

DON'T RISK IT!

A guide to assist
tourism businesses to
prepare, respond and
recover from a crisis



Australian Government
Department of Resources
Energy and Tourism



Tourism Australia

This Tourism 2020 project was funded by The Australian Standing Committee on Tourism (ASCOT) and coordinated through the Industry Resilience Working Group.



Table of Contents

Introduction	5
Prepare.....	7
Being Prepared Checklist	8
Plan to manage your risk	9
Share the load	12
Plan your emergency response.....	14
Plan to stay in business	18
Practice, practice, practice	20
Respond	21
Immediate Actions Checklist.....	22
Responding to a crisis: First 24 hours.....	24
Responding to a crisis: Short to Medium Term Actions (Days 2-14).....	26
Recover.....	31
Incident Recovery Checklist.....	32
Cash Flow	33
Managing Staff.....	34
Revise your offer and your markets.....	36
Crisis Support Management	40
Templates.....	41
Risk Management Plan	43
SWOT Analysis.....	44
Roles and Responsibilities	45
Contacts List – All Staff.....	46
Key Contacts – External	47
Triggers and Implications.....	48
‘Go Pack’ Contents.....	49
Crisis Communication Plan.....	50
Business Recovery Plan.....	51
Scenario Planning.....	52
Event Log.....	53
Estimates to Assist with Cash Flow Budget.....	54
Cash Flow Budget.....	55
Financial Decisions	56
Reviewing Your Markets.....	57
Marketing Action Plan.....	58
Additional Resilience Resources.....	59

ACRONYMS USED IN THIS GUIDE BOOK

CMT	Crisis Management Team
HR	Human Resources
IT	Information Technology
LTO	Local Tourism Organisation
PR	Public Relations
RTO	Regional Tourism Organisation
STO	State Tourism Organisation
SWOT	Strengths, Weaknesses, Opportunities, Threats
TCMG	Tourism Crisis Management Group
VFR	Visiting Friends and Relatives



Introduction

Who is the guide for?

This guide is designed for use by any tourism business looking for assistance to prepare for, respond to, and recover from a crisis. It has been prepared for owner-operated businesses, as well as those with a larger number of employees. The guide does not endeavour to provide advice on every type of crisis event or business, but provides generic information that you can apply to your business's specific circumstances.

REMEMBER:

In today's tourism environment, crisis events are common. As a tourism operator, it's often not a question of IF a crisis will occur, but WHEN. Your capacity to deal with a crisis can make or break your business

What is a crisis?

The term crisis can be defined as any situation that has the potential to affect long-term confidence in an organisation or a product, and may interfere with its ability to continue operating normally¹. A crisis, as referred to in this guide, can be natural or man-made and affects more than one business. Potential sources of crisis events include (but not exclusively):

Natural disaster, e.g. earthquake, volcano, tsunami	Severe weather incident, e.g. cyclone, tornado or flood	Escalating crime rate impacting visitor safety or other civil unrest
Man-made disaster – e.g. chemical or gas leak, oil spill	Bushfire, threat of firestorm, ash fallout or other air contamination	Global Financial Crisis or fluctuating currency markets
Major transport incident affecting visitor access	Severe drought, food shortages	Terrorist activity
Pandemic, plague or other health scare	Services breakdown, e.g. long-term power failure, water shortage	Labour stoppage or labour market failure

Benefits of preparing for a crisis event

To prepare for a crisis you will need to look at your business and understand what it takes to keep it running. Better understanding leads to a stronger business NOW and in the event of a crisis.

DID YOU KNOW?

"80% of businesses that experience a major crisis and do not have a continuity plan do not survive more than 2 years."

APEC, 2008

How this guide is structured

This guide book takes a time line approach following three phases of crisis management - PREPARE, RESPOND and RECOVER.

- **PREPARE** includes steps on how to understand your business and its exposure to risk, minimising risk, preparing your response to a crisis and planning your recovery post-crisis.
- **RESPOND** explains what should be done in the first 24 hours following a crisis and in the short to medium term.
- **RECOVER** includes the actions required to get back to business.



