

Compliance & Ethics

PROFESSIONAL



Vol. 7 / No. 6
12/2010

A PUBLICATION OF THE SOCIETY OF CORPORATE COMPLIANCE AND ETHICS

TOP STORIES INSIDE

- 4 Integrity earns trust
- 6 Travelers be aware:
Common threats and
tips to keep you secure
- 10 Slow road to export
reform
- 12 What you don't
know about high
performance
- 21 After the Misconduct:
Restoring morale and a
culture of compliance
- 28 Ten reasons your
compliance program is
outdated
- 30 The evolving role of the
chief compliance and
ethics officer: A survey
by SCCE and HCCA
- 32 Compliance and the
Dodd-Frank Era: The
case for engaging
employees
- 42 Best Practices in anti-
corruption: The UK
Bribery Act guidance



Meet Paul J. McNulty

Partner and Chair of Global Compliance,
Baker and McKenzie, LLP

Travelers be aware: Common threats and tips to keep you secure

By Clinton Emerson

The harried business traveler was almost through security at Heathrow Airport in London when she realized her laptop wasn't on the x-ray scanning belt. Still in stocking feet, she waved frantically at the security screener. There was a brief search, but by now, her laptop was miles from the tarmac. Most likely, another laptop was on its way to be pawned. It could even have fallen into the hands of someone relishing the competitive intelligence on the hard drive.

The scenario of a stolen or lost laptop took place 900 times each week in 2008 at Heathrow Airport, according to a Ponemon Institute study.¹ Another study by the same organization puts the cost of a stolen laptop at \$49,246, which includes not only the replacement cost, but also things like data breach, lost intellectual property costs, lost productivity, and legal, consulting, and regulatory expenses.² The frequent traveler gets cranky just dealing with transportation hassles. Add crime and other international travel risks, and life becomes exponentially more complicated.

There are ways to avoid having valuable digital data fall into the wrong hands, which will be discussed later in this article. Travel security awareness makes sense on an individual level, but also on a corporate level. Some companies include training or travel risk monitoring services as part

of their risk management plans. It may even be necessary corporate governance for companies doing business in certain countries like the United Kingdom and Germany. In these countries, duty-of-care legal obligations require that companies inform employees about travel threats and provide direction to keep them safe.³

An individual can become a savvy international traveler just by undertaking two simple steps—pre-trip preparation and building basic awareness skills to identify, avoid, or minimize the impact of potential threats.

First, let's take a look at the many threats, or wolves, that lurk around the globe, ready to snap at the feet of global travelers. They include common challenges confronting the professional traveler—health and disease woes, crime, and natural events, such as fires, storms, or disasters. There are also more serious risks, like kidnapping or even terrorism. Travelers may be surprised to learn the chances of technical monitoring or being watched are higher than most would think. Surveillance might be conducted by an entity interested in competitive intelligence or by a government agency that wants to look out for you—or look in on you.

For example, even a friendly government will keep tabs on you. In London, British intelligence can literally track a person from the time

of arrival at the airport to the time of departure at the same airport. Surveillance cameras are synced to hand off the individual from camera to camera intuitively. There are more than 4.2 million closed-circuit TV cameras in Britain, about one for every 14 people.⁴ Are you paranoid yet? Surveillance is also what criminals do to determine the best way to pull off a holdup, carjacking, or kidnapping. There are ways to spot who's watching you, which can be gained through practical exercises and experience.

Research, prepare, then pack

As a compliance professional, you prepare carefully and tune into details that your training and intuition indicate might signal potential issues. As a professional traveler, you should be just as prepared and alert to the personal security issues that may arise when visiting far-flung locations. The first step is to research potential threats in advance of your travel.

When training employees of businesses and government agencies, our company works with students to assess threats holistically for the area they will visit. What common diseases exist? What is the potential for an earthquake or other natural disaster? What would you do if such a horrific event occurred? Do you carry the phone number of your country's

embassy or local consulate to call for assistance? What should you do (and not do) if arrested by mistake in a foreign country? Which countries are likely to monitor cell phone conversations and why is that a concern? If you're renting a car, what's the likelihood of a carjacking in the region?

It's important to think through what could happen and what your response would be now. In the actual event, you want to be prepared to react quickly and make the best decision possible.

During our e-Learning and classroom seminars, students are encouraged to use the excellent open source websites available on the Internet for their pre-trip research. Some of these include:

- State Department website updates (<http://travel.state.gov>)
- Centers for Disease Control and Prevention (www.nc.cdc.gov/travel/health)
- Natural disasters (www.bt.cdc.gov/disasters/)
- Overseas Security Advisory Council (www.osac.gov)
- ASIS International (www.asisonline.org)
- National Fire Protection Association (www.nfpa.org), also involved in international fire codes
- Computer magazine online sites, such as www.scmagazine.com

Research isn't a one-time event. If you traveled to New Delhi, India last year, be sure to undertake the same research drill before packing your bags to go there again this year. You may discover an outbreak of dengue fever is occurring now in New Delhi. As a result, you will

want to carry potent mosquito repellent and a sleeping net. You'll want to avoid swampy areas and going out at dusk.⁵

Basic awareness

When you travel, is your attention on the urgent e-mail flashing on your BlackBerry or the troublesome report on your laptop? What potential problems have you missed by having your head down instead of up in the air, checking out the new environment?

Henderson Cooper is a 30-year international and domestic security specialist with extensive experience in high-risk training for the Central Intelligence Agency and U.S. Navy SEALs. He provides guidance to our company and has observed, "The major challenge facing international travelers is underestimating potential risks and not blending into their new environment."

Travelers often forget to assess the environment and its threats. This is called situational awareness, or knowing what is going on around you. There are whole bodies of research around this aspect.⁶ A second component of travel awareness, personal awareness, is knowing yourself – the way you look, dress and act – and the impact these personal characteristics have on others. A third component, cultural awareness, is understanding the culture of the location you will be visiting – the social protocol, etiquette, history, mannerisms, gestures and other aspects – so you can fit in. The fourth component, third-party awareness, focuses on groups like citizens, law enforcement, criminals, and even terrorists residing in the country

you will be visiting. You don't want to attract third-party awareness. Instead, you want to blend into your environment using personal awareness and situational awareness skills.

Obviously, there is quite a bit to learn within each component of awareness. This article can't explore each in depth, but it can provide a few key tips to help in your travels.

Top tips for travelers

Some simple tactics can be employed to reduce the chances of you becoming a crime statistic in a foreign land.

• Lighten up

You need your data, but do you need your computer with all your proprietary data? Weigh carefully the best strategy when traveling internationally with your digital data. In addition to never letting your laptop leave your sight, consider the following options.

Option A—If what you really need is your data, consider using Software as a Service (SaaS). The most widely known SaaS is Google Docs. Encrypt your data, using a software program like TrueCrypt, and place it on Google Docs. Once you arrive at your location, download your documents and decrypt your information. Once you finish with the decrypted version, make sure you "secure delete" or shred the file from the computer you are using. Many free programs can do this for you, and some operating systems have this feature built in. You can e-mail an encrypted version of your information to the company you are visiting, or e-mail it to yourself. Again, make

CONTINUED ON PAGE 8

sure these files are encrypted before they leave your computer.

Option B—If you must have a computer, consider using a new or “clean” computer. Then, use SaaS and download your information at your final destination. Remember to “secure delete” or shred all files before traveling.

- **Hotel security 101**

Hotel security can fill pages, but here several suggestions. For certain parts of the globe, it may be beneficial to make hotel reservations in your own name instead of your company’s name. Why? The company name signals the potential for a lucrative hostage to the potential kidnapper. In addition, tell only those who need to know your travel plans. No need to broadcast this information to someone who might use the information for nefarious purposes. The most vulnerable part of your journey is between the point of departure or arrival and the hotel. Do not linger or wander unnecessarily in the parking lot, indoor garage, or public space around the hotel.

- **Avoid certain clothing and accessories**

You may look very different from the indigenous population, but that doesn’t mean you have to be identified as an American. You could be a European, Australian, or even South African. Unfortunately, Americans can be targeted for crime, kidnapping, or other nefarious schemes when traveling. Certain accoutrements telegraph “American.” These include wearing athletic shoes, jeans, sunglasses, patriotic clothing,

and expensive watches or asking for ketchup, ice, or Coke. Be aware of what makes you stand out culturally. Try to blend in or at least blur the lines when traveling internationally.

- **Vary your routine**

Most of us are creatures of habit, but break out of the mold when traveling. The first phase of any criminal or terror attack is information collection. They want to know where you stay, work, or how you travel. This is called “pattern of life” and is an analysis of your daily, weekly, or monthly activities. If you travel to work at the same time, eat dinner at the same time, or go to the gym at the same time, then you have given the person valuable information to identify vulnerabilities for an attack or kidnapping scenario. Routine kills. Always vary your routine to keep bad guys off guard. Break your routines into three dimensions – time, route, and destinations – and alter all three on a regular basis.

- **Play doctor**

Pack a medical travel kit. You need to maintain your health to ensure the peak level of awareness necessary for travel safety. In addition to researching diseases and required vaccinations, you’ll also want to take care of smaller health issues. Prepare a travel medical kit and carry it with you. To avoid potential blisters that can occur from a lot of walking, carry moleskin. Have antibiotics so that little cuts, abrasions, or burns don’t get infected and create big problems. Include pain or fever reducers, diarrhea and motion sickness medications, insect repellent, anti-bacterial wipes or gels, electrolyte replacement,

tweezers, eye drops, a thermometer, and sunscreen. Be sure to carry written prescriptions for any medications and an extra pair of eyeglasses, if you require them.

- **Know the rules of the road**

One-third of American deaths overseas are the result of traffic accidents.⁷ Practice driving on an isolated road if there are different driving conditions in the country you will be in. Many countries have different driving rules, so obtain a copy before you begin driving. Be just as cautious about who you ride with as a passenger and venturing out as a pedestrian.

These suggestions are just a few of the many things that global travelers should be mindful of when going into new environments. The goal is to provide the traveler with insight into what threats exist so the individual is more confident. By researching before the trip, the traveler has the opportunity to think through scenarios and plan potential responses. This role-playing will be critical and save valuable time if the traveler is confronted with a crisis during an actual event. Ideally, the trip will be trouble-free. Still, the best game plan is to be prepared. ✦

Editor’s note: Clinton Emerson is Chief Executive Officer of Escape the Wolf, a risk mitigation company providing travel security training and resources to businesses and government agencies. He is an experienced Department of Defense employee and entrepreneur who was raised in Saudi Arabia and has traveled the globe as a civilian

and government employee. He may be contacted at clinton@escapethewolf.com.

Notes:

1. The Ponemon Institute: "Airport Insecurity: the Case of Lost and Missing Laptops." July 29, 2008. Available at <http://www.ponemon.org/local/upload/fckjail/generalcontent/18/file/LostLaptopsDell%20EMEA%20Final%208.pdf>
2. The Ponemon Institute: "The Cost of a Lost Laptop." April 22, 2009. Available at <http://www.ponemon.org/local/upload/fckjail/generalcontent/18/file/Cost%20of%20a%20Lost%20Laptop%20White%20Paper%20Final%203.pdf>
3. Stephanie Berrong: "Putting Duty of Care on the Radar," *Security Management*. May 2010. Available at <http://www.securitymanagement.com/article/putting-duty-care-radar-007046>
4. BBC: Britain is 'surveillance society'. Nov. 2, 2006. Available at http://news.bbc.co.uk/2/hi/uk_news/6108496.stm
5. Available at www.cdc.gov/dengue
6. Endsley, MR: The role of situation awareness in naturalistic decision making. In C.E. Zsombok and G. Klein (Eds.): *Naturalistic decision making* (pp. 269–283). Mahwah, NJ: Lawrence Erlbaum Associates, 1997.
7. "Bad Trips: Road crashes main cause of tourist death and injury." FIA Foundation. Sept. 27, 2010. Available at <http://www.fiafoundation.org/news/archive/2010/Pages/adcrashesmaincauseoftouristdeathandinjury.aspx>

BE SURE TO GET YOUR CCEP CEUS

Complete the *Compliance & Ethics Professional* quiz related to the articles below:

Integrity earns trust—By Mike Ayers, page 4

After the Misconduct: Restoring Morale and a Culture of Compliance—By Sally Rhys, page 30

Compliance and the Dodd-Frank Era: The case for engaging employees—By Patricia VJ. Villareal, Henry Klehm III, and Richard C. Rosalez, page 32

New CEU Credit Procedure

Visit www.corporatecompliance.org/quiz to obtain one CEU per quiz. Select a quiz, fill in your contact information, and answer the questions. The online quiz is self-scoring and you will see your results almost immediately.

Or, you may FAX or MAIL the completed quiz to CCB at SCCE. Questions? Please call us at +1 952 933 4977 or 888 277 4977.

Please note that credit will be given only for quizzes received before the expiration date indicated on the quiz.

SCCE'S UPCOMING REGIONAL Compliance & Ethics Conferences



SCCE's regional compliance conferences provide a forum to interact with local compliance professionals, share information about compliance successes and challenges, and create educational opportunities for compliance professionals to strengthen the industry.

Midwest April 29, 2011 | Chicago, IL

Upper Northeast May 13, 2011 | New York, NY

West Coast June 24, 2011 | San Francisco, CA

Southeast October 14, 2011 | Atlanta, GA

Southwest November 4, 2011 | Houston, TX



SOCIETY OF CORPORATE
COMPLIANCE AND ETHICS

www.corporatecompliance.org/regional