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Duty of CareA New Perspective

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Today's Presenters

Hank Roth,

Associate Counsel and Chairman, Enterprise Risk Management Program, Dwellworks



Moderator: Maura Carey, SCRP
 Senior Vice President/Chief Commercial Officer,
 Dwellworks









Agenda

- Duty of Care Defined
- A Planning and Prevention Perspective
- Legal and Compliance
- Cultural Readiness
- Recommendations
- Questions?



What is Duty of Care?

Compliance Concern Travel Company SafetyLegalRisk Awareness Support Prepare Representative Mobility Preventative



Duty of Care – Legal Definition

Duty of care is an organization's obligation to ensure the safety and well being of their employees – to avoid and actively protect employees from foreseeable injury. This may extend to transferees and assignees to whom the organization is giving instructions or guidance regarding assignment or travel.



The Duty Of Care Landscape

More People Than Ever on Assignments and Global Business Travel

- Global business travel is a **\$1.3 trillion** USD industry
- **88%** of respondents to mobility industry survey expect global assignment activity to stay the same or increase

Increased Expectation of Support and Readiness

GBTA Guide to Travel Risk Management survey responses:

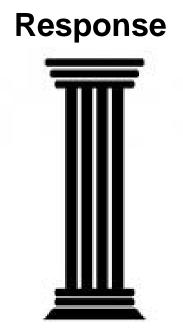
- 80% think their company has a legal obligation to ensure their safety while traveling abroad on business
- **52%** would consider legal action if they were not supported properly
- 46% work for firms with no clear travel security policies
- 22% have no idea who to alert in case of an emergency

The New Focus: Deliver a continuum of care - from pre-trip through travel/assignment and safe return.

Three Pillars of Duty of Care

Our Focus Today







Surprising Information!

What are the statutory requirements for U.S. employers to provide Duty of Care?

What are the minimum Duty of Care requirements in the EU?

Duty of Care Risks

- Managing Risks: Identification and Prevention
- Scope: Assignee and Family Ethical Considerations
- Duty of Care and Corporate Social Responsibility
- The **DIY** approach
 - Pros
 - Cons





Proactive Measures



- Well planned emergency response plans include adequate insurance
- Budget and spend limits: Do not skimp! It forces potentially unsafe choices and results in higher risks
- Assure assignee that you know where they are
- Cultural Training: Assignee awareness



Fundamental to Duty of Care

 First response is always to work with the culture – the better prepared, the less likely confrontation or concerns will arise

 Companies want more employees with global experience; cannot send them out unprepared





Traveling Prepared: A Compliance Mandate

- Cultural Competency: for both individuals and organization is a risk-management tool, reducing exposure to costly Duty of Care problems
- Duty of Care level problems can be overt and dramatic (i.e. catastrophic events), or subtle (i.e. underperformance, missed goals), but always costly
- Many Duty of Care level problems can be prevented with cultural information; skilled, culturally competent individuals manage costs and increase opportunities

Cultural competency is not discretionary, it's essential



What Could Go Wrong?

Living Abroad:

- Understanding the cultural rules for how men and women interact in social situations
- Misunderstanding how foreigners are perceived; not sensing danger, when it is present
- Not perceiving sensitivities around politics or religion

Working Abroad:

- Not understanding how managers and staff interact
- Not hearing the unsaid; incorrect interpretations of work reality
- Not knowing differences in work styles, decision-making, negotiating, conflict-resolution, team evaluation, and performance assessment, etc.

Traveling:

- Assuming safety and privilege is inherently available (when it is not).
- Not knowing effective survival techniques when the unexpected occurs (kidnapping, riots, political action, etc.)

The Impact of Cultural Training

- Most Duty of Care responses are still Shark Attack responses; but most Duty of Care issues are Hippo Attack events
- Need to re-frame approach from reactive (after-the-fact curative) to pro-active (before-the-fact preventive)
- 3. Need to re-frame goals to include not only preventing event-related **costs** but also increasing project-related **ROI**





Global Trends Report

- Approx. 60% of all cross-border ventures do not work out as planned
- Approx. 30% of all expatriates return from assignment abroad prematurely
- Approx. 48% of all repatriates leave their company within two years of returning home



^{*} Compiled from various statistics, The Economist.









Summary and Takeaways

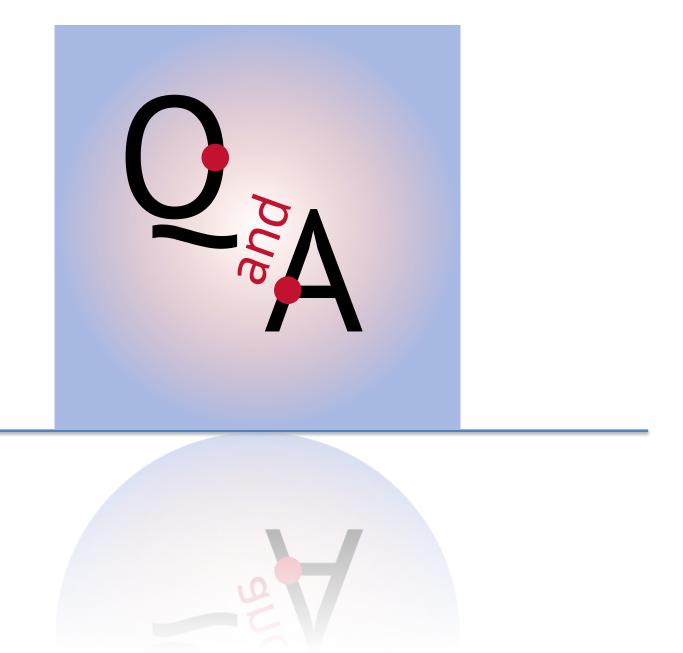
- Develop a policy
- Reinforce that Duty of Care is compliance with company health/safety/social responsibility practices
- Include Duty of Care information in all global travel and global relocation briefings/documents
- Educate your supply chain in Duty of Care "flow down"
- Prepare your workforce with cultural training to work and live successfully in their new environments.
- Have a plan that is end to end prepare and train, and also be ready to support emergencies and crises

Resources

- https://www.internationalsos.com/duty-of-care
- www.gbta.org
- Kalra, Aditi. "Who owns duty of care policies for assignees: mobility, security, HR?" humanresources.net. 4/10/2016. 7/1/17.
 http://www.humanresourcesonline.net/owns-duty-care-policies-assignees-mobility-security-hr/
- "Global Mobility Duty of Care when mobility benefits are more than just perks." relocatemagazine.com. 11/29/16. 7/1/17.
 https://www.relocatemagazine.com/articles/global-mobility-duty-of-care-when-mobility-benefits-are-more-than-just-perks



Questions & Answers





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