Crisis recovery success factors

Surviving and thriving from a crisis requires:

- **COMMITMENT** to the allocation of time, money and resources to each phase of the process.
- **PLANNING** your response, what you need to recover and documenting it. This can be done yourself or with a small team. Record your plan electronically and ensure that it can be accessed off-site in the event of a disaster.
- **INTEGRATION** of your crisis management activities with your business plan, your business and the planned responses of emergency service agencies and key stakeholders (e.g. your Regional Tourism Organisation - RTO).
- **TESTING** of your crisis response to ensure you and your staff are aware of their roles and responsibilities and can identify any improvements required.

Who prepared this guide?

This guide has been developed by the Australian Standing Committee on Tourism's Industry Resilience Working Group (ASCOT IRWG) in its role in implementing the National Long-Term Tourism Strategy – Tourism 2020.

¹ Pacific Asia Travel Association (PATA), 2003

This page has intentionally been left blank.

This page has been intentionally left blank.

This page has been intentionally left blank.

When a crisis event occurs it is too late to start thinking about what to do.

Being prepared is about planning to manage your risk. It involves more than just making plans and running an occasional drill. Businesses need to evaluate their crisis exposure and develop plans to respond to and manage their business through a crisis event. Business owners and managers must regularly audit the plans, conduct crisis response exercises and acquire crisis management skills. Managers and staff need to be psychologically and physically prepared for the impact and stresses that crisis events may impose upon them.

1 Plan to manage your risk

Do you know what the most likely crisis events are and what impacts they could have on your business and / or your destination? Have you taken action to prevent or minimise these risks?

The first step in preparing yourself for a crisis is to develop a **Risk Management Plan** by following the steps below.



Please refer to the **Risk Management Plan** template on page 43.

Identify the risks

Where do risks come from and which risks are most relevant to your business? Think about risks by doing things like:

- **Brainstorming** ideas with personnel
- **Checking** historical records
- **Consulting** experts including your insurance broker

Look at your business' strengths, weakness, opportunities and threats (SWOT).

A crisis management **SWOT Analysis** should consider:

- Existing crisis management and control programmes
- Hazards within the organisation, its buildings, policies and processes
- Potential socio-political, economic, technological or environmental crises
- Existing relationships with the media, the public and emergency services
- Possible indirect risks to your business (e.g road closure limiting access or loss of a key supplier).



Please refer to the **SWOT Analysis** template on page 44.

When considering risks to your business think about:

- Natural disasters
- Industrial accidents
- Explosion
- Cyber attack
- Labour stoppage
- Pandemics
- Systems failure
- Financial Crisis
- Terrorist attack

Record the risks identified in your **Risk Management Plan**.

REMEMBER:

Even if an event like a cyclone doesn't hit your business or town, it might cut roads stopping customers and suppliers reaching you. Think outside the square and be prepared.

Assess the risks

You've identified the risks, now think about how they will affect your business (consequence) and how likely it is that they will occur (likelihood). This determines your **level of risk**.

By assessing your risks you can prioritise the time and resources that go towards planning for and managing that risk should it occur.

It will help you to:

- Identify risks that are most likely to occur
- Identify risks that will have the highest impacts
- Make informed decisions when addressing those risks

Use the risk assessment tool over the page to **determine the level of risk to your business** and record the level in your **Risk Management Plan**. To do this, you must first assess your identified risk events to determine:

- **the consequence** of the event on your business were it to occur – extreme, very high, medium or low. The consequences to your business will vary according to the size and objectives of your business and need to be tailored accordingly.
- **the likelihood** of the event occurring – almost certain, likely, possible, unlikely or rare

Use the Consequence and Likelihood tables below to help determine what level each identified risk event falls under. Once this is complete, use these answers in the risk assessment tool to find your actual level of risk.



