



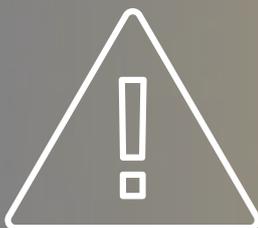
FCM INSIGHT

Understanding travel risk management

HEALTH AND SAFETY



The world is an increasingly dangerous place, so the health and safety of business travellers is rightly at the top of the corporate agenda.



40%

of all business travellers and face additional risks including sexual harassment, assault, theft and cultural issues in specific parts of the world.

The risks faced by business travellers come in many different forms, from a delayed or cancelled flight, staying in a hotel on the wrong side of town, to risks associated with international travel such as political upheaval, natural disaster and terrorism.

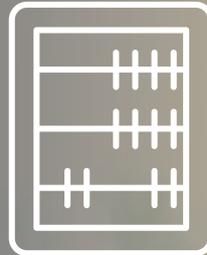
2019 has seen global tensions heighten, especially between the U.S., Iran and North Korea. A trade war between the U.S. and China threatens global economic growth, whilst protest movements have toppled governments in Africa and the Americas. Meanwhile, in Europe, uncertainty over Brexit forces businesses to plan for multiple scenarios.

Virtual kidnapping is a new risk gaining traction in the US, UK, Canada, and Australia.

Risks in 2020

The risks most likely to affect business travel in the immediate future are extreme weather, the failure of climate-change initiatives, natural disasters, data fraud/theft and large-scale cyberattacks. The threat of pandemics like Zika and Ebola is rising, and growing business travel volumes will only enhance that risk.¹

Virtual kidnapping is a new risk gaining traction in the US, UK, Canada, and Australia. This involves criminals demanding ransom payments in digital currencies and the tactic poses a credible security concern across developed nations.²

**83%**

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The diversity of travel risk

Although the diversity of travel risk is a challenge for travel managers, on an everyday level, business travellers' biggest concerns are more mundane. Male travellers dread winding up in the middle seat on the aircraft³ whilst male and female travellers alike cite late night travel as their biggest concern.⁴

Female business travellers

Women now account for more than 40% of all business travellers and face additional risks including sexual harassment, assault, theft

and cultural issues in specific parts of the world.

83% of female travellers have experienced a safety related event in the last 12 months, and 80% say those events impacted their work productivity. Yet just 18% of corporate travel safety policies specifically address female safety needs.⁵

Wellness

Poor health and well-being are risks common to male and female business travellers alike. Frequent

business travellers are more likely to suffer stress, sleep interruption, unhealthy eating and drinking, and are less likely to exercise. 75% of business travellers report high or very high stress⁶ whilst 25% link prolonged absences from home with depression and anxiety.⁷



Business travellers are also more likely to behave in a risky way whilst on work trips. 46% are more likely to consume alcohol; 35% are more likely to visit bars and nightclubs. A third are more likely to travel to areas they don't know are safe than they would normally.

Duty of care

Corporates' duty of care to ensure the health, safety and wellbeing of their employees, wherever they work, is a legal requirement in many countries. In 2007 the UK was amongst the first to legislate company duty of care obligations when it passed the Corporate Manslaughter and Corporate Homicide Act. Australia, France, New Zealand, the U.S. and Canada have similar laws in place.

Legally, employers must not only conform to relevant health & safety and employment law, but also have a moral and ethical duty not to cause, or fail to prevent, physical or psychological injury (to their employees), and must fulfil their responsibilities with regard to personal injury and negligence claims.

Employers' obligations are wide-ranging. They include clearly defining jobs and undertaking risk assessments, to ensuring a safe work environment and that staff do not work excessive hours, to protecting staff from bullying, harassment or discrimination. These stipulations apply equally to employees travelling for business, anywhere in the world. The penalties for breaches range from unlimited fines up to imprisonment for senior executives.

With business travel volumes and corporate awareness of their Duty of Care obligations growing, it's essential that organizations have robust processes in place to deal with any issues that may arise. Unsurprisingly, corporate attitudes to Travel Risk Management (TRM) have changed significantly in the decade since the Corporate Manslaughter Act came into effect.

Mitigating risk

The security, physical and mental health of travellers is employers' top priority. That's because travel policies that consider the impact of trip-related stress can improve corporate productivity by up to 32%.

