



Responsible Travel Management

Integrating Corporate Travel Programs with
Corporate Social Responsibility Initiatives

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Corporate Social Responsibility (CSR) is generally defined as how business accounts for the direct and indirect economic, social and environmental impacts of its operations.

Though no standard definition of CSR exists and interpretations vary by country and industry, most companies agree that a CSR policy should address three key areas: (1) responsibility to principal stakeholders (those with whom the company has a financial relationship, including shareholders, customers, employees and suppliers); (2) philanthropy; and (3) environmental sustainability.

High-profile corporate disasters such as the 1989 Exxon-Valdez oil spillage and the collapse of Enron a decade later have helped to put CSR center stage.

CSR: Helping Businesses Do Business

There has been much debate about the link between corporations' financial performance and the integration of social and environmental policies into their business operations.

Some businesses view CSR as an added cost which is in conflict with a company's fiscal objectives and commitment to deliver the highest returns to stakeholders.

In fact, the opposite is true. Companies can face irreparable commercial damage from failure to develop a sound CSR policy. Even if the creation and maintenance of a CSR program adds line-item costs, if managed properly, a CSR program will help to ensure a company's long-term sustainability and thus to protect stakeholders' interests.

The business case for CSR refers to quantifiable commercial benefits, ranging from direct, tangible gains, such as eco-efficiency and access to new markets, to indirect and intangible gains such as better brand equity.

The European Union's (EU) dossier on CSR states that the most effective argument to encourage the uptake of responsible behavior among enterprises is solid evidence that social and environmental efforts, while contributing to sustainable development in general, support competitiveness and improve businesses' financial performance.

This view is shared by a growing number of private and public

organizations and companies. For example, the Carbon Trust makes the case for more investment in wave technology as a meaningful source of alternative energy not by waving the green flag, but by pointing out that, as other nations' energy needs rise, the UK could realize an export industry worth £14 billion annually.

In the U.S., the Business Ethics 100 Best Corporate Citizens list systematically honors companies who balance total return to shareholders with community service, corporate governance practices, diversity policies, employee relations, environmental practices, human rights issues and product quality and safety.

CSR should be considered an integral part of a company's operations. This approach serves to enhance the competitiveness of business, helping to maximize return on investments and the long-term benefits to communities.

The prospects for financial and competitive gains aside, more companies are integrating CSR into their core operations in an effort to mitigate risk and thus to protect their long-term commercial interests. Additionally, more companies are reporting on their CSR initiatives in response to increasing shareholder interest in this area. In the UK, 145 of the FTSE 250 companies now report on their environmental sustainability initiatives, while the number of companies producing separate non-financial reports is steadily rising, with some 1,500 companies worldwide producing a dedicated CSR report, compared with less than 100 in 1993.

According to a recent KPMG report, 52 percent of the largest global firms issued Corporate Social Responsibility (CSR) reports in 2005, up from 45 percent in 2002.

CSR and Business Travel

The growing evidence that CSR actually contributes to companies' competitiveness brings it into direct contact with the business of travel.

Business travel is inextricably linked to CSR in that it touches two key areas of CSR: stakeholder responsibility and environmental sustainability. One could argue that business travel is also essential to a company's social or philanthropic endeavors, and so is closely linked to all key components of CSR.

Some businesses view business travel as being at odds with a company's CSR policy in the same way some firms view CSR as being in conflict with a company's fiscal objectives. Once again, this is a misconception. While potential conflicts exist, namely on the environmental front, a responsible business travel policy should – and will – complement a company's CSR objectives.

For example, if a company reduces its travel to be compliant with a social or environmental policy, this has the added benefit of reducing the overall travel budget, and is therefore likely to complement procurement's cost-reduction goals.

However, companies must take a cautious approach to a responsible travel program and aim to ensure that they do not focus too heavily on one component of a CSR program (e.g., environmental sustainability) at the expense of other key areas (e.g., stakeholder/fiscal interests, duty of care).

BCD Travel has termed this balanced, integrated approach Responsible Travel Management.

It is not always true that reducing, eliminating or replacing travel is in the best interest of the company and its stakeholders. This varies by industry and company travel volumes.