Sand Bags Line Albert Street (photo by Jono Haysom)

CONSEQUENCE TABLE¹

Consequence	Description
Extreme	Threatens the survival of the business. Loss of revenue is extreme.
Very High	Threatens the effective functionality of the business and may require intervention. Loss of revenue is very high.
Medium	Business is not threatened, however could be subject to significant review or changed ways of operating. Loss of revenue is medium.
Low/Negligible	The consequences are dealt with internally or by routine operations. Loss of revenue is low / negligible

LIKELIHOOD TABLE²

Likelihood of occurrence	Typical Events	Potential Crisis Risks
Almost certain	Expected frequency greater than twice a year	e.g. A power outage due to poor local supply
Likely	May happen once a year	e.g. A seasonal outbreak of blue-green algae in an adjacent lake
Possible	Once every few years	e.g. A flood event
Unlikely	Incident every three to five years	e.g. A bushfire during a period of drought
Rare	Once every few decades	e.g. Global economic crash - visitor numbers are at record lows due to a global economic downturn

RISK ASSESSMENT TOOL³

Likelihood	Consequence				
	Negligible	Low	Medium	High	Extreme
Almost certain	H	H	E	E	E
Likely	M	H	H	E	E
Possible	L	M	H	E	E
Unlikely	L	L	M	H	E
Rare	L	L	M	H	H

E = Extreme risk; immediate action required

H = High risk; senior management attention required

M = Moderate risk: management responsibility must be specified

L = Low risk; manage by routine procedures

¹ Introduction to Risk Management, SAI Global Limited, 2009

² Weatherproof Your Business, Tourism Queensland, 2009

³ Introduction to Risk Management, SAI Global Limited, 2009

Address the risks

An important step in your plan is to determine how you will minimise or address the most likely risks to your business. Addressing a risk may involve:

- Reducing the consequence or impact of the risk to an acceptable level (e.g. backing up critical information or putting in place appropriate policies and procedures such as Workplace Health and Safety).
- Transferring the risk by sharing it with other parties (e.g. outsourcing a task to a subcontractor or taking out insurance).
- Avoiding the risk by making changes in processes or practices.

Consider the risk implications of any new actions you put in place. Make sure you allocate who will take action, when it will be done and how you will know.

HAVE A CANCELLATION POLICY

A clear, concise and well communicated cancellation policy can reduce the consequences of risk. Knowing your legal obligations is important. For example, if your business or access routes to your business are closed as a result of a crisis, you are legally obliged to refund deposits for bookings that fall during that time.

However, sometimes even if customers can access your business, they will want to cancel e.g. due to announcements such as 'code red'. They may think the destination or your business will be less attractive or unsafe to visit and want their deposit refunded.

If you have a cancellation policy it makes it much easier to manage cancellations. The policy should be included in correspondence sent to the customer such as a booking confirmation form and it should be listed on your website.

If a booking is made over the telephone using a credit card, the customer should also be made aware of your cancellation terms. Otherwise, if you charge a credit card in the event of a cancellation, it may be considered an unauthorised transaction by the credit card company.

It helps to have a telephone script to follow when making bookings, and to include cancellation terms on a written confirmation form, providing evidence to the credit card company that you have met their conditions.

Remember that a person who cancels now may be a visitor in the future so it's good business to part on good terms if possible. Please see page 26 for more information about Managing Bookings.



"We had business interruption insurance [but] we couldn't access this because according to the insurance company there was no physical reason why we couldn't trade."

- Mel Neil, (former) Owner, Piglets Cafe in response to the 2009 Victorian bushfires

DID YOU KNOW?

In 2006, 72% of people who reported to the Insurance Ombudsman Service (IOS) did not have the insurance cover they thought they had. Further, of all the disputed claims reported, 66% were refused under an exclusion clause in their policy.