A third of business travellers don't believe their companies adequately address safety issues. Those that do keep their travellers informed

of potential destination-related issues during trips, either by SMS (travellers preferred medium), e-mail, live chat and voice assistant.

There's still a long way to go, however. Under 50% of women report personal safety incidents to their organizations. Some say this is women don't want to be perceived as weak within their organizations or that, by reporting an incident, opportunities for career progression

may be affected.

Although organisations provide all travellers with security resources such as 24-hour emergency hotlines, only 44% book their female travellers women into hotel rooms with additional safety features like double locks and 24-hour security. 60% are rarely or ever offered chauffeured transportation services at their destinations, even those in environments known to be hostile.

Role of the TMC

TMCs have a key role to play in supporting their clients' duty of care responsibilities. Although most safety-related incidents faced by business travellers tend to be low-risk (e.g. lost baggage), the range of risk is becoming broader.

From theft leading to loss of sensitive company information up to major terrorist incidents. TMCs are therefore stepping up their efforts to support clients with their Travel Risk Management (TRM) solutions and the creation or revision of crisis management plans and response processes tailored to their clients' structures and cultures.

FCM's TRM product leader Pip English emphasises that the focus should not be solely on worst case scenarios. "The threat from terrorist activity is real and should definitely be considered in formulating an organisation's crisis management plan. However, risk related to geo-political activity or health concerns tends to affect a far greater number of travellers", says English.

"Terrorism inspires fear and grabs headlines but is often isolated. Risks can be much more widespread. For example, infectious disease in most virulent form (and indeed at flu-level) can be hard to contain from person to person. Organisations should prepare for the worst but not at the expense of the frequent."

Pip cites the continuing refugee situation as an example of geo-political threat. "According to the UN High Commissioner for Refugees, in January 2019 there were 70.8 million displaced persons worldwide. The refugee crisis in North Africa has strained water supplies and health infrastructure and placed an additional load on security services. The knock-on effect of this is depleted vaccine stocks in many EU nations, so routine vaccinations for residents, refugees, immigrants, ex-pats and business travellers will be impacted."

"Polarising events such as the tensions over North Korea, and even elections in Latin American and even European countries should also be on corporates' TRM radar" says Pip.



Be prepared

So what should travel managers be doing to meet every-increasing duty of care obligations to mitigate travel risk?

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1. There are five stages of travel risk management; identifying the risk, preparing the traveller, tracking the traveller, communication and response. Each should be included in any TRM plan.
2. Risk varies according to location, environment and circumstance. Make sure the risks in each location your travellers visit is visible – not just the life-threatening ones. Just knowing where is a traveller is doesn't mean you have a workable plan in place to help when things go wrong. Make it clear to the traveller what those risks are, what measures are being taken in the interests of their safety.
3. Prepare your travellers before they travel. Make sure they have the latest advice on vaccination requirements and where to get them. Educate them on potential health risks, how to prevent them and what to do if they do fall ill whilst travelling on business.
4. It's important that health response plans cover extreme eventualities such as a country closing its borders due to disease outbreak, but also more everyday risks such as traffic accidents and personal theft. Travellers need to know what action to take and the support they will receive in these circumstances.
5. Having a TRM plan is great, but response processes, communication channels and traveller perceptions of the available support need to be checked and reviewed regularly. If they don't work, you could be in real trouble.
6. Your TMC can work with you to review or implement your TRM solution and support your travelling employees with their own Customer Crisis Plan.

Sources

1. World Economic Forum 2019
2. World Aware Global Focus 2019
3. Global Business Travel Association (GBTA) & Airlines Reporting Corporation 2018
4. FCM U.S. Business Traveller Survey 2019
5. GBTA 2018
6. World Bank survey 2018
7. International SOS and Kingston University survey 2018
8. FCM U.S. Business Traveler Survey 2019

About FCM

FCM is a single global brand providing a comprehensive range of corporate travel and expense management solutions. We have a presence in more than 95 countries and are regarded as one of the top five travel management companies in the world. FCM is responsible for the travel programmes of some of the world's most successful corporate brands.

It has always been personalised service that sets FCM apart from the rest and we blend this with innovative technology and unrivalled access to content to drive the optimum performance of your travel programme.

Contact us today to find out how FCM can elevate the performance of your corporate travel programme.