While reducing travel will lessen a company's environmental footprint and eliminate costs from the travel budget, it may negatively impact the company's competitive interests and operations and thus its long-term sustainability, resulting in redundancies and lower shareholder returns.

In this same way, a company which mandates that employees travel for longer periods of time (e.g., rail vs. short-haul flight), or avoid an overnight stay in the interest of the environment or reducing travel costs, must consider the productivity implications of such policies, as well as perform a thorough risk assessment of the impact on employees' well-being.

Absent robust productivity measurement tools or a strategy for developing an effective and responsive CSR program, a company will be challenged to ensure that its travel program is designed to operate in the best interest of its key stakeholders (including its

Travel and tourism, one of the world's largest businesses, produces over USD \$200 billion in revenue annually. The International Air Transport Association (IATA) estimates an additional 500 million passengers by 2010 bringing the annual passenger departures to 2.5 billion.

travelers and the community) and the environment.

Developing a framework and methodology to balance and blend CSR within the business travel activities of the company poses the same challenges as applying CSR to the production aspect of a company's operations

Like all paradigm shifts, changing company and traveler behavior to embrace intelligent travel requires senior management sponsorship, key stakeholder support dedicated resources and quantifiable objectives.

The logistics of implementing and policing a responsible travel program are not dissimilar to the integration of new online booking tools, expense management systems, or security processes and procedures.

It is important to highlight that a responsible travel program is not synonymous with a wholesale reduction in business travel. Nor does responsible travel simply mean

“off-setting” the transport miles or hotel room nights incurred from business trips.

Rather, a responsible travel program takes inventory of a company's entire operations. Among other areas, such a travel program identifies where opportunities exist to eliminate pack traveling (e.g., conferences/meetings); reduce non-essential travel; or replace trips with tele- or video-conferencing technologies. It also should consider the environmental and productivity impacts of switching modes of transport (e.g., rail over air), as well as the impact on duty of care to employees and the impact on supplier relationships.

The shift from traditional travel management to Responsible Travel Management program must include a multi-faceted approach to CSR.

To aid in this approach, BCD Travel embraces the United Nations Global Compact as a framework for developing a responsible travel management program.

The United Nations Global Compact draws on the four major “spheres of influence” that impact the program.

Key success factors in implementing the UN principles are among others:

- treating the principles not as an add-on, but as an integral part of business strategy and operations;
- clear commitments from the company leadership;
- communication of the commitment throughout the organization to senior management and employees to ensure broad support for the principles;
- a business environment favorable to new ideas and business innovation;
- measurable targets and a transparent system of communicating progress;
- willingness and ability to learn and adapt;
- a dedication to practical actions;
- openness to engage and dialogue with the company's stakeholders.

United Nations Global Compact

In 2000, amid rising concerns about the effect of globalization, United Nations (UN) Secretary-General Kofi Annan called on business leaders to join an international and multi-constituent initiative, The Global Compact (GC), in pursuit of a more sustainable and inclusive global economy.

While “corporate citizenship” or “corporate social responsibility” (CSR) was developing as a business trend, there was an absence of an international framework to assist companies with these concepts. The Global Compact, based on internationally accepted principles, emerged as a roadmap for companies seeking to incorporate a greater level of social responsibility into their operations. The Global Compact is a voluntary initiative, not a regulatory instrument that enforces the behavior or actions of companies. It is not a substitute for regulatory structures, but rather seeks to provide a framework for innovation, creativity and best practices. The ten principles are:

Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.

Principle 2 Businesses should make sure that their own operations are not complicit in human rights abuses.

Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right of collective bargaining.

Principle 4 Businesses should uphold the elimination of all forms of forced and compulsory labor.

Principle 5 Businesses should uphold the effective abolition of child labor.

Principle 6 Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Principle 7 Businesses should support a precautionary approach to environmental challenges.

Principle 8 Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9 Businesses should encourage the development and diffusion of environmentally friendly technologies.

Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

The UN asks companies to integrate the ten principles into their own business operations as well as into broader spheres that are impacted by their business. Here is a depiction of a company’s “spheres of influence.”