CHECK YOUR INSURANCE

One approach to **transferring risk** is to take out adequate insurance. Having identified the key risks to your business, you should discuss your policy with your insurer and ensure that you are covered for these events. You may also like to consider taking out Business Interruption Insurance - what would happen if your business was not directly impacted by a crisis and you were open for business but trade was negligible as people stopped coming to the region? – **COULD YOUR BUSINESS SURVIVE?**

Business interruption insurance provides compensation to a business for any reduction in profits that occurs as a result of an interruption to the business, such as a natural or manmade disaster. This kind of insurance is additional to basic property insurance, but for revenue losses to be covered, they must be seen to be a direct result of the type of property damage covered by your policy.

The insurance helps to ensure that:

- Anticipated net profit is maintained
- Continuing overheads are paid
- Key employee wages are paid
- In some cases, additional working costs may also be covered.

Keep in mind

Some tourism operators have discovered after a natural disaster that they did not always have the level of cover they thought they had. General policies for Business Interruption Insurance will cover you for interruption to the business if your property is damaged and you cannot trade. However, business interruption insurance generally is **not** triggered when a business is indirectly impacted by a crisis event. In the instance when roads to your business are closed and visitors cannot get to you, some policies will cover the resulting loss of trade and others will not. This is particularly relevant when areas are affected by bushfires, floods, mudslides, etc. **Read the fine print** to find out exactly what you're covered for.



"Being a small business it is very difficult to be fully prepared for the worst case scenario, so what we did is we tried to do things bit by bit".

- John Sharpe, Owner, Riverlife in response to the 2011 Brisbane Floods

2 Share the load

Do you know what steps to take to keep yourself, staff and visitors safe in the event of a crisis? Do you know who is responsible for crisis management in your region?

Responding to a crisis requires a team effort.

Establish a crisis team

- Who is going to be in your **Crisis Management Team (CMT)**? It could be you and a partner or friend if you run a very small business, or it could be the managers of each department if you operate a larger business.
- Who in your business will respond best in a crisis?
- What are the various roles and responsibilities of each CMT member?
- Do you have the right skills in the team – leadership, first aid, financial, legal, HR?
- Who is the team leader?

These are general questions.

REMEMBER:

Assign CMT roles to positions within a business as staff may change. Nominate a back-up person for each role. It's Murphy's Law that the person you have identified in a critical position will not be available on the day. All back-ups should be made aware of their role.

Refer to the **Roles and Responsibilities and Contacts List – All Staff** templates on page 45.

Train your crisis team

Practice makes perfect and, just like a fire drill, you need to train your team for crisis situations.

Practice allows you to:

- Improve your response (the first 5 minutes can make all the difference)
- Plan for not having a critical member of your response team there (e.g. media spokesperson)

Crisis response practice should happen at least once a year. If you are a larger business, it may help to use an external consultant to test your preparedness and offer advice on how your crisis responses could be improved. Remember all staff have a role to play at the time of a crisis. See the **Conducting drills with staff** section (page 20) for information on developing training scenarios.

Regional emergency planning

You are not responsible for everything during a crisis – but you do need to know who is responsible for what at a local and regional level:

- Develop a list of key emergency contacts to go in your Go Pack (page 16)
- Contact emergency services to ensure your plan is consistent with local/regional procedures
- Understand how you will be alerted to emergencies (e.g. radio, voice messages on telephones)
- Knowing in advance who can help you can make all the difference

Refer to the **Key Contacts List – External template** on page 47.

Join a network and participate in your destination's risk management planning

A crisis is generally region wide and the response will be at that level. It makes sense that having the support of others and being there for others will help you respond better to a crisis. Talk to other businesses in your area, or those with complementary products or services, and consider how you may support each other in the event of a crisis.

Your RTO will have established a **Tourism Crisis Management Group (TCMG)** to help the tourism industry to prepare for crisis events, to coordinate the tourism industry's response to a crisis, to disseminate information during a crisis, and devise marketing activities to aid business recovery.

