

Risky Business

Whether it's terrorism, war, extreme weather, kidnapping, disease, civil unrest or just plain bad luck – travel is a risky business.

Leading organisations are being driven to act on mitigating travel risk for three main reasons:

1. **Legal liability** – Organisations failing to provide “duty of care” (*reasonable attention, caution, and prudence towards its employees and the public*) that may lead to the death or injury of employees increases these organisations' legal liability and reputational and financial risk.
2. **Adverse external impact** – Death, injury or threats of the same may lead to adverse consumer reaction resulting in loss of market share, erosion of brand equity and financial pressure.
3. **Loss of people capital (productivity)** – Aside from the impact on the employee involved, management must also divert their attention to respond to the subsequent issues and consequences.

Organisations should adopt a proactive approach to mitigating travel risks by either employing travel risk management providers (like those listed below) or seeking guidance from their Travel Management Company (TMC).

Name	Web Site
The Ackerman Group	www.ackermangroup.com
Air Security International (ASI)	www.airsecurity.com
Controls Risks Group (CRG)	www.crg.org
International SOS (SOS)	www.internationalsos.com
iJet Intelligent Risk Systems	www.ijet.com
Kroll Incorporated	www.krollworldwide.com
Overseas Advisory Council (OSAC)	www.ds-osac.org
Pinkerton Consulting & Investigations	www.ci-pinkerton.com

Travel risk management providers can help develop and implement programs that meet “duty of care” responsibilities and comply with federal and state laws in line with the organisation's unique mission and strategic goals.

If your organisation does not have the budget to retain a travel risk management provider or you wish to make some inroads now, here are some actions you can take:

Airport Transfers (Hire Cars)

Many organisations have now implemented policies and inserted a clause into airport transfer contracts prohibiting drivers from using mobile phones (even hands free) while transporting their employees. But this can create headaches when urgent messages need to be relayed en route or when you need to contact your driver and they already have a passenger!

Rental Cars

Car rental standards have been introduced globally requiring cars to at least have a driver and passenger airbag and an anti-lock braking system (ABS).

Pre-Trip Training and Advice

Online and facilitated training can be introduced and employees can be required to complete a travel training course before they can make a trip.

Driver training reduces risk by teaching drivers to anticipate dangerous situations, adjust to adverse conditions and react appropriately to the mistakes of others.

Domestic travel training is designed to mitigate risks associated with domestic travel, covering employee profiles, travel itineraries, travel policies and general guidelines on airport transfers, food and beverage, expense management, hotels and air travel.

International travel training is focused on trip preparation and important information on intended travel destinations, such as required injections, weather conditions, areas of risk, language etc. The training has a stronger focus on Crisis and Disaster Management Planning and actions that employees can take in the event something does go wrong.

Case studies can demonstrate the importance of crisis management planning. For example, during the London bombings, mobile phone networks were disabled to prevent further explosions that were being triggered with mobile phones. This incident emphasised the importance of having employees' travel itineraries and schedules available, as contacting travelling staff at the time of this incident proved extremely difficult.

High risk travel training is specialised and identifies steps employees may implement in order to minimise risk when travelling to high risk countries. In 2005, there were over 170 known kidnappings of American and European expatriates in Iraq – of which 15% resulted in murder. Steps covered include:

Maintain a low-profile appearance - Blending into the surroundings will help employees evade unwanted attention from thieves or potential kidnappers. The following suggestions may aid employees in maintaining a low profile while abroad:

- avoid wearing expensive suits and watches
- do not carry bags or portfolios with a visible company logo
- keep itineraries, reservations, or anything showing personal information on hand but out of plain sight
- avoid travelling in vehicles that may be considered ostentatious for the surroundings.

Be aware of the surroundings - Maintaining an active awareness of the surrounding events, people, and places may help alert the travelling employee to potential safety and health threats. Some useful tips include the following:

- take note of any suspicious people who may be monitoring the area or an individual's actions
- check hotel rooms and cars prior to entry for evidence of tampering
- ensure that taxi drivers post and match identification before getting into their vehicles.

Vary daily routine - Keeping a routine from becoming predictable helps to thwart criminals from tracking a traveller's movements and planning an attack. The following suggestions may hinder a criminal's attempts to track a potential victim:

- use a variety of walking routes
- avoid predictable times of travel
- do not consistently visit the same restaurants or social settings
- inform a companion or fellow businessperson of the planned activities and whereabouts for a trip
- register with the nearest US Embassy or consulate when travelling to high risk areas.

Travel Insurance

Travel insurance is a risk mitigator and provides protection for travellers and organisations against the unique risks associated with travel. There are several elements to business travel insurance including, but not limited to:

1. Personal Accident and Sickness
2. Kidnap and Extortion
3. Hijack and Detention
4. Medical, Additional Expenses and Cancellation/Curtailment Expenses
5. Rescue and Emergency Assistance
6. Loss of Deposit
7. Baggage/Business Property and Money/Travel Documents
8. Alternative Employee/Resumption of Assignment Expenses
9. Personal Liability
10. Collision Damage and Theft Waiver
11. Extra Territorial Workers Compensation
12. Missed Transport Connection
13. Political Evacuation

Many underwriters are limiting or proactively managing the number of employees and board members from an organisation visiting a country at the same time or travelling on the same airplane. This is achieved either by fixing the number of employees or board members who are allowed to travel, or by establishing a points system where job levels are assigned a certain value of points and then airplane trip, country or activity cannot exceed a certain number of points.

Airline Scoring and Categorisation

In general, domestic air travel does not expose organisations to safety issues related to particular airlines or aircraft. However the same can not be said for international air travel. If you have concerns about the safety standards of a particular airline or aircraft, research is available through organisations such as the Civil Aviation Safety Authority (<http://www.casa.gov.au>) and the International Civil Aviation Organisation (<http://www.icao.int>). Your TMC should

also be able to assist in scoring or categorising airlines or aircraft and any policy implications for your organisation.

Visas

It is worth noting that a visa does not guarantee entry to a country. That decision remains the right of the immigration officials of the country concerned. Some countries ask visitors to present return tickets and evidence of funds sufficient to cover their intended stay. Some refuse entry to visitors who do not comply with requirements regarding general appearance and clothing, or visitors who are HIV positive. Your TMC will be able to help with some of the implications regarding visas, or you can refer to the Department of Foreign Affairs and Trade web site (<http://www.dfat.gov.au>).

Traveller Locators

Traveller locator software, available through your TMC or third party organisations such as SOS International, provides real-time traveller tracking and on-demand reports, so you can act immediately during a crisis or use it to mitigate risk. The software enables you to locate travellers with comprehensive search options like name, country of travel and date, and then you can drill-down to flight details and hotel reservations to get the information you need within seconds. Users can sign up to receive proactive email alerts, which notify organisations when employees are travelling within a crisis area. The accuracy is only as good as the information provided, so if any bookings or changes are made outside the Global Distribution System (GDS), the system will not accurately reflect where travellers are.

In summary

Without timely travel risk management plans, any emergency, be it weather or terrorism, can prompt an organisation to make last-minute decisions that are damaging to its reputation and business. Coupled with the possibility of liability, duty of care to people and capital protection are critical to the long-term survival of an organisation. Employees are at greatest risk when they are travelling. Developing a comprehensive and proactive travel risk management program can enhance productivity; bring peace of mind and save lives.