Source: www.globalcompact.org

Sustainability — A program focused on understanding its environmental impact and reducing the impact of travel activities by selected trip reduction and using less damaging transport means and innovative suppliers.

Accountability — A program reflecting the company's social responsibility policies in total travel management. This program contains initiatives to improve employee wellbeing and security (duty of care) as well as promoting ethical standards for business throughout the supply chain and stakeholder network of the corporation.

TOWARD FULL INTEGRATION:
SUSTAINABILITY AND ACCOUNTABILITY
WITHIN THE TRAVEL PROGRAM

In order to help companies fully integrate their travel programs with both their larger CSR programs and their stakeholder requirements, BCD Travel addresses Responsible Travel Management in two dimensions.

The elements of *sustainability* and *accountability* must work in concert to deliver a fully integrated approach to CSR.

As there is no one-size-fits all solution or approach to CSR, the role of travel management must expand to help clients develop a sound CSR program, and assist in implementing solutions which match their operational and competitive needs and respond to stakeholder requirements.

Following is an outline of BCD Travel's strategies for approaching the two components of Responsible Travel Management and the tactics that can serve to support strategic decisions.

SUSTAINABLE TRAVEL MANAGEMENT

Because carbon off-setting has received so much publicity in recent months, the temptation is great to assume that it represents the ultimate solution in sustainability. In fact, off-setting is only one – and sometimes not the best – of options available to companies seeking to minimize the environmental impact of their travel program in line with their business-critical needs. In order to determine which solutions are most suitable, companies must first understand what their current status is.

Diagnosis enables the company to evaluate all aspects of the travel program to determine areas of environmental impact of the business travel activity.

- Basic CO₂ emission report
- Carbon Footprint assessment
- Trip modeling
- Policy review
- Cultural readiness assessment
- Strategy workshop

After (and during) the process of the Diagnostic Phase, the process identifies opportunities to *eradicate* and redirect travel activities building awareness of responsive CSR principles and values.

- Travel avoidance program
- Video conferencing



The Diagnostic process can also lead to the decision to pursue long-term opportunities to *reduce* the overall year-over-year environmental impact of travel activities. These components address:

- Sustainable travel procurement
- Meeting location optimization
- Alternative means of transport
- Policy & governance design
- Point-of-sale transparency
- Web-enabled reporting
- E-ticketing and e-invoicing

Some companies may decide that their CSR and business objectives are best served through *off-set* strategies to reduce the company's carbon footprint and contribute to the social and community citizenship.

- Preferred off-set provider
- Off-set advisory
- Off-set sourcing
- Integrated point-of-sale off-set practices

Hewlett-Packard Combines Supplier Initiatives and Employee Programs to Limit CO₂ Emissions

Finding strategies to minimize environmental impact while growing globally is a difficult circle for any company to square. Environmental-awareness veteran Hewlett-Packard is a case in point. It still operates a small number of private jets and remains, at \$135 million, the 18th-largest U.S. buyer of scheduled air travel, according to BTN's 2005 Corporate Travel 100 report. According to HP's Global Citizenship Report, carbon-dioxide emissions caused by its travel rose from 226,000 metric tons in 2003 to 279,000 in 2005.

HP expects its preferred travel suppliers to have environmental programs, processes and capabilities. Those that do not are considered "less desirable." As part of its Focused Improvement Supplier initiative, HP is asking suppliers to drill down into their own supply chains. Pushing higher CSR standards through its own supplier chain will promote sustainable development in the communities in which HP operates.

In addition to supplier programs, HP has made considerable efforts to limit its travel-related CO₂ emissions. These include promoting teleconferencing, which the company said has helped its imaging and printing business reduce mileage by 8 percent. Encouragement of telecommuting means 11,400 HP employees work from home, saving two million roundtrips to offices in 2005, thus avoiding 24,000 tons of CO₂ emissions.

Source: "Worldly Wise," *Mastering T&E Expense Management*, June 2006, plus individual CSR reports for 2005

Stakeholders' primary concern is the profitability of the company and, in many cases, "going green" is still viewed as equating to higher costs. While this may be the case initially, in terms of the resources needed to create a responsible travel policy and perhaps to offset that which cannot be reduced (i.e. essential business travel), the costs of inaction will be far greater in the future, particularly if the company's business is subject to government regulations which will cap the carbon emissions output.

The Institute of Travel Management, Project Icarus

Carbon Off-setting in the Sustainable Travel Program

Carbon neutrality is the end goal of a company's sustainable development policy. This is achieved when emissions from a product, activity or a whole company are netted off, through the purchase of an equivalent number of offsets or through a combination of emission reduction measures and offsetting. The concept is easily understood, but in practice, achieving carbon neutrality is difficult. A dynamic state exists in which year-on-year emissions need to be netted off and these levels change with business growth.

The most cost effective and environmentally sound method to addressing the company's business travel carbon footprint is to move through the process of first focusing on the reduction of in-house footprint efficiency measures. An audit of the current program will reveal opportunities for environmental impact reduction.

The second measure is to evaluate the reduction opportunities of indirect emissions from other organizations involved in the business travel process. In many cases, the company is unable to effectively reduce the business travel emissions due to the nature of the business, the critical requirement for business travel in the company's operations and other uncontrollable factors. The last consideration for reducing the business travel footprint would be carbon off-setting to further reduce the emissions levels to meet annual company environmental goals.

Several industries have begun to explore the accountability and reduction of business travel emissions to meet regional and local government regulations, such as EU Emissions Trading Scheme (ETS).

Under the ETS, high-polluting industries (e.g., power companies) are subject to a cap-and-trade system, whereby companies which exceed their emissions allowances must purchase carbon "credits" from the market.

The ETS runs in two phases. While the first phase has worked well to encourage industries to take stock of their environmental impact, the second phase, which runs through 2012, will toughen industries' carbon allowances, so that firms will no longer be able to easily buy their way out of carbon emissions targets.

There is also strong momentum to include aviation in the ETS. This would have far-reaching implications for the global business travel community, as airlines would be legally obliged to reduce their environmental impact or face tough penalties. Opponents of the proposal to include aviation in the ETS argue that one possible implication would be higher airfares. There is also a push by the Institute for Public Policy Research to include carbon off-setting charges in airfares. This proposal raises an important question about whom is responsible for the environmental impact of a trip—the supplier (the airline) or the passenger (the company). If such a charge were to be included in the cost of an airfare, corporations would need to assess

how this affects their own off-set initiatives, as well as their corporate negotiated airfares.

The airline industry is not the only transport sector under scrutiny. The EU wants to impose stricter rules on carmakers to encourage the production of greener vehicles, but car manufacturers worry that the reduction targets are unrealistic and will force up prices and could drive many companies out of business. The car industry is also concerned about the feasibility of introducing a CO₂ emissions-based taxation system, also under consideration.

Travel management firms will play a critical role in helping corporations understand how they will be affected, both directly and indirectly, by the proposed regulations and taxes on the transport industry.

Nike's Eco-Class Initiative

Nike's Travel Director, Ted Cullen, and the Nike Sustainability Integration Initiative Group have forged a strong relationship over the past six years. In 1999, Nike set about developing a strategic plan to implement methods of measuring carbon dioxide emissions as a result of its business travel activities. The overall goal is to eventually offset all business travel emissions by different projects such as the Eco-Class initiative. The Eco-Class program was started in 2001 with Delta Air Lines (and is soon to be expanded to another carrier).

The Eco-Class initiative involves a program between Nike and the supplier whereby Nike travelers increase the carrier's market share and in turn the carrier contributes funds to a special Eco-Class fund established with Climate Trust, a Portland-based carbon-offset organization. The environmental initiative provided an incentive to the travelers to book with the preferred supplier. If the funds provided by the supplier fall short of the established goals, Nike contributes the difference. Nike has also included the car rental company Hertz in its Eco-Class program.

By the end of 2003, Nike was still working to meet the Climate Saver program goals. With a significant growth in business activity, emissions from business travel were up 26 percent over the same period in 2002. To meet this increase, Nike stepped up its off-set program with projects such as installing low-energy lighting and energy-saving boilers in local area schools and has committed to additional work with the Climate Saver program to meet its off-set goals.

Source: "Worldly Wise," Mastering T&E Expense Management, June 2006, plus individual CSR reports for 2005

Business practices rooted in universal values can bring social and economic gains.

Ban Ki-Moon, Secretary-General of the United Nations

Global business leads to global consequences

Environmental analysts estimate that China is set to overtake the United States as the leading carbon emitter by 2010. Together the “Big 3” economies (China, U.S. and India) are projected to account for just over half of global emissions by 2050. Economic indicators for emerging global markets indicate that business travel into China, India, Russia and other developing regions will steadily increase during the next ten years substantially increasing the number of air miles flown.

These days, globalization is a given. But one of its consequences is that intra-industry cooperation will be necessary to effectively reduce the carbon emissions impact of business travel. No single player will be able to make enough changes fast enough to slow the social and environmental impact of the rapidly-growing global community.

Additionally, the increasing geographical scope of companies’ business needs points to the growing role travel management and travel consulting firms can play in enabling businesses to maintain a clear understanding of their global travel activity and travel supply chain.

While on one hand, global expansion of operations may actually help eliminate some trips, as certain operations will be centralized, the prospect of global expansion, by definition, means companies will have more employees traveling to more destinations. This further highlights the need for a comprehensive responsible travel policy, which can help companies grow in a sustainable way.

This may include identifying core travel, which may be necessary at the start of a company’s operations to get them up and running smoothly, but then can set targets/dates for reducing trips from headquarters to these new locations, etc.



Top 20 carbon dioxide emitters

Country	Total emissions (1000 tons of C)	Growth (in %, 1990-96)
United States	1446777	(9.9)
People's Rep. of China	917997	40.0
Russia Federation ¹	431090	-19.2
Japan	318686	9.1
India	272212	47.7
Germany	235050	-12.2
United Kingdom	152015	-1.1
Canada	111723	-0.1
South Korea	111370	69.2
Italy	110052	1.1
Ukraine ²	108431	-37.0
France ³	98750	2.4
Poland	97375	2.6
Mexico	95007	18.0
Australia	83688	15.3
South Africa	79898	0.6
Brazil	74610	34.9
Saudi Arabia	73098	51.2
Iran	72779	25.6
North Korea	69412	4.0

¹ Russian Federation growth in emissions measured between 1992-96

² Ukraine growth in emissions measured between 1992-96

³ France growth in emissions, including Monaco measured between 1992-96

Source: Marland, G., T.A. Boden, R. J. Andres. 2000. *Global, Regional, and National CO₂ Emissions*.

ACCOUNTABLE TRAVEL MANAGEMENT

Responsible Travel Management ensures that the travel program intersects with every part of a company's operations. It should help companies identify a central ethical code of conduct from which they successfully serve all components of their CSR program and can measure and mitigate risk.

The Institute of Business Ethics (IBE) maintains that a company cannot be responsible without being ethical.

While business ethics relates to how a company conducts its business in order to make profit, an ethical business has a much broader agenda and focuses on making a positive contribution to the community, where ethics becomes at least as high a priority as profitability, and indeed where ethics and profitability are inextricably linked.

A company's core values and codes of ethical behavior should underpin everything that the business does. Therefore, good practice in corporate responsibility directs companies to address the social, ethical, environmental, and direct and indirect impacts of their travel program.

The link between good ethics and good business sense is clear: The National Business Traveler Association (NBTA) has estimated that a three-day international business trip costs, on average, more than \$4,000. Companies must recognize that they need not only to control the cost of travel, but also to protect the significant "investment" that business travel represents.

Proactive measures that reduce the frequency and severity of incidents help avoid costly response and recovery expenses as well as reduce potential liability.

In the same way that companies' ethical standards are increasingly being measured based on their approach to their environmental impact, so too are they evaluated in terms of the way companies treat their employees. The breadth of a company's duty of care to employees is being tested in the wake of new laws which make corporations legally responsible for the well-being of their staff, be they on or off the work premises.

New duty of care regulation in the UK, for instance, means corporations can be held legally liable for an employee's actions while they are on

a business-related trip.