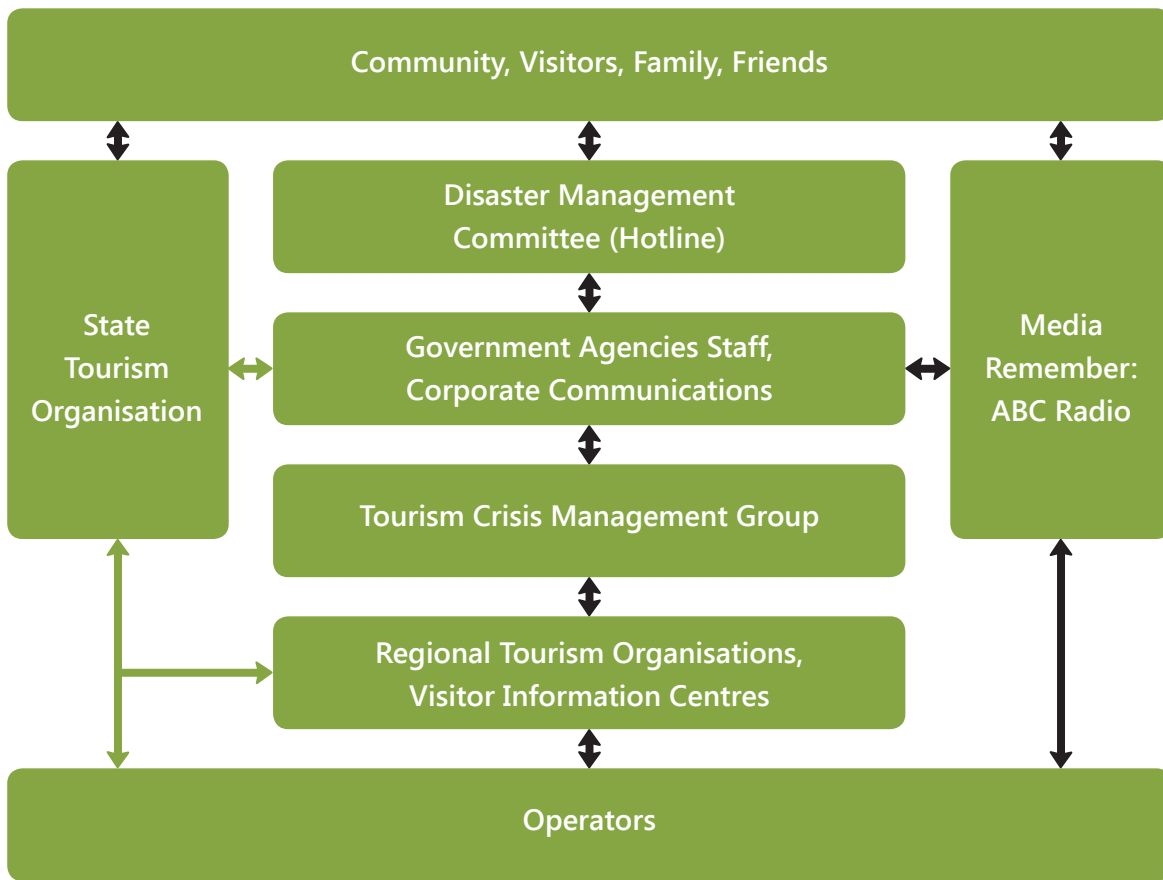
Joining your RTO network means you will have access to this support during a crisis event and you can provide organised support to other members.



“Everyone relies very heavily on each other in the tourism sector. I think the important message if we were to have one [after dealing with a crisis] is networking. Don't be shy, get out there and really network with people. Call them in and say ok, how can we work together and get over this and get moving forward.”

- Daniel Bolssevain, Owner, 5 Star Adventure Tours
in response to the 2009 Victorian bushfires

TOURISM INDUSTRY CRISIS NETWORKS



 Primary
 Secondary

3 Plan your emergency response

You cannot write a plan to handle every crisis because each one is different, but there are some common characteristics:

So let's recap: You've identified what types of crisis events could impact on your business and you have your Crisis Management Team in place.

Now you need an **Emergency Response Plan** which includes things like your Evacuation Plan and all of the information and actions needed at the time of a crisis.

