their employers

Often companies do not seem to provide the right level of care.

Even companies with a good track record in safety and security might have some gaps in securing the well-being of their employees. While each gap in itself might seem small, be aware that oversights could be perceived as negligence. Potential gaps include (but are not limited to):

- Travel policy omits safety and security altogether
- Policy treats senior level management differently than other employees
- Company fails to inform and educate their travelers on general and specific travel risks (including vaccinations recommended by the Center for Disease Control for a specific destination)
- Company does not document when they have advised employees on travel safety
- Travel security program focuses on high-risk foreign travel rather than including domestic travel (especially those trips not booked via the travel agency)
- Safety and security is not part of travel procurement criteria
- Risk assessment does not use a door-to-door approach and thus ignores such after a long-haul flight
- Company does not test its crisis management plan regularly
- Company does not have a dedicated, fully-mapped travel risk management strategy

Risks for the traveler

Travel is inherently risky because it places employees in unfamiliar and/or disadvantageous environments.

Examples include:

- Standing out from the local population
- Driving in unfamiliar locations and conditions
- Fatigue
- Unfamiliarity with local health risks and medical facilities
- Does not speak the language of the country

Risks for the employer

If travelers come to harm, their employers face potentially severe consequences both legally and financially, as well as to their reputation. For a sample collection of risk types and examples see Figure 1.

Risk type	Risk sub-type	Exposure
Risk to personnel	Security (crime/civil unrest)	Civil war – Democratic Republic of Congo
	Security (terrorism)	Bomb attacks – Jakarta
	Safety	Driving after long-haul flight
	Health (illness)	HIV – sub-Saharan Africa
	Health (stress)	Fatigue through over-travel
Risk to reputation	Failure in duty of care to employees	Contracting disease owing to lack of inoculation
	Carbon footprint	Criticism from ethical investors, analysts and pressure groups
	Misuse of travel expenses	Criticism from auditors
	Unethical conduct by employees	"Honey traps," e.g., in former Soviet Union
Risk to data/equipment	Data carried by travelers	Laptop theft
	Data collected about employee travel	PNR and APIS data collection – U.S.
	Baggage, equipment and personal items	Passport theft
Legal risk	Duty of care/health & safety legislation	Corporate Manslaughter & Corporate Homicide Act – U.K.
	Data protection regulations	Forwarding of traveler profiles to third-party traveler tracking tool providers
	Failure to comply with tax laws	Incorrect reclamation of VAT incurred overseas
	Illegal activity by travelers	Attempts to corrupt government officials
Financial risk	Financial penalties of exposure to legal risk	Unlimited fines under Corporate Manslaughter & Corporate Homicide Act – U.K.
	Misuse of travel expenses	Upgrading to suite at hotel check-in
Risk to productivity/trip effectiveness	Baggage, equipment and personal items	Baggage lost by airline leads to missing important meeting
	Inadequate technology or support for travelers	Standard-issue mobile phone does not function – Japan
	Failure to meet immigration requirements	Failure to obtain electronic travel authorization – Australia and U.S.

Figure 1 – Sample overview of risks associated with business travel (Source: Advito)



What is more, risks will continue to grow as companies increasingly globalize their operations. In spite of this increased exposure, organizations typically fail to get started. A survey of U.S. and U.K. travelers highlights travelers' lack of preparation and generally poor perception of their employers' travel safety program:

80%	Think their company has a legal obligation to ensure their safety while traveling abroad on business
54%	Carry no specific contact phone number for use in a crisis abroad
52%	Would consider legal action if they were not supported properly
46%	Work for firms with no clear travel security policies
36%	Have little confidence that their firm would provide correct information during overseas emergencies
22%	Have no idea who to alert in case of an emergency

Figure 2 – Perception of business travelers on safety and security
(Source: Control Risks Group 2007)

In a recent white paper¹, Advito proposes six steps to building a travel risk management program:

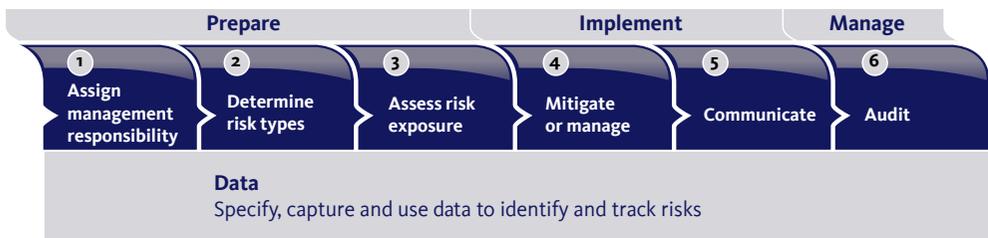


Figure 3 – Steps to implement Travel Risk Management (Source: Advito 2009)