For example, if an employee is involved in an accident because he/she was driving to a meeting following a long-haul flight, where they were seated in economy and did not get any sleep, the company could be deemed negligible and therefore held liable.

Similarly, under the new law, when an employee is driving on company business, the vehicle is viewed as an extension of the workplace (even for those staff who have opted out of company car schemes) so companies are obliged to ensure the vehicle is roadworthy.

The new legislation has prompted many companies to re-evaluate their airline travel policies and to emphasize safe driving practices. Companies are also more closely scrutinizing the health and safety conditions of home workers.

Risk Assessment and Traveler Security

The potential impact of such legislation on a company's commercial profile, brand reputation and bottom line makes a strong case for employing risk

An affirmative corporate social agenda moves from mitigating harm to reinforcing corporate strategy through social progress.

Michael Porter and Mark Kramer, The Link Between Competitive Advantage and Corporate Social Responsibility

assessment and mitigation analysis and procedures.

The purpose of risk assessment is to ensure that each trip or assignment is evaluated (“scored”) for risk as input to the overall decision process.

Risk assessment is the foundation of the overall travel management program and should be conducted on every trip, assignment and meeting that involves a travel element. Additionally, risk assessment procedures should address both known risk factors and “unsuspected” or potential risk factors.

For example, while traveling to New Orleans would normally be considered low risk, if forecasters are predicting a hurricane, both the employee and organization need to be aware of that threat and to understand how best to address it.

Because risk and the international environment change constantly, an accountable risk assessment program needs to take into account both intrinsic threat level for a destination, and any dynamic threats that may elevate the risk

of operating in that area for some period of time. And while periodic crises tend to focus company attention on travelers who are preparing to travel or who are currently en route, organizations must also take into account expatriate or long-stay employees, who are assigned to a location for an extended period of time.

The purpose of risk mitigation is to develop strategies and solutions that will result in a level of risk that is acceptable to all parties (e.g., the employee, the manager and the company).

Identifying potential threats is not enough. Each organization and employee must understand how relevant a threat is to the trip and business being conducted. From here, both standard and ad hoc mitigation strategies need to be developed to reduce the resulting risk to a level that both the employee and the organization are comfortable conducting the trip, perhaps rescheduling the trip to a time when the risks are lower.

Travel management firms are increasingly providing tools and services to help companies evaluate

and mitigate risk, such as providing 24/7 employee tracking and monitoring current and potential global threats. This can exist on a smaller scale such as informing corporate clients of airport closures or disruptions, to larger scale events such as terrorist attacks.

A well-planned and managed responsible travel management program encompasses all aspects of accountable travel management, including security, medical repatriation, destination risk communication and emergency response plans.

Travel risk assessment and the strategy by which it is implemented and applied to the accountable travel management program ensure that the social and environmental components of the program are aligned with the company’s broader CSR objectives. The measurement of process improvement and traveler satisfaction and well-being, as well as meeting the goals and expectations of the communities are effectively executed by an aggressive risk management and assessment program.

Category	Description
Products	<p>Companies are considered to be exposed to the highest supply chain labor risks if their activities depend significantly on the sourcing or selling/retailing of one or more of the following products from farms or factories:</p> <ul style="list-style-type: none"> • Agricultural Crops, namely: cane sugar, coffee, tea, cocoa, tropical fruit, fresh vegetables, flowers. • Consumer Products: Apparel (clothing, accessories, footwear) and toys. Leisure Equipment, Other Textiles & Leather, Food Processors, Discount & Superstores & Warehouses. • Retailers-Hardlines, Retailers-Multi Department, Retailers-Soft Goods, Food & Drug Retailers.
Countries	<p>Companies sourcing from, or operating in, countries that are deemed to have the weakest labor standards, are considered to be high risk. These are companies sourcing from countries other than those classified by the World Bank as High Income/ Other High Income OECD countries.</p>
Exposure	<p>The criteria apply to companies which have a “significant level” of revenue from high-risk products sourced from high-risk countries (as defined above).</p> <p>Significant Exposure is defined as: More than one-third of total company revenue from high risk products sourced from high risk countries; or more than £100m revenue from sale of the high risk products sourced from high risk countries.</p>

Supply Chain Risk

Protecting corporate brand and the competitive advantage relies on continuous risk assessment to determine strategic direction as impacted by the new business rules of CSR. As corporate citizenship and responsibility change the landscape of many industries, a transformation in the competitive landscape is almost certain. From this industry shift arises competitive issues created by cost advantages or increase product quality to meet the social and environmental demands of a global community.