It is also important to:

- Clearly display your evacuation plan.
- Make sure key documents are stored safely and securely both on and off-site.
- Ensure documents are updated regularly and that current lists (such as customers) are available immediately.
- Remember cash/credit cards may be needed for emergency expenditure.

In planning your response you need to consider the following areas:

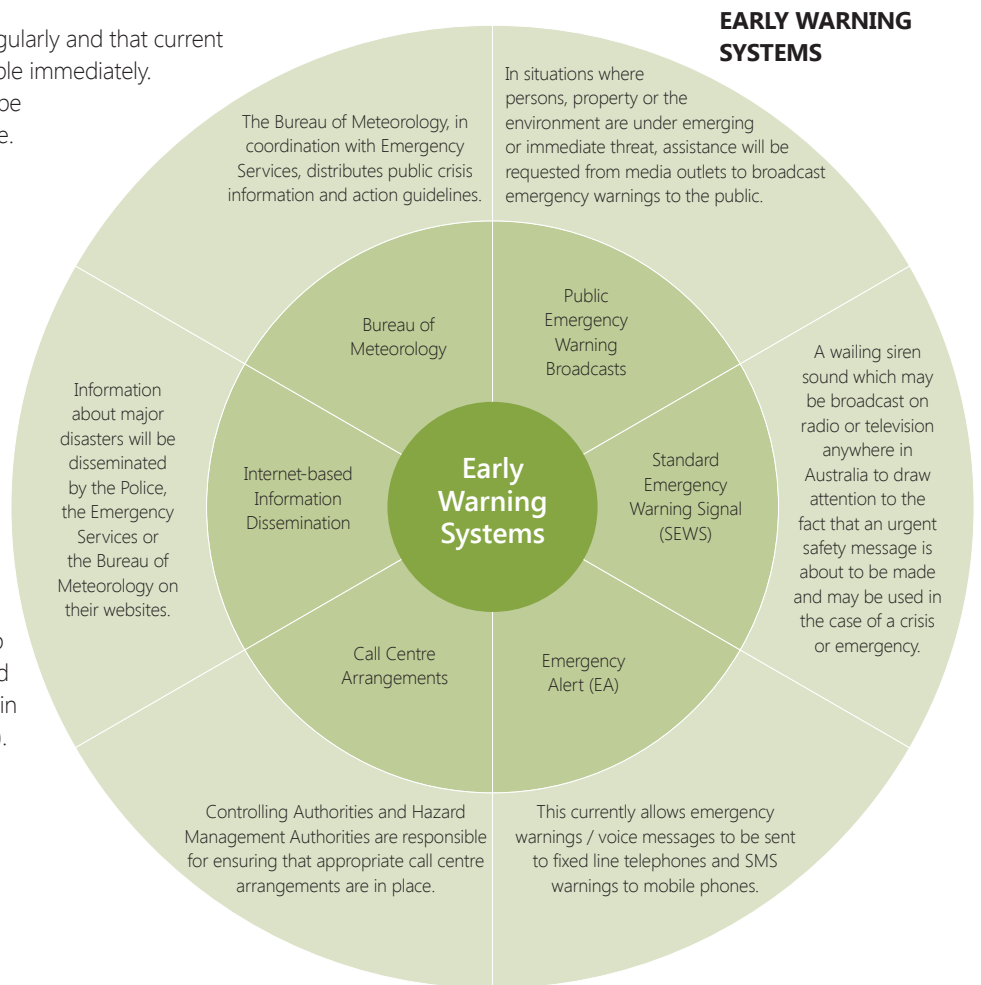
Early warning

For crisis events that can be predicted (e.g. a cyclone), an early warning can give you time to prepare and reduce impacts.

Identify the early warning procedures for emergency service agencies in your region and note where early warning information comes from (e.g. ABC radio broadcasts, Bureau of Meteorology web site). This information should be included in crisis training for all staff and stored in your **External Contacts List** (page 47).

CRISIS CHARACTERISTICS

- Confusion, friction & stress
- News travels fast – the immediate hