

The final part on **Corporate Risk Mitigation** looks at what firms should do to keep staff safe when they are on business trips



# Minimise mishaps abroad

**T**he impact of globalisation and the chase for new overseas markets have spurred a rise in business travel, with corporate executives sent to far-flung destinations in search of suppliers, orders, projects or the next new frontier.

While this is usually presented as an opportunity to shine and even as a perk of the job, the reality is that every trip, regardless of the objective and duration, entails a range of risks that simply never affect staff confined to their desks or operating in the day-to-day office environment. Employers, therefore, have a clear responsibility beyond approving the travel budgets, itineraries and business targets for such trips. They must also ensure that policies are in place and that suitable precautions are taken to protect staff from risks which, at first glance, may seem unlikely but which, unfortunately, are all too possible in today's world.

Even as unwitting bystanders, business travellers can get caught up in terrorist attacks, road accidents or natural disasters. This can lead to personal injury, or worse, and all kinds of unforeseen expense. But it is also a fact that, in certain countries, visiting executives must contend with the threat of kidnap and assault. The less law-abiding locals see them as high-value targets, either likely to have ready access to substantial amounts of cash or working for companies prepared to pay up without making too much fuss.

As a consultant with experience in such matters, I make a point of advising companies to take measures to evaluate these specific risks and to take appropriate steps to mitigate them. That applies especially when they are sending employees to unfamiliar locations or to areas where the level of threat is commonly known to be higher. I also emphasise that companies failing to address these issues may find themselves subject to legal action by affected employees, possibly resulting in significant penalties and negative public relations, which can do untold damage to their corporate image.

To take one example, with the World Cup soccer tournament in South Africa now less than a year away, many companies are looking at it as a catalyst to boost sales or explore new business ventures in the country. Many will take the opportunity through

## EXECUTIVE INSIGHTS

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various reward and incentive packages to send their staff or invite clients and competition winners to the event. In principle, of course, everything should run smoothly. The South African authorities and the organising body are well aware that they will be in the spotlight. They have given repeated assurances about putting the necessary measures in place to ensure that, at the very least, the locations at which tournament visitors and their guests are staying will be safe and secure.

However, it is no secret that South Africa remains crime-ridden. The country has a very high incidence of robbery, violence against persons and sexual assault. In my view, it is therefore not enough for companies in Hong Kong or elsewhere to simply buy air tickets, pay hotel bills and then assume that their staff and clients will be fine. What is required is a professional threat assessment coupled with careful site selection. There should also be regular security updates before and during the event to guarantee the correct level of awareness and general vigilance.

It helps that an increasing number of human resources departments now deploy regular tracking mechanisms to monitor the movements of key staff. They also maintain the ability, through outside security consultants, to pass on important messages, in real time, advising employees, who are

travelling overseas, of potential threats or actual incidents. This allows them to be well prepared and is a key step in developing a sophisticated response mechanism that makes it easier to deal speedily and professionally with eventualities from kidnap and ransom to medical evacuation or false criminal accusations. Again, it is worth remembering that failure to take these precautions may, in the long run, expose employers to legal penalty.

When putting together an effective corporate security plan, it is important to include proactive and reactive elements. Firstly, there should be clear, up-to-date and accessible records detailing the whereabouts, agendas and expected movements of anyone sent overseas on company business. The employer should regularly check government travel advisories, pay close attention to current events and political instability and, if necessary, brief relevant staff on sensitive issues and known tensions before their departure. It also makes sense to seek the advice of destination offices or counterparts where possible.

To ensure an effective response, it is vital to set up a crisis hotline. There should be a comprehensive list of procedures specifying action to take in situations such as emergency evacuation. This should include contact names and numbers, options or contingencies and levels of authorisation. It is not essential for company staff on trips overseas to know all the details, but they should at least be aware that such plans exist. Also, it is a good idea to test and update such procedures on a regular basis and to ensure that anyone likely to be involved in implementation is properly trained and kept fully advised.

Once up and running, corporate security programmes are relatively easy to manage and they provide a level of assurance for well-being and safety. Importantly, though, if they are to work as intended, at-risk employees must understand potential threats and behave accordingly. This is a matter of being alert, listening to advice and developing a sixth sense to detect the warning signs.

Every few weeks, we get another stark reminder of what can happen, but two events from the past 12 months made a particular impression on me. The first was the Mumbai attacks of November last year when terrorists targeted an iconic hotel, trapping many

foreign executives. Following the incident, some of these individuals admitted they were aware of general security risks but had no idea how to react and no capacity to reach out to a designated person for advice. Instead, they had to rely on basic survival instincts and hope for the best.

Even basic training on how to react could have helped them deal with the stress and anxiety. Just a few weeks before the attacks our consultants had issued a detailed advisory warning that India was likely to face a significant upsurge in terrorist activity. No one has an infallible crystal ball, but the accompanying report did specify Mumbai as a probable trouble spot. It also advised our clients to avoid likely target areas, such as iconic or high-profile venues, and instead to stay in more discreet, downmarket locations.

The second event, which now shows signs of becoming a trend, concerned the case of accounting professionals being unlawfully detained while visiting factories on the mainland. The visits usually relate to assessing distressed assets, with local workers or investors fearing an outcome that will leave them out of pocket. In these situations, the executives were seen as useful bargaining chips and local law enforcement officials seemed reluctant to get involved. The lesson to be learned is that professional services firms and others similarly affected must consider the safety and welfare of staff before sending them into these situations.

The senior partner or equivalent should be responsible and accountable for conducting a likely threat assessment. If it seems the issue is highly contentious, and that significant repercussions may occur, staff should consult professionals in handling risk who can guide them through the practical difficulties.

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**The next series will address the challenges that organisations face in managing people as they prepare for economic recovery.**



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