



Travel
Management by
UNIGLOBE

Understanding Employer Responsibilities for “Duty of Care”

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INTRODUCTION

Travel risk management is becoming an increasingly important area of focus for employers and their travelling employees. As companies are increasingly globalizing their operations, the risks to their employees, and therefore to the firm itself, is greater. Global Solutions, Travel management by UNIGLOBE, is responding to more Requests for Proposals (RFPs) that highlight risk management as a key component of their travel management.

There is no standard worldwide terminology for such risk management. It is a broad category and can be referred to as duty of care, safe harbor, data protection, etc. This paper will shed light on the key elements an employer should have in place to meet its obligations around travel risk management.

PROBLEM DEFINITION

Generally speaking, travel risk management is becoming of increasing importance to firms. However, the coordinated management of risk mitigation is still underdeveloped in many cases. Liaison between the relevant departments (such as human resources, travel, and legal) is poor.

There are five high level categories of travel related risk:

1. Personnel (health, safety and security)
2. Reputational
3. Data and equipment
4. Legal
5. Financial

Corporations are expected to provide a more thorough level of travel risk management to their travelling employees than ever before. This requires that the primary place of business becomes informed of the laws they are operating under. Some country specific duty of care laws and even some international laws (e.g. Belgium) cover business travellers working in another country regardless of magnitude or duration of work. Some US states' and some countries' workers' compensation laws cover injuries and illnesses while on international employment assignments. Other countries, such as Australia, cover their citizens (via workers compensation benefits) who work abroad or even during overseas leisure travel. In Australia, employees can also be awarded damages in excess of workers' compensation claims in negligence lawsuits, including possible personal liability for managers. In the UK, worker compensation laws do not operate in the same manner so that employees can sue their employer directly. Since the passing of the Corporate Manslaughter and Corporate Homicide Act of 2008 in the UK, many companies there face severe penalties if they cannot demonstrate an effective travel risk management strategy. There is concern in other jurisdictions that this Act will set a precedent around the world for criminalizing a company's failure to provide duty of care to travelling employees.

HIGH LEVEL SOLUTION

An executive, cross functional approach is required by the firm's leaders. Small to Medium enterprises may not have separate departments such as HR, Legal, Security, Compliance etc. to engage in such a policy development plan.

Regardless, it is incumbent on the firm's principles to find the right personnel to provide a level of duty of care that is compliant with their local laws.

The following is a simplified model for developing a travel risk management policy:

Prepare – by assigning an executive champion, determining key risks in your business' context, formulating a communication plan.

Manage – by developing a specific policy that includes 'Duty of Care and Expectations', 'Risk to the Traveller and Firm', 'Assessments and Mitigation Strategies' (such as Security and Awareness, Contingency Planning and Business Continuity).

Audit – describe techniques for educating, monitoring, and ensuring the continuity of this policy.

A well-qualified and experienced corporate travel manager provider can provide your business with several key elements embedded in these notions. For example, by notifying your travellers of the risks in the country they are going to, or reports that can locate your employees at any given moment around the world, or managing compliance to a policy where no more than two executives can be on board one aircraft at any one time.

SOLUTION DETAILS

Prepare

1. Assign responsibility

In some firms the responsibility for travel risk management can come from the Travel manager, or the person booking travel. They are often closest to the travel arrangements and have the highest awareness of travel risk. Their challenge will be to convince senior leaders to develop a meaningful policy that protects the firm and its employees. A successful way to manage this is to prepare a briefing document that outlines potential risk – especially financial – to the firm. The engagement of a senior leader in the firm cannot be overstated; without executive support the company will not be able to sustain the initiative.

2. Determine risk types

A simple matrix that examines your particular context can be very helpful.

Risk Types	Examples	Questions
Risk to Personnel	Security/ civil unrest Health / illness	Where are our employees?
Reputation	Failure in duty of care Misuse of expenses	What are we obliged to provide our employees?
Data / Equipment	Protecting company data while travelling Stolen baggage	How do we protect our company's information?
Legal risk	Duty of care legislation Tax laws	Do we have a policy that is monitored?
Financial risk	Losses due to legal risk Losses due to date /equipment loss Losses due to down time of personnel	Do we have a policy that is well known in our company?

3. Develop a Policy

There are several components a firm can build in depending on the level of complexity of the firm, its destinations, its intellectual property, its products etc. It is recommended that the travel risk management policy is separate from the company's main travel policy guidelines. The reason for this is that by separating it, the policy is distinct and highlighted as a standalone policy. Typically the policy is composed of two broad categories:

- a. What the company will do to mitigate travel risk (i.e., build an action plan)
- b. What the employee is expected to do to mitigate risk while travelling, and have them commit to these in writing

Traveller tracking and updated traveller profiles are useful tools to keep track of where employees are. Travellers themselves may need to be educated on such things as dress code, a commitment to share itinerary details to assigned parties, and not changing flights at airports (which are difficult to track using the above mentioned tools).

Manage

If you have done an assessment of the risks to your firm and its employees, and have a policy that is well known, how do you manage a crisis? A crisis management flow chart that describes stages of a crisis, which person(s) is/are responsible for each stage, and lists specific action steps will help the organization respond during crises.

Stage	Team	Action / Decisions
Notification	Travel manager/ assigned internal person	Understand if any travellers are affected
Fact finding	Core crisis team pre-assigned, including corporate travel agent	Contact travellers affected
Assessment and Management	May include executives/ third party security	Communication to all internal and external stakeholders (eg. VP HR and family members) / Decision re-evacuation / relocation / accommodation, etc
Business Continuity	Core Team	Reassignment of work / contact with end customer

BUSINESS BENEFITS

The benefits to the business are hard to quantify, after all, this is a risk mitigation exercise. Certainly compliance to local laws and to employees' well beings is fundamental to the employers' brand. The real benefits will be evident if and when there is a risk event or even a full blown crisis. The ability of the firm to be able to manage through such events or even to defend its ability to do so can be invaluable.

SUMMARY

Every firm with employees who travel will be expected to comply with local, and sometimes international, laws around travel risk management. Every firm with employees who travel will be expected to develop a meaningful travel risk policy. This paper lays out a simple guide to begin that process and reduce the firm's exposure accordingly.

CALL TO ACTION

Do not wait until you have a risk situation arise before making a plan. Your corporate travel manager can provide data and information about your employees, but that may not be sufficient to reduce your firm's exposure. Understand the contexts of your specific risks. Develop, manage, and audit your policy accordingly. Protect your company's most valuable asset: its people.

About Global Solutions Travel Management by UNIGLOBE

Global Solutions is a network of elite UNIGLOBE Travel Management Companies specializing in global management and local servicing for multinational accounts. As a division of UNIGLOBE Travel, Global Solutions addresses the unique corporate travel needs of multinational companies who want ideas, flexibility, transparency and dependability.

The network is governed and supported by the UNIGLOBE world headquarters in Vancouver, Canada and has a corporate governance framework designed to support the company's brand attributes of trust, integrity and flexibility.

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