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Risk and Crisis Management in Tourism (A two part series)

<Part One>

We might excuse a visitor coming to our planet from outer space for suffering through some form of cognitive dissidence. Listening to the news in the latter half of 2004, the alien would note that much of the world's news is filled with war and terrorism. Indeed our visitor might well assume that the world was in the midst of a major war. Looking around, however, our alien would see in most places no war preparations. City streets would be tranquil and little or nothing would be done in the way of civil defense, or as it is now called, homeland security.

If our outer-space visitor looked at the literature of most of the world's tourism industries he/she would even be more shocked. Many of the world's tourism and travel oriented communities would seem not only to be ignoring the dangers of war, but simply assuming that no form of war will occur within their boundaries or to the various components of their tourism industry.

Travel and tourism is more than mere hospitality, it is also the realization that all industries that involve people have a certain amount of risk associated with that industry. All too often this aspect of the travel and tourism industry is overlooked, leading to crises and the need for crisis management. While not all crises can be foreseen, many of them can be predicted and the best form of good crisis management is a good proactive risk management strategy. Tourism risk management should not be confused with the same term that the insurance industry uses. Tourism risk management is often called "tourism surety". It is the understanding that we can never guarantee total security or safety, but rather that it is our task to limit the possibilities of a negative event from occurring. Tourism surety then ought to be a part of every not only of every nation's but also of every tourism community's economic development plan. For example, few nations have an overall tourism surety plan and too few have trained their police forces in tourism oriented policing strategies (TOPS). How many police departments around the world have cooperative tourism policing and work closely with their national tourism security offices? In a like manner, few police officers have studied the sociology of tourism crime, understand the role of crimes of distraction in tourism-centers and have developed a plan by which visitors will be willing to report crime. Furthermore, many police departments confuse issues of tourism crimes with those of terrorism against the tourism industry. While both criminal and terrorism acts may result in violence they are very different social illnesses that need their own particular remedies. Added to the tourism surety challenges are issues of health. Health problems not only produce sick visitors but do a great deal of harm to the community's or nation's economic viability.

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This article examines some of the issues in tourism risk management. Risk and crisis management are related yet very different concepts. The following chart provides the reader with some of these basic differences.

Some Basic Differences between Risk and Crisis Management

	Risk	Crisis
Surety of Occurrence	Uses a statistical system.	Is a known event
Goal of management	To stop the event prior to occurrence	To minimize the damage one event has taken place
Type of preparation to combat the "event"	Probability studies Knowledge of past events Tracking systems Learning from Others	Specific information such as medical, psychological, or crime. Developing a what if attitude
Training needed	Assume crises and find ways to prevent them.	Assume crises and practice reacting to them.
Reactive or Proactive	Proactive	Reactive, though training can be proactive toward the reactive.
Types of victim	Anyone, maybe visitor staff, or resident	Can be visitors, staff members, or site
Publicity	Goal is to prevent publicity by acting to create non-events	Goal is to limit the public relations damage that may occur.
Some common problems	Poor building maintenance Poor food quality Poor lighting Fear of terrorism Fear of a crime occurring	Rude visitor Sick person Robbery Threat to staff Bomb scare Lack of language skills.

Statistical accuracy	Often very low, in many cases the travel and tourism industry does everything possible to hide the information	Often very low, in many cases the travel and tourism industry does everything possible to hide the information
Length of negative effects on the local tourism industry	In most cases, it is short term	In most cases, it is long term unless replaced by new positive image
Recovery strategies	<ul style="list-style-type: none"> • New marketing plans, assumes short-term memory of traveling public. • Probability ideals: odds are it will not happen to you. • Hide information as best as one can 	<ul style="list-style-type: none"> • Showing of compassion • Need to admit the situation and demonstrate control • Higher levels of observed security • Highly trained (in tourism, terrorism, and customer service) personnel

Risk management is harder "to sell" to the public. By its nature risk management is proactive and must deal with probabilities rather than the consequences of an action that has already occurred. The consequences then of good risk management are "non-negative events". In tourism, with its transient population the risk manager must work hard to be successful at producing non-events. The idea of a non-event is sometimes a bit hard to grasp, but simply means that the visitor can come to a place and feel sure that nothing negative will happen. For example, this author did for the Las Vegas (Nevada, USA) police force in the latter part of the last decade. In that study we were able to determine that 98% of Las Vegas visitors had no need to contact law enforcement other than for such service issues as asking directions or seeking help with a broken vehicle. The fact that a visitor had a 98% chance of not needing law enforcement can then be used as an important part of a marketing campaign. The careful use of risk-management along with the principles of tourism surety answered the question: what is the probability that a visitor can come to location X without having to worry about my security. The central question that government and tourism officials must ask themselves in these security oriented times then is "how much are we willing to pay to overcome a negative headlines?"