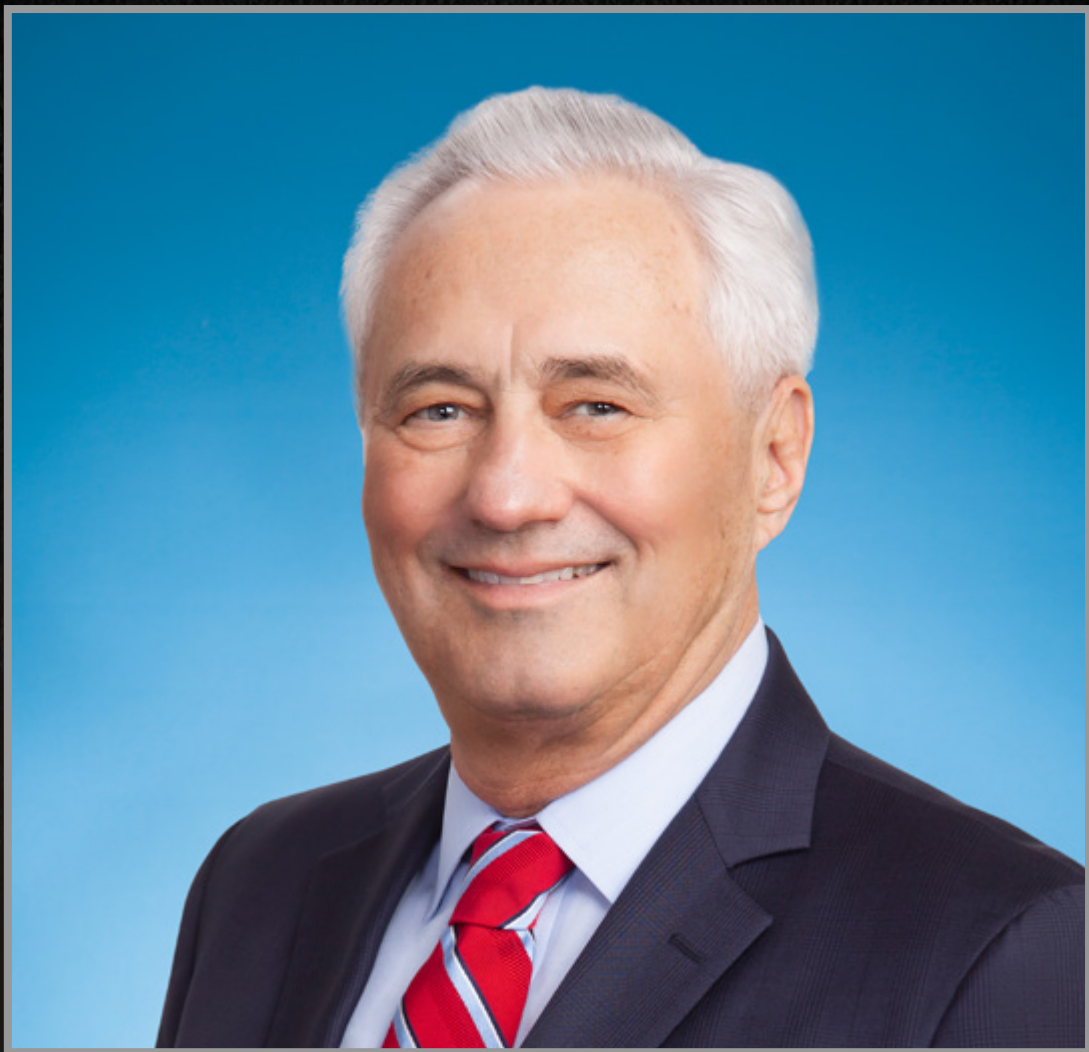


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TRAVEL RISK MANAGEMENT

by Michael O'Rourke

On the night of November 13, 2015, as terrorists were attacking multiple targets across Paris, San Francisco-based Salesforce had 451 employees unaccounted for in the City of Light. Would you know what to do if a member of your family were unaccounted for under similar circumstances?

Travel Risk Management (TRM) helps you plan for the worst and guides your actions should the worst occur. Additionally, a properly designed and implemented TRM program helps you meet your Duty of Care obligations to those traveling on your behalf. In the family office environment, this includes office employees, domestic staff, and possibly even your agents and advisors.

Broadly defined, Duty of Care is an employer's legal and moral obligation to take prudent measures to protect workers from foreseeable risks in the workplace.

Applying this legal obligation to protect traveling employees varies from country to country. The United Kingdom, most European Union countries, and Australia have laws in place stating Duty of Care applies to workers traveling abroad on behalf of their employers. The United States has no specific legislation applying to employers in this regard, but I would argue the moral obligation remains.

The cost to family offices lacking Duty of Care plans for traveling workers can be catastrophic and include: Loss of life, serious injury, or emotional distress; unplanned medical evacuation costs; economic damage; business interruption; criminal charges in some countries; civil fines and penalties; cost of litigation; and damage to family name and reputation.

Due to its robust TRM program, Salesforce accounted for each Paris employee within a few hours. All were safe and unharmed.



Investing in TRM now is clearly many times less expensive than the cost of a poorly managed crisis later. Getting started is not as daunting as it might seem at first. If your family office is smaller, or lacks expertise in some areas, outsourcing your TRM program is the correct move.

Identify Stakeholders

In-house travel managers and security directors top this list. Opinions differ on whom should be placed in charge of developing the TRM program, but it is usually one of these two. I favor the Security Director in this effort if they possess the requisite experience in overall risk management. Your legal team must have a seat at the table. Public Relations should be involved at this stage, as they will be called upon to craft communications during and after a crisis.

Travel Risk Management program success requires executive level support. When the family office principal throws his or her weight behind approving the program and demanding compliance, there is no higher level of commitment. Executive leadership can not only allocate resources during start up but, critically, shift organizational priorities during a crisis.

Establish Strategic Policy

Your TRM policy must demonstrate and focus your family office's commitment to providing adequate Duty of Care to your traveling employees. The policy is your strategic vision for the program. It explains the "why" of TRM, assigns responsibilities to key individuals and teams, and covers the general "how" of implementation.

Assess Risk

Adopting a method of assessing risk is essential to understanding the security, safety, and medical risks in those parts of the world where you do business. Included is not only initial intelligence collection, but an ongoing effort to maintain a clear operational picture. Intelligence collection is often outsourced, but internal assets such as reports from the field, site visits and debriefing returning employees should not be overlooked.

Individual travelers are a key risk assessment factor. Is the employee or family member healthy enough for travel to austere locations where medical care is scarce? Are there other foreseeable risks that might disqualify a traveler from one assignment, but not others?

Risk Assessment is a living process, always in motion, devouring new information and constantly challenging previous assumptions.

Planning, Policies & Procedures

Utilize the risk assessment results to develop general and location specific TRM policies and procedures that govern travel management and the traveling employees. This can include how emergency notifications are pushed down to travelers, or up to the family office from the field and employee check-in requirements during an emergency. Crisis management plans—previously rehearsed—dictate how the family office reacts to and manages incidents and emergencies.

Educate, Train & Implement

The new TRM program must be clearly communicated across the enterprise at all levels, including reaching out to those already assigned or working abroad. Employees and managers on both sides of TRM require training as the new policies

and procedures are brought online. Poor execution here will likely result in internal compliance issues, which can rightly be traced back to management's lackluster TRM rollout.

Analyze, Re-evaluate & Start Over

After an organization has activated its TRM program, the results must be measured and analyzed to improve efficiency, effectiveness and compliance. Lessons learned must, in fact, be learned.

Throw away what doesn't work, and fill identified gaps or shortcomings. Policies and procedures should be modified in a thoughtful manner based on a careful evaluation of the data.

Once brought to life, TRM is not a static monolith. Drop the idea that TRM has a beginning and an end. Rather, think of it as a rotating circle where one part of the process leads to the next, which leads to the next and so on in an endless loop.

How smoothly your TRM program meets your legal and moral Duty of Care obligations is tied directly to how well you start it rolling. Family office leaders to whom the TRM concept is new should not be afraid to look outside their companies. Security consultants understand, or at least should, that each organization requires a bespoke Travel Risk Management plan, rather than a one-size-fits-all approach.

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