1 Assign management responsibility

- Travel Risk Management involves a cooperative effort from numerous departments and functions, including travel management, security, HR, legal and medical.
- Stakeholders are required to drive the strategy within four different roles: initiator, senior sponsor, stakeholder with accountability, project manager.
- Smart outsourcing provides crucial aspects of the Travel Risk Management program unavailable internally in terms of expertise, intelligence, technology, resource and impartiality. Key third parties are specialist travel security providers, travel management companies and medical assistance organizations.

2 Determine risk types

- Create a matrix of risk types specific to your organization.

3 Assess risk exposure

- Strategic – Assess your organization's capability to manage travel risks effectively, e.g., by using the [GBTA/iJET Risk Management Maturity Model](#) and/or involving a specialist advisor.
- Tactical – Develop the matrix in Figure 1 to plot your organization's exposure to specific threats.

4 Mitigate or manage

- Each identified risk can be mitigated or managed through one or more basic techniques: Treat, Transfer, Terminate, Tolerate.
- Means of managing and mitigating travel risks include a combination of education, tools, reporting and third-party services (see Figure 4 for an overview of typical elements of a travel risk program from a trip perspective).

¹ Advito 2009, White paper "C'est la vie?" A Step-by-Step Guide to Building a Travel Risk Management Program

Travel Planning	Authorization & Booking	Trip	Expense Claim
Awareness Education	Designated Booking Channel	Rich itinerary	Debrief
Destination intelligence	Per trip risk assessment	Traveler Tracking	Support in insurance claims
Preferred, screened suppliers	Pre-trip reporting	Intelligence Monitoring	Expense Audit
Trip models	Validated contact details	24/7 Assistance	
Information about 24/7 & insurance	Go/no go decision	Insurance Cover	
Travel Risk Policy	Briefing/Training	Specialist Support	
	Traveler Profiles	Action Plan	

Figure 4 – Typical components of Travel Risk Management that cover every step of a trip (Source: Advito 2009)

5 Communicate

Having a Travel Risk Management program is not enough. Travelers must be made aware of it and of their responsibilities.

6 Audit

Techniques for monitoring and ensuring the continuity of the Travel Risk Management program include:

- Creating a multi-disciplinary Travel Risk Management steering group
- Benchmarking regularly against best practices and peers
- Seeking input from senior management on likely new destinations
- Collating traveler feedback on risk-related issues
- Reviewing policies and procedures when incidents happen
- Ensuring policy compliance remains high

Travel risk management needs to be integrated into the broader travel program

Effective travel risk management needs to be comprehensive, consistent and integrated into an organization’s processes. Generically, risk management is a structured process supported by robust data management, combined with a clear policy and responsibilities and implemented and managed via change management and communication practices.

The following is a simplified checklist to help organizations start or evaluate their Travel Risk Management Program:

- Develop a travel security policy with key stakeholders and experts that is integrated into the travel policy and communicated to all affected parties
- Offer training and education programs for travelers, arrangers and managers ranging from online awareness courses on general travel risks and how to avoid or reduce them to medical risks and specific country preparation and intercultural training
- Provide pre- and on-trip information reports covering destination risk assessments, medical information and country profiles powered by trusted sources
- Deploy a traveler tracking system that allows identification and communication with travelers at risk in crisis situations and for prevention
- Provide 24/7 assistance services for personal support to travelers in need
- Implement an incident management plan to plan for, avoid and respond to crisis situations (e.g., providing close protection services, preparing evacuations, dealing with kidnap and ransom cases)
- Provide insurance program that covers frequent but low-key travel risks (e.g., baggage loss) and provides medical as well as specific security coverage
- Develop a crisis management plan with all involved parties that is regularly updated and tested; integrate the plan with the travel agency’s crisis management

Figure 5 – Minimum components of a Travel Risk Management program

For a comprehensive view of the [Travel Risk Management Maturity Model](#) follow the embedded links. [The GBTA Global Risk Management Committee](#) has created additional resources for GBTA members that can be found on the GBTA Website, by following the link.