Building Blocks to a Travel Risk Management Program

Corporations should be introducing programs to recognize, evaluate, alleviate, and examine risk in an increased methodical approach. To assist companies with this daunting task, Acendas developed the initial steps to establish a travel risk management (TRM) program.

Travel Managers and other involved stakeholders can utilize the following six-step procedure to begin their TRM plan:

Step 1 - Allocate Management Duties

- Four key stakeholders are needed to drive the program: initiator, senior sponsor, stakeholder with accountability, and a project manager. The team should organize and inspire all pertinent departments, including travel and security, and outsourced third parties.
- Outsourcing offers vital facets of the TRM program unobtainable internally in terms of proficiency, intellect, technology, resource, and neutrality. Significant third parties include travel security providers, travel management companies, and medical assistance companies.

Step 2 - Ascertain Risk Types

- Establish a matrix outlining kinds of risk that are probable to be pertinent for you company and identifies travel-related risk types and sub-types. The following is a sample risk type assessment:

Risk to Personnel

- Security (crime/civil unrest or terrorism)
- Safety
- Health (illness or stress)

Risk to Reputation

- Failure in duty of care to employees
- Carbon footprint
- Abuse of travel expenses
- Unethical conduct by travelers

Risk to Data/Equipment

- Data carried by employees while traveling
- Data collected about employee travel
- Baggage, equipment and personal items

Legal Risk

- Duty of care/health and safety legislation
- Data protection regulations
- Failure to comply with tax laws
- Illegal activity by travelers

Financial Risk

- Financial penalties of exposure to legal risk
- Abuse of travel expenses

Risk to Productivity/Trip Effectiveness

- Baggage, equipment or personal items
- Insufficient technology/assistance for travelers
- Failure to meet immigration requirements

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Step 3 - Evaluate Risk Exposure

- Measure the efficiency of your company's ability to successfully manage travel risks.
- Improve the threat type matrix to outline your company's particular exposure to each risk type.

Step 4 - Alleviate or Control

- Each recognized risk can be lessened or handled via one or more fundamental methods:
  o Remedy – remove or control risk to a satisfactory level through internal controls.
  o Relocate – encourage or reimburse a third party to take the threat through a different method; e.g. insurance.
  o Stop – the threat can be remedied or limited to suitable levels by ending the activity.
  o Abide – capability to actively alleviate the threat is inadequate, or the price of acting is unequal to the possible advantages. The consequence is to accept the threat.

- Devices utilized precisely for alleviation of travel threats include:
  o Procedure – evaluate staff, automatic reply during booking; e.g. activating approval conditions, traveler tracking, and travel profiles.
  o Materials – safety guidelines and location details.
  o Preparation – disaster management.
  o Threat transmission – insurance and medical support.

Step 5 - Converse

- A strong TRM program is not sufficient. Travelers should be informed of the process via a cautiously controlled, pertinent communications plan. If the materials distributed are not relevant and brief, communication can become detrimental.

- The TRM program should be explained during new employee orientation.
- Another key possibility to ponder is creating a branded security plan, which becomes pertinent when utilizing travel advisory or other third-party supplier services. Internal branding, coupled with a comprehensive workflow and well-defined tasks, allows for a continuous change of suppliers without travelers observing.

Step 6 - Examine

- Methods for examining and safeguarding the TRM program's continuity include:
  o Establishing a multi-departmental group to guide the TRM program.
  o Benchmarking ability and efficiency frequently against best practices.
  o Pursuing involvement from senior management regarding possible new travel locations.
  o Gathering travelers' reactions on risk-related concerns.
  o Evaluating processes and policies when events occur.
  o Assuring policy compliance continues to be elevated.

ABOUT ACENDAS

Established in 1982, Acendas provides comprehensive corporate travel, meetings and incentives, and leisure travel services. As a joint venture partner with BCD Travel, Acendas' clients have access to exceptional technology, proprietary discounts, and extensive global resources.