A key indirect impact for companies with operations that have multiple and complex supply chains is the social and environmental practices of the individual supplier’s company. Some industry sectors are exposed to a higher level of supply chain risk as a result of the nature of their

business. The following FTSE4Good Risk Relativity Assessment index outlines higher risk criteria to evaluate a company’s exposure to supply chain relationships.

Applying the Responsible Travel Management approach to procurement means buying not only on the basis of price and quality, but, also with additional stakeholder considerations relating to corporate citizenship. A number of global suppliers have launched elements of the social aspect of CSR and are now developing aggressive environmental programs integrated into their operational procedures reducing costs and reducing the environmental impact in each local market.

A collaborative partner approach will be critical in the industry to create a long-term sustainable development model in the supply chain. Corporate buyers have the competitive advantage

of influencing the social and environmental principles by leveraging buying power within the supplier community.

In its Project Icarus toolkit, the Institute of Travel Management observes, “It is also important to note that companies are more often selecting business partners based on their CSR credentials.” In other words, all things being equal, a company with a long-term responsible business plan is more likely to be chosen as a business partner by a prospective client than a company without such a plan or policy in place.

Another aspect of financial benefit is linked to regulatory benefits: Under existing government regulations, companies can get financial benefits in a variety of ways, including working with other companies and organizations which participate in sustainable development programs.

CONCLUSION

While many companies are jumping on the CSR bandwagon, and “green initiatives” are flooding the travel market with fragmented solutions to off-setting and carbon emissions tracking, most of these still operate in a relative vacuum.

Responsible travel management goes far beyond “green travel.” A sound, sustainable and accountable travel program is a natural component of any company’s commitment to CSR, and offers rich potential to advance the organization’s CSR goals.

Key to the successful implementation of a responsible travel program is the recognition that there is no one-size-fits-all solution. Travel management companies and travel consulting firms can help companies explore their options, provide consistent and accurate data for good decision-making, and implement solutions that match their needs and respond to their stakeholder requirements.

A key component of such consultative input will be to help companies measure and, if possible, quantify CSR, especially in order to provide arguments to persuade those with reservations about the commercial advantages of investing in a robust CSR-compliant travel program.

In the end, a truly responsible travel program will support its organization in measuring the financial impact of CSR internally and exploring the intangible values of a CSR program, such as the incentive to innovate, build better management systems, and improve brand reputation and key stakeholder relationships.

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About BCD Travel

As a leading provider of global corporate travel management, BCD Travel simplifies and streamlines the business of travel. This benefits our client's organization on every level: from the bottom-line to the business traveler. BCD Travel operates in more than 90 countries on five continents, with US\$12 billion in total sales and a combined worldwide work force in excess of 12,000. BCD Travel is a BCD Holdings N.V. company. For more information, visit www.bcdtravel.com.

About Advito

Advito provides travel management consulting services that guide clients through a complex travel environment. Advito's focus on consulting delivers proven value, unbiased counsel and a customized approach for every client and every engagement, together with industry expertise and access to data to drive quantifiable decision-making. Advito is headquartered in Dallas and operates in key business markets around the world. Advito is an independent operating unit of BCD Travel. For more information, visit www.advito.com.

About BCD Holdings N.V.

BCD Holdings N.V., a Dutch family-owned company founded in 1975 by John Fentener van Vlissingen, is a market leader in the travel industry and successful niche player in the financial services industry. The BCD Holdings companies are BCD Travel (global corporate travel management), Park 'N Fly (off-airport parking), TRX (travel transaction processing and data integration services), Airtrade (leisure travel) and Primary Capital (real-estate financing). The company employs approximately 14,000 people and operates in more than 90 countries with total sales, including franchising, of US\$ 13 billion. For more information, visit www.bcd-nv.com.