

**CHAMPLAIN**  
**BUSINESS JOURNAL**

**VOL. 16, NO.1**

**LAKE CHAMPLAIN REGION**

**& CENTRAL VERMONT**

**January 2012**

# Global workers

## Who's responsible for your employees while abroad on business?



By **MICHAEL J. KELLEY**

According to the U.S. Travel Association, business travelers make up approximately 20 percent of all travelers, and there are 6.32 million Americans living overseas in more than 160 countries.

While life on the road can sometimes seem appealing, from racking up frequent flier miles to overnights at popular hotels, true road warriors know that business travel can be strenuous, stressful and exhausting. This is especially true if an employee becomes seriously ill or has an unfortunate accident while living abroad or traveling for business.

Who can they call for help, and who is responsible for ensuring their safety? Thus lies the "duty-of-care" question, and the answer, in most cases, is that employers are legally liable if an employee traveling for business needs assistance or evacuation for medical or security reasons.

Following are seven tips for employers whose employees travel for business purposes or live abroad on expatriate assignments.

- **Be prepared:** Whether you have three employees or 30,000, it is always imperative to be prepared. With more than 100,000 Americans residing in China, Dominican Republic, Greece, Israel and the West Bank, Mexico or the Philippines, companies are quickly realizing the precarious position they could be in if they haven't pre-planned for medical or security situations, which are bound to happen with any population of traveling employees. It would only take one international emergency evacuation, which can cost more than \$100,000 for travelers from business hubs in Dubai to New York, or China to Texas, to make a company realize that it is financially better off making appropriate arrangements in advance.
- **Minimize the risk:** There is substantial risk that can adversely affect an employee and the company if a seamless travel assistance plan isn't in place. In an emergency medical or security situation, a delay in response can be disastrous to an employee, the family and the company. Having an emergency response plan in place leaves the difficult task of getting people home to professionals who are experts in dealing with these catastrophic situations, such as a political revolt or natural disaster.
- **Don't forget the families:** It is just as vital to make sure that families traveling or living abroad with the employee are covered as well. An employee could

become totally ineffective if something happened to a family member on assignment with the employee and they don't have coverage. In fact, most expatriate assignments fail (roughly 40 percent) not due to the expat, but to an underlying health issue of their spouses and children that cannot be effectively managed in their countries of assignment.

- **"Time off" is really "time on":** When the employee and his or her family are engaging in any leisure activity, it's just as important to continue coverage, because they are away on behalf of the company. The company has placed them in a spot for increased risk, so it's vital for the company to take care of the employee and the family while on assignment, from the time they leave until the time they return home.
- **Support and screening:** According to Expatriate Preparation, the average cost to a company in the first year of a single expat contract is upwards of \$250,000, and the cost of a failed expat contract is about three times the employee's annual package. With proper support and screening (pre-deployment and while on assignment), businesses can help mitigate this financial loss.
- **Legal woes:** ExpatriateHealth.org states that many multi-national employers that fail to meet their duty-of-care obligations toward expat employees — whether intentionally or accidentally — could land in court, translating to expensive lawsuits or even criminal charges. Several countries have developed duty-of-care legislation, most recently, Australia and New Zealand. In the United Kingdom, failure to uphold duty-of-care obligations can result in civil and criminal liabilities for individuals, not just companies. In Germany for example, liabilities for sickness and health-related costs actually extend to family members who visit the expatriate in various host countries.
- **Safety first:** No matter where your employees may travel, it's important to make sure they are covered. Companies should take advantage of corporate solutions such as securing services from a travel, medical, and security emergency-assistance company to help eliminate any worries for employees while traveling.

*Michael J. Kelly is president and chief executive officer of Salem, NH-based On Call International, which offers emergency medical and travel assistance.* ♦