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Manage Business Travel Risks with Five Easy Steps

By Mike Kelly 10/8/2014

With a 7.2 percent rise in business travel spending expected for this year—up to \$288.8 billion—as well as a rise in both global and domestic travel risks, [organizations must take proactive measures to protect their traveling employees.](#)

Whether your company has three employees or 30,000, the following simple steps can help you keep your traveling workforce safe and prevent legal, financial and reputational fallout.

Understand the Legal Risks

According to ExpatHealth.org, employers that fail to meet their duty of care obligations run the risk of expensive lawsuits or even having criminal charges filed against them. Under duty of care legislation, organizations are legally liable to safeguard their employees' welfare. Countries in North America (the U.S., Canada) and Europe (including France, Germany, Belgium, Spain), as well as Australia have comprehensive duty of care legislation. In the United Kingdom, for instance, failure to uphold duty of care obligations can result in civil and criminal liabilities for individuals, not just companies. In Germany, a company's liabilities for health-related costs actually extend to any family members of expatriates who, while visiting the expat abroad, become ill or injured themselves.

Design a Travel Risk Management Plan

Rising travel risks—including political, environmental and health-related threats—underscore the need for businesses to implement a companywide travel risk management (TRM) plan. Businesses failing to put travel safety protocols in place jeopardize not just their employees' well-being, but also set themselves up for significant legal, financial and reputational consequences. A TRM strategy can provide your company with response procedures in the event employees encounter a medical or

security emergency while traveling on behalf of the business, ensuring your company is prepared and your employees receive the help they need, when they need it.

It's important to include coverage for employees' families who may be accompanying them on business trips and/or expatriate assignments. Studies show that nearly 40 percent of expat assignments fail due to an underlying health issue of a spouse or child that cannot be effectively managed in the expat's country of assignment. Sending employees to various parts of the world is also a very costly undertaking. The average cost to a company in the first year of an expat contract is upwards of \$250,000. The cost of a failed expat contract is, on average, nearly three times the employee's annual salary. This underscores the need for businesses to have a streamlined travel risk management procedure in place to help mitigate significant financial loss.

Organize Orientation Meetings

Whether managed by your human resources or risk management department, it's important to offer at least two mandatory orientation meetings for your traveling employees prior to their departure date. These meetings will give employees essential information regarding their upcoming travel. Meetings should provide the following information:

- Travel logistics, including visa and/or passport information, as well as hotel/meeting site location and reservation details.
- Locations of nearby pharmacies and medical clinics in the event of an emergency.
- Passport and/or visa arrangements and requirements.
- Country-specific personal safety guidelines.
- Emergency contact information, including phone numbers for local emergency responders, the number of an emergency hotline that has been set up as part of your travel risk management plan, and relevant internal company resources.

Provide a Medical Overview

One of the most important insights your company can provide to traveling employees is information about health risks specific to their destination. This should include details on vaccination requirements as well as details on local food and water safety. [The Centers for Disease Control and Prevention Travelers' Health website](#) has valuable information you can access, such as worldwide health alerts.

Since many health insurance plans do not cover members traveling outside the U.S., organizations should verify benefits available to traveling employees and secure supplemental coverage if necessary. Be sure employees are appropriately covered for medical evacuation in the event of serious illness or injury, and confirm there is sufficient medical expense coverage as well as access to referrals to nearby clinics and hospitals with Western standards of care.

Map Out the Security Landscape

Many areas of the world are experiencing political unrest and living under the threat of terrorism. Providing your employees with information regarding the political status of a country prior to departure will help prepare them for unexpected security issues abroad. It's also important to ensure that your employee benefits package includes security services for employees traveling to high-risk areas. U.S. State Department resources, such as the [current travel warnings list](#) or the [Smart Traveler Enrollment Program](#) can also be used to assess a country's current political status.

Implementing a comprehensive travel risk management plan can help your organization avoid such risks. Of course, there will always be unpredictable elements in any travel situation, but with adequate preparation most unforeseen circumstances can be mitigated, or in some cases, prevented entirely.

Mike Kelly is CEO of [On Call International](#), a global medical and travel risk management company.

- See more at: <http://www.shrm.org/hrdisciplines/global/articles/pages/manage-business-travel-risks-five-easy-steps.aspx#sthash.r96IPLxj.dpuf>