A practical and advisory guide

Spotlight on Business Travel

Essential things to know about the ISO 31030 standard on managing travel risk

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Introduction

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There are few upsides to a global pandemic, but one thread of silver lining is the increased awareness of business travel risks and the need for adequate preparations, including insurance.

Statistics from the Global Business Travel Association (GBTA)[1] show that spending on international business travel is set to increase by 24% by the end of 2023. This follows a 53.58% drop in 2020 as a result of COVID-19, a figure that grew only slightly (5.5%) in 2021 but then rose to 33.8% in 2022.

The willingness among employees to travel has also increased. An online poll conducted by the GBTA[2] showed that seven out of ten respondents thought their employees were very eager to travel for business, the highest share since November 2020.

The GBTA survey tallies with Chubb's own findings. A survey of more than 2,000 business travellers across the globe carried out in November 2021[3], found that an overwhelming majority of respondents (84%) welcomed the return of business travel, but an almost equal number (81%) were now paying more attention to their company's travel insurance policy while 79% were confident that their company would take care of them if they fell ill during their trip.

Spending on international business travel is set to increase by

24%

by the end of 2023

1 https://www.statista.com/statistics/324786/global-business-travel-spending-growth-forecast/

2 https://www.gbta.org/wp-content/uploads/30th-Key-Highlights-ppt-Business-Travel-Outlook-Poll-January-31-2023-FINAL.pdf

3 https://www.chubb.com/th-en/articles/business-travel-survey-result.html

COVID-19 has not necessarily created new risks, but it has raised awareness of trends that have always been there, but have now become more prominent – for example, the risk of the spread of an infectious disease, the disruption caused by closed borders and profound social instability.

A huge step forward in business travel risk management has been the emergence of ISO 31030 – the first global standard dedicated to this topic. Launched in September 2021, it has been approved in 70 countries.

The standard provides organisations with a benchmark for assessing, building and implementing an effective travel risk management framework. And while it may not be a legal standard, ISO 31030 is likely to be adopted as the global reference point for travel risk management.

Clear legal obligations of employers and the growing complexity of global risks mean the basics are no longer enough, and the ISO highlights the need for organisations to take a more forensic approach to capturing and accounting for the risks posed by business travel in their risk management framework.

This report sets out the changing business travel landscape and the resulting impact on duty of care. It also details how the ISO 31030 standard can help organisations meet these obligations and provides a summary checklist for organisations looking to benchmark their travel risk management plan.

Finally, this report outlines other benefits such as contributing to overall business resilience and identifying the risks that can be transferred to third parties, such as insurers.

The insurance industry has a key part to play in this evolving area. Brokers, insurers and assistance providers all play a crucial role in supporting their clients to create a strong risk management framework that will protect their companies' greatest asset, their employees.

"Organisations need to take a more forensic approach to capturing and accounting for the risks posed by business travel in their risk management framework."

Chapter 1

The origin of the ISO 31030

The ISO 31030 for travel risk management is the first standard to set out how organisations build and maintain a holistic view of travel risk. It follows the 2018 launch of ISO 31000 on risk management, which was a landmark moment for risk managers, and has the potential to be just as pivotal for managing business travel.

Kevin Myers, convenor of the ISO's group of experts that developed the standard, said ISO 31030 enables organisations not only to protect their workers when travelling in a comprehensive manner, but also demonstrate that their decisions related to risk are based on solid and reliable information.

"Travel risks vary and change enormously based on destinations, political or health situations, among other things, and there is no one set of rules that works for every destination or traveller profile," he said. "ISO 31030 is a key tool to help any kind of organisation put a realistic and comprehensive plan in place to cover all bases and keep their workers safe when on the move."[4]

For decades, travel risk management has been largely the responsibility of security managers, risk and insurance managers, or HR departments. However, the standard makes it clear that a robust travel risk management programme must involve other key stakeholders: line managers, procurement, IT and legal as well as the travellers themselves. And it is designed for companies of all sizes, from small enterprise businesses to large multinationals.

So why was ISO 31030 developed? The biggest drivers have been employee demand and the realisation that a one-size-fits-all approach to travel risk was no longer fit for purpose, especially in light of the changing trends in business travel and the risks that have resulted from these developments.

"ISO 31030 enables organisations not only to protect their workers when travelling in a comprehensive manner, but also demonstrate that their decisions related to risk are based on solid and reliable information."

Chapter 2

Perspectives on emerging risks in business travel

Changing travel trends

In November 2020, at the height of the pandemic and with the world in lockdown, Microsoft co-founder Bill Gates predicted that more than 50% of business travel would disappear in a post-pandemic world. Now that working from home is feasible, he argued, there would be a "very high threshold" to justify trips abroad.[5]

It was not a view shared at the time by Microsoft executives. Judson Althoff, Executive Vice President of Microsoft's worldwide commercial business, stated that he expected business travel to resume at the level it had before.[6]

As Althoff predicted, international travel is returning. "We were expecting a return to pre-pandemic levels for both business and leisure travel during 2021," says Xavier Florit, Regional Head of Corporate, Accident & Health, Continental Europe at Chubb. "Whilst leisure travel recovered sooner, we have not seen this for business travel until this year."

However, since COVID-19, there have been some changes to travel habits for companies based in Europe. According to Florit, long-haul flights are back at the same level but there has been a reduction in short-haul journeys.

This is partly an effort to cut costs and to lessen security risks, but also to reduce companies' carbon footprints. Instead, companies are turning to video conferencing. "Employees have realised that rather than travelling to France for a one-hour meeting, it can be done via video conference," says Florit.

> "There is now greater awareness among business travellers of the risks they may face when abroad. They want to plan ahead and employers must anticipate this demand for preparedness."

Xavier Florit, Chubb

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5   https://www.cnbc.com/2020/11/17/coronavirus-bill-gates-says-more-than-50percent-of-business-travel-will-disappear-long-term.html
6   https://www.cnbc.com/2020/11/17/coronavirus-bill-gates-says-more-than-50percent-of-business-travel-will-disappear-long-term.html
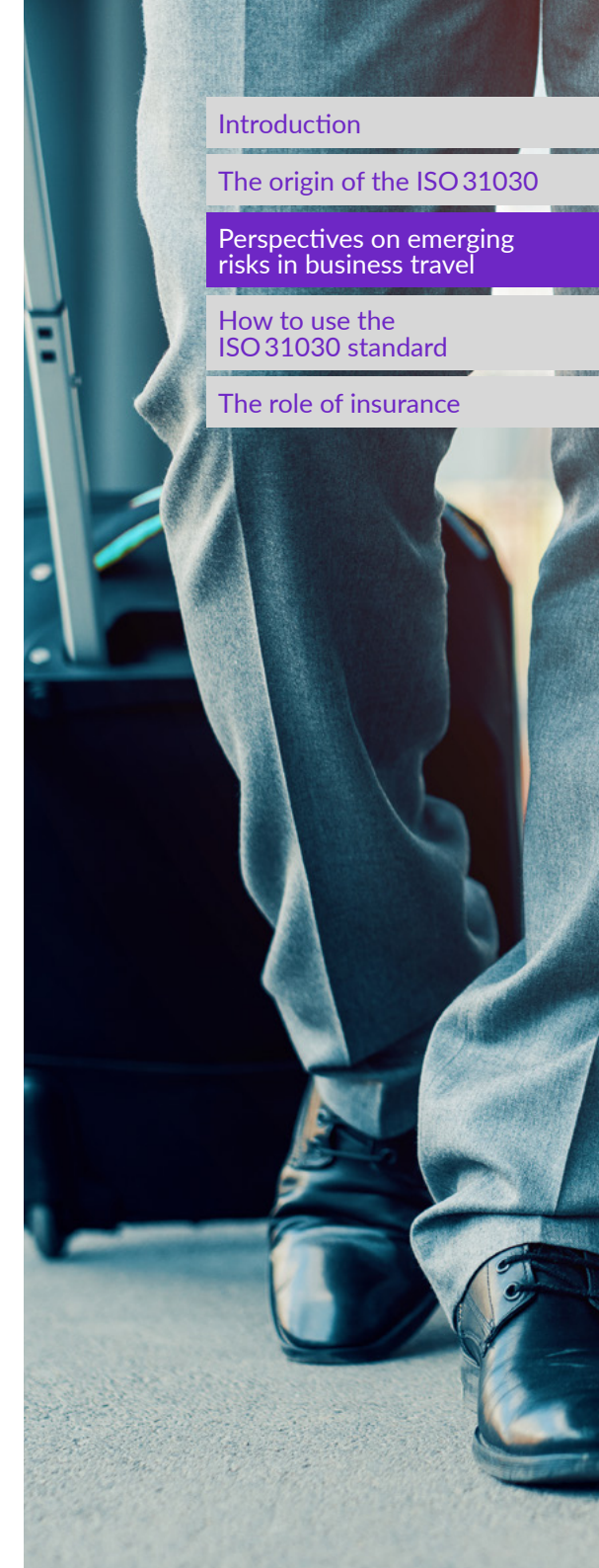
And when it comes to long-haul flights, business travellers are no longer prepared to jet off at a moment's notice or book a flight two days before a scheduled meeting. "There is now greater awareness among business travellers of the risks they may face when abroad," says Florit. "They want to plan ahead and their employers must anticipate this demand for preparedness."

Consequently, companies should familiarise themselves with the myriad of risks that exist with business travel and how these risks are impacted by changes in traveller behaviour, geopolitical tensions, macroeconomic developments, sustainability concerns and many other factors.

The risks with business travel

Business travel risks span from the mundane to the critical in terms of seriousness. At the critical end of the spectrum are events such as kidnapping and ransom, political violence, civil unrest, mugging, physical assault and serious injury and illness.

At the other end of the spectrum are the low severity, high frequency risks such as travel disruption and minor illness. "When reviewing our portfolio, we see a frequency reduction, however severity has increased," says Leon Burton, Head of Accident & Health Corporate, UK, Ireland and South Africa. "Many of the minor risks can be more easily mitigated, especially in terms of medical claims."

A rise in civil unrest and political protests in major cities around the world has increased travel

"Companies have to familiarise themselves with these new geographies and to remember the maxim that emerging markets typically carry more risk than the developed world."

Leon Burton, Chubb

disruption, as has a rise in industrial action which has led to cancelled flights and the unavailability of public transport.

It is not just the major cities that hold risks for business travellers. Trips to unfamiliar locations have become more common as companies travel to emerging markets in the pursuit of growth and new sales opportunities. "Companies therefore have to familiarise themselves with these new geographies and to remember the maxim that emerging markets typically carry more risk than the developed world," says Burton.

In addition, new risks in business travel have emerged, typified by the blurred lines around accommodation. For example, the rise in working from home has created a grey area where an employee's holiday home may now also be their workplace. Or travellers may choose to stay in someone else's holiday home via Airbnb rather than a hotel, potentially bringing with it more risk.

These changes in business travel behaviour and the impact on risk management must all be considered when it comes to implementing and using the ISO 31030 standard.

Chapter 3

How to use the ISO 31030 standard

The ISO has been designed for companies of all sizes and is being used in three main ways:

- For companies that are starting out on their risk management journey and are looking to the framework as a guide
- For companies that have already started to put something in place but are not quite sure if they are on the right path
- For companies with a mature travel risk capability looking to see if it is aligned with best practice

Many companies will already be familiar with other ISO operational risk-related standards such as 45001 (Health & Safety) and 9001 (Quality) and will often already be certified. ISO 31030 can integrate with these standards, making it easier and less onerous for a company to implement if they already have these standards in place.

> There are three main objectives that companies want to achieve from applying the standard's guidance:
>
> - Better identification of roles and responsibilities involving travel risk management: integrating the HR, mobility, travel and risk functions
> - More effective testing of plans and procedures
> - A more systematic implementation of compliance

To help companies evaluate their current travel risk approach we have developed a simplified 8-question checklist to benchmark travel risk assessment plans to the ISO.

Question	ISO Clause	Green ✓	Amber !	Red ✗
1. How well do you understand the way your business operates, where it operates, who travels and for what reason, and how these impact the risks staff face when they travel?	4.1	We are fully aware of the internal and external factors that impact on staff travel risks.	Some work has been done to consider this, but it is incomplete and/or not documented/has not been reviewed for some time.	We have not done any work on this yet.
2. To what extent does senior leadership demonstrate ownership of travel risk and provide support for effective travel risk management?	5.1	There is clear, high-level engagement in the issue, supported by proportionate time and resources.	Senior leadership is good at responding when they are told about issues but are not yet proactive. We have most of the resources we need, but not all.	Senior leadership has yet to become visibly engaged in travel risk management.
3. Do you have a travel risk management (TRM) policy in place with: • clear roles and responsibilities • stated objectives • an implementation plan?	5.2 5.3 5.4 5.6	We have a well-established TRM policy in place.	We have begun the process but need to ensure it meets best market practice.	We have not done any work on this yet.
4. Have you undergone a travel risk assessment process that identifies, analyses and evaluates all relevant risks?	6.1 6.2 6.3 6.4	We have undergone this process.	We have begun this process but there are gaps we need to consider.	We have not done any work on this yet.
5. Do you have all the following controls in place, where necessary, to manage travel risk? • pre-travel authorisation • restrictions on when and where people can travel and stay • general travel insurance • special insurance such as kidnap and ransom • training and information for staff who travel • ways to keep in touch with travellers.	7.1 7.2.1 7.2.2 7.3.2 7.3.3 7.4.2 7.4.3 7.4.4	We have identified and implemented a full range of controls to ensure the risk to those travelling is properly managed.	We have some of these in place but there are gaps we need to consider.	We have yet to implement these measures in several areas. It is mostly up to the people travelling to sort themselves out.
6. Has your organisation engaged the relevant internal and external stakeholders and communicated the TRM policy and procedures for its implementation to these stakeholders?	8.1 8.2	We have undergone this process fully.	We have partially completed this process.	We have not done any work on this yet.
7. To what extent do you have post-travel monitoring and debriefing processes in place so that travellers can provide feedback on their trips that can be used to update the travel risk assessment plan?	9.1	We provide full review and monitoring processes using surveys, metrics and benchmarking.	We provide some review and monitoring processes.	We have not done any work on this yet.
8. Do you have recording and reporting processes in place that capture all relevant travel risk management data?	10.1	We have a comprehensive recording and reporting process that captures all relevant data.	We record and report some but not all incidents/data.	We have not done any work on this yet.

The checklist will provide companies with an indication of the maturity of their travel risk plan, highlighting areas that need further development or inclusion. It will also assist with implementing the processes, systems, and tools necessary for an effective travel risk management framework.

A deeper dive into the full ISO 31030 Guidance Document will steer companies on how to treat various aspects of travel risk proportionately. Not all travel requires the same level of rigour for risk assessment and management. The guidance also provides a means for organisations to demonstrate that travel decisions are based on the company's capacity to treat risk using internal resources or with external assistance.

The Guidance Document additionally provides a comprehensive set of risk treatment options that a company can consider, and the guidance will help a company demonstrate how their decisions to manage travel risk are based on robust and reliable information.

It is also crucial that the travel risk management plan is implemented consistently throughout the entire organisation, according to Janene Blizzard, Chubb's Vice President Accident & Health, EMEA. "When there is an unexpected event, it does not discriminate between junior and senior employees. So, it is important that the framework is applied equally to a CEO or a caretaker," says Blizzard.

"It is crucial that there is board level buy-in for a travel risk management plan and that the senior management can communicate the plan to the rest of the employees."
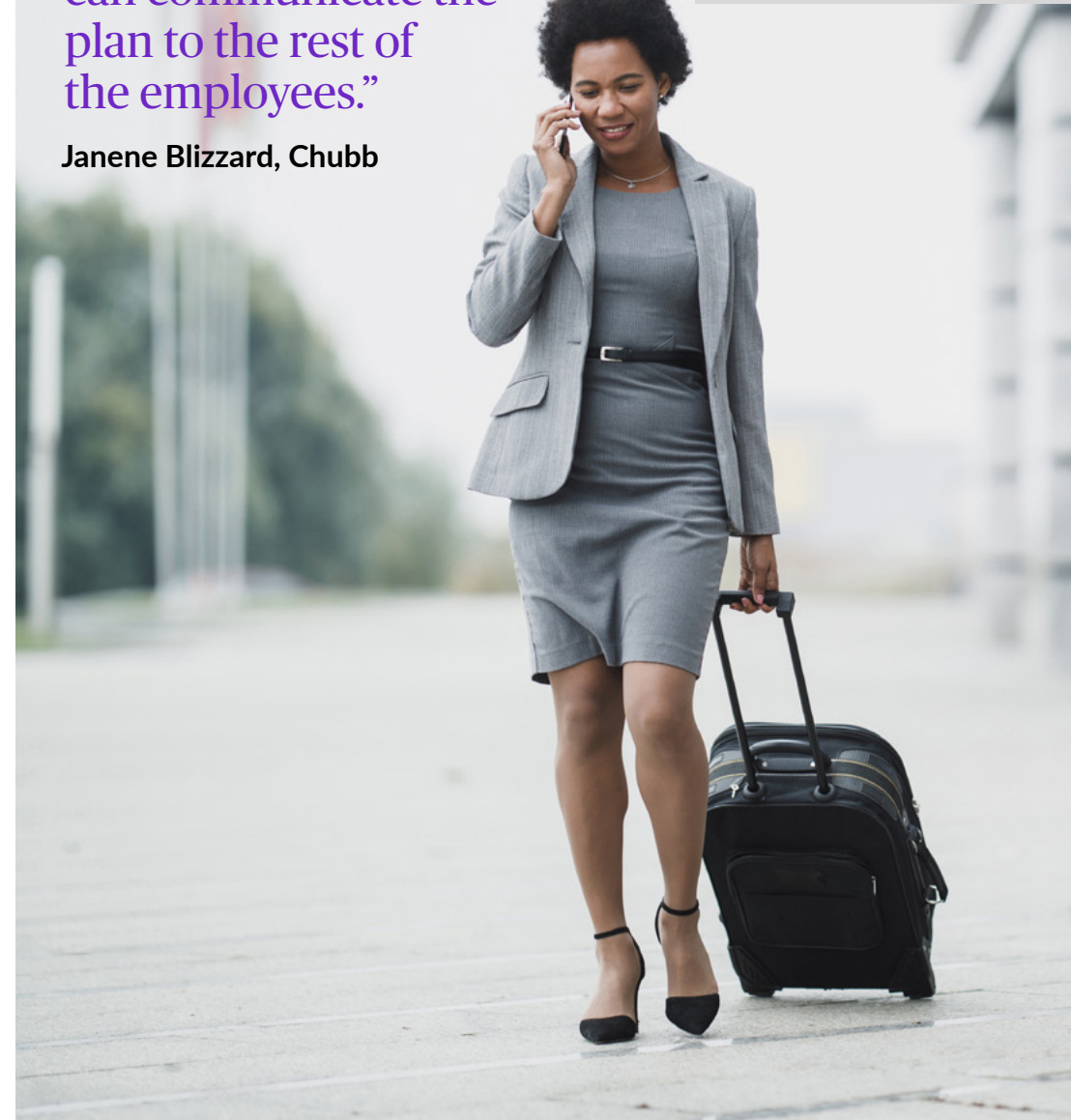
Janene Blizzard, Chubb

Evolving travel risk management plans

A number of areas are underrepresented in previous travel risk plans and the ISO is helping to elevate their importance:

Duty-of-care

This has become a much more prominent concern since the pandemic for both employers and employees alike. The 31030 standard references a general definition of duty of care, but it is not designed to offer a specific guide to the legal issues around it. However, it does recognise that employers' obligation to their employees has evolved.

In the last decade we have seen the inclusion in company travel risk management plans of business/ leisure (bleisure) and work from home/anywhere and how they can shape duty of care. It is crucial to ensure employee engagement and a clear understanding of the travel risk plan and how it relates to each individual employee. You can put in place a framework but if you don't have understanding and adherence from employees, it is much more challenging. This is where the 31030 standard can help by demonstrating what companies could and should be doing in terms of travel risk plans.

Involvement of more roles

In the past, when an insurer talked to a company about its business travel arrangements, it would talk only to the risk or HR manager. Now there are many more management roles involved and they should all understand the risks and impact of business travel on the company's duty-of-care. This is especially true for senior risk management which has a crucial role in

securing buy-in from the rest of the organisation and setting the company culture. The ISO standard offers guidance on the engagement of internal and external stakeholders to ensure effective implementation and communication of a company's travel risk management policy and procedures.

Importance of testing and training

Post-travel debriefings are important because they help to capture relevant data that can be used to enhance a company's travel plan. Risk managers and insurers are traditionally very good at capturing incident data around health and safety but are not as experienced with business travel incidents and near misses. This is a missed opportunity to obtain important information that can help enhance travel risk management plans such as transport availability, quality of accommodation, whether there was adequate recovery time before returning to the office and other travel-related information.

Running exercises and training for leadership and management to improve processes around business travel are also beneficial. One example is the approval process – who it is done by and how. Typically, price is the primary driver when booking travel but as soon as you introduce a risk-based approach, this can create an additional concern and uncertainty among line managers which slows down the booking process. Companies should use the ISO 31030 standard as a reference for introducing a layered, risk-based

approach to organising business travel that does not slow down the process and is commensurate to the risk involved.

Company culture

It is important for companies to promote the right company culture for business travel – a responsibility that falls primarily on senior management, according to Chubb's Blizzard. "Culture is set by the people at the top of the organisation. Therefore, it is crucial that there is board level buy-in for a travel risk management plan and that the senior management can communicate the plan to the rest of the employees."

It is also important to ensure that employees are fully aware of what help is at hand for them when abroad – something which is not always the case, according to James Wood, Regional Security Director, Northern Europe, at international health and security risk management firm, International SOS.

For example, Wood says that International SOS noticed some specific examples where employees were not claiming for medical outpatient care while they were travelling but saw a spike in post-travel absence through sickness. The data suggested that people typically did not seek medical help when abroad and would stoically suffer in silence until they returned home.

"It is a combination of lack of knowledge on access to medical care and a reluctance to escalate these matters when abroad," says Wood. "It is as much about cultural attitudes as it is the process itself. The standard will help to overcome this, so people feel more comfortable accessing medical care, especially in a country where they are unfamiliar with the medical infrastructure."

Ongoing developments

As with any new standard, there is room for improvement and changes are likely in the future, although these are expected to be additions and amendments rather than wholesale changes.

One area that may need further work is the exceptions process. The standard rightly recognises that, even in the best travel policies, not all events can be captured. Some trips may need to be booked outside of the policy. The standard supports the idea that the framework must be holistic and not something with narrow parameters. It is an acknowledgement that there needs to be a process rather than it being a process in itself.

Another ongoing development is the certifiable status of the standard. The ISO produces two types of standards; the first is a certifiable standard which allows formal third-party conformity validation, the second is a framework that can help you evolve your best practice but that is not certifiable.

Some firms are looking to use ISO 31030 to help them demonstrate their commitment to travel risk management and will eventually want to publicly validate that through the certification process. If ISO 31030 becomes a certifiable standard in the future, adoption of the standard now will mean less work once certification is available. The potential downside is that it becomes a box-ticking exercise; it has to be a holistic framework and not compliance for compliance's sake.

Chapter 4

The role of insurance

The ISO 31030 standard will naturally play a part in advancing the role of insurance to mitigate travel risk. Travel insurance policies have become more comprehensive and, just as with travel risk management plans, buying travel insurance is no longer a one-size-fits-all process. "The policies are based on the location and duration of the trips, the size of the company and number of employees," says Chubb's Florit.

There is also recognition that insurance is not just a financial safety net for companies but also one of many preventive measures available to employees. According to International SOS's James Wood, travel insurance should therefore be framed as an employee benefit rather than an employee directive.

Wood also says that insurers should be part of the process when a company is formulating or updating its travel risk plan and not just a third party that is informed of changes. "A really good travel risk management plan will engage with all the relevant stakeholders and interested parties with a role to play. And we know that insurers have a massive role here," says Wood.

The biggest change from insurers in terms of business travel is the move from being reactive to proactive, says Chubb's Burton. "Traditionally, insurers would compete on their ability to respond once a claim is made. The battleground now is the breadth and accessibility of services embedded within the policy," he says.

For example, these services could include mental health counselling for post-travel as well as a series of tools that are made available to travellers to use both before and during their trip.

A proactive partner

Insurers can provide travel training through a series of online courses, provide pre-deployment reports and access to online portals with travel and visa information. Insurers can also provide links to specialist assistance companies for travellers going to high-risk locations as well as apps with GPS tracking and interactive dashboards.

These innovations have enabled clients to access something tangible that evidences their advocacy of duty of care obligations. According to Burton, the evolution of embedded services has enabled travellers to access location-based alerts and details of local facilities whilst providing employers with an easy tool in which to implement their own security and monitoring procedures.

Access to the insurer's response is also simplified with one touch connection to assistance services and around 70% of travel claims now reported through online apps such as Chubb's Claims Portal.

Post-travel feedback is important too, says Chubb's Blizzard. "Companies should spend some time debriefing travellers even if no major incident occurred, to obtain valuable feedback to evolve their guidelines."

The role of the broker has also evolved. Insurers have similar levels of coverage, so the role of the broker is essential to understand how these services could work. Tenders for travel insurance contracts are no longer focused solely on price but instead contain many more questions on terms and conditions, exclusions, and requests for claims data.

"A really good travel risk management plan will engage with all the relevant stakeholders and interested parties with a role to play. And we know that insurers have a massive role here."

James Wood, International SOS

The challenge is to understand the needs of the traveller: their reason for travelling, the industry they work in and the destination they are visiting. "They are expecting pre and post travel information and constant support during the trip. The process for reporting incidents must be clear. It cannot be an improvisation," says Florit.

The immediate legacy of the pandemic is a greater attention to and awareness of risk in all aspects of life, including business travel. Employees expect nothing less from their employers, and the effective use of ISO 31030 to develop and test a comprehensive travel risk management programme is a critical tool in meeting this expectation.

Key takeaways

- ISO 31030 provides companies with a benchmark to assess, build, implement and review an effective travel risk management framework.

- ISO 31030 is elevating the importance of duty-of-care, the involvement of more organisational roles, testing and training of a company's business travel processes, and employee's awareness and engagement of a company's travel risk management procedures.

- Companies should involve multiple stakeholders, including HR, IT, and line mangers in the development of travel risk management plans, and all should understand the risks and impact on the company's duty of care.

- A more forensic approach should be applied by companies to capture and account for the risks posed by business travel in their risk management framework.

- The risk management function has a crucial role to play in securing senior leadership buy-in and ownership of the travel risk management plan.

- Post-travel debriefings, testing, and training are important for improving travel risk management plans.

- A company culture, set by senior leadership, where travel-related risk is taken seriously should be promoted to ensure that employees are fully understanding and aware of procedures and what help is at hand for them when abroad.

- Insurers have shifted from a reactive to proactive approach and can play a partnership role in formulating a policy that fits a company's needs to support a comprehensive travel risk management plan.
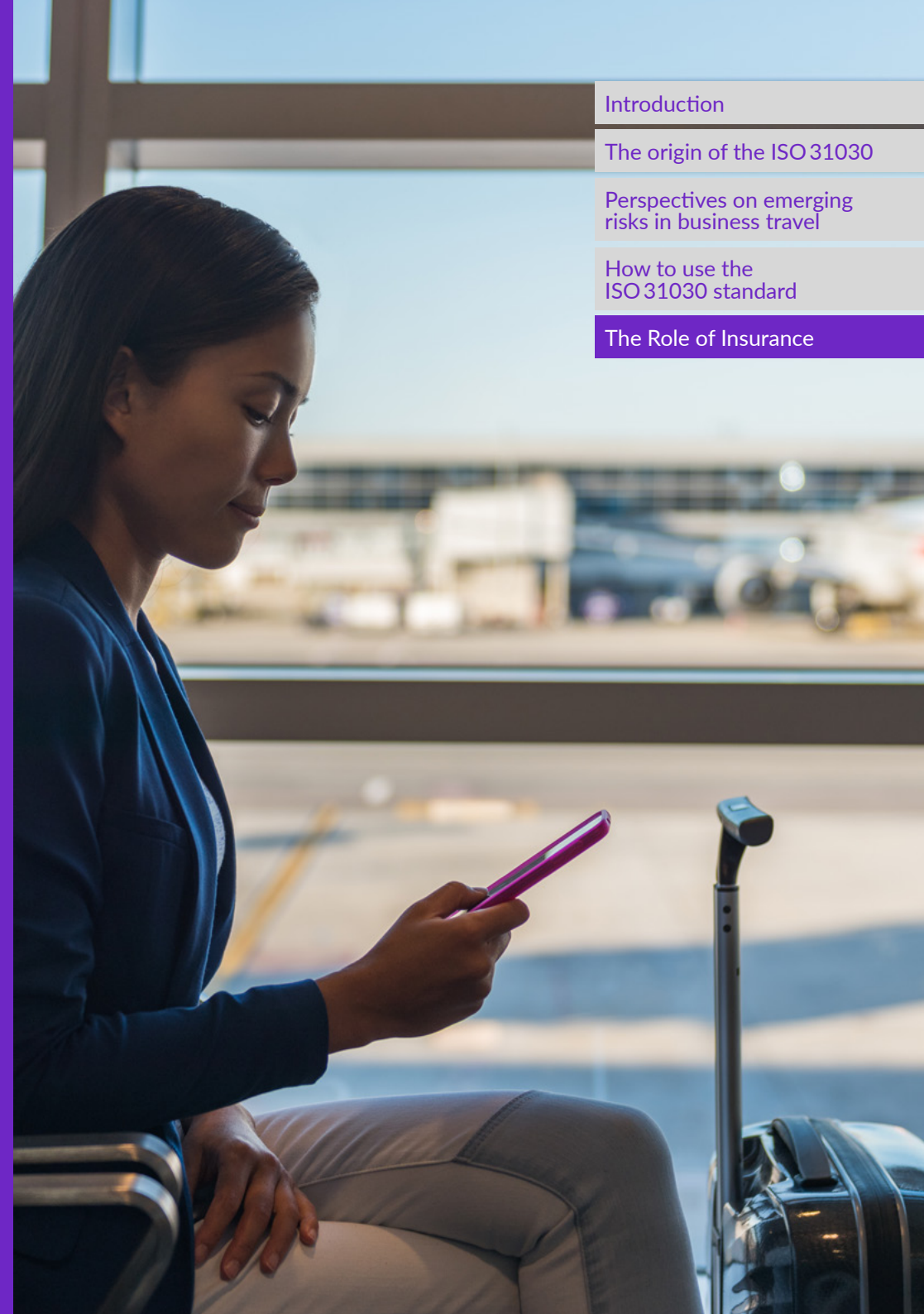
How can Chubb help?

To help take care of your travelling employees, Chubb has developed Chubb Business Class, a business travel insurance proposition that combines comprehensive cover, 24/7 assistance and innovative digital solutions for employees who travel for business.

Business Class has been created to support risk managers, HR managers and business travel insurance buyers from small to large businesses with their duty of care obligations. We can provide superior levels of service and cover for employees, enabling them to travel with confidence.

To find out more about Chubb's travel risk management expertise and our business travel services and products click here.

Aligning with the ISO standards

A Chubb policy will help your protocols align with some of the key requirements from the ISO standard:

ISO standard	Chubb response
Competence (7.4.2)	Pre travel risk training via e-learning modules
Information, advice and updates (7.4.3)	Location specific health, cultural and security infomation provided before and during trips, including live location based alerts for traveller and risk manager
Communication Platforms (7.4.4)	Able to communicate direct to travellers individually or en masse via our app
Journey Management (7.4.8)	Detailed route and location assessment for high and extreme risk destinations
Medical Treatment (7.4.9.3); Medical and Security Support Services (7.4.10); Incident and Emergency Contact Points (7.4.12)	24/7 access to professional medical and security advice
Traveller Tracking (7.4.13)	Real-time traveller and risk tracking via Chubb Travel Smart App

Chubb European Group SE, Swedish Branch, is registered in the company register with the corporate registration number 516403-5601 and the visiting adress Birger Jarlsgatan 43, 111 45 Stockholm.

Chubb European Group SE is an undertaking governed by the provisions of the French insurance code with registration number 450 327 374 RCS Nanterre and the following registered office: La Tour Carpe Diem, 31 Place des Corolles, Esplanade Nord, 92400 Courbevoie, France.

Chubb European Group SE has fully paid share capital of €896,176,662 and is supervised by the Autorité de contrôle prudentiel et de résolution (ACPR) 4, Place de Budapest, CS 92459, 75436 PARIS CEDEX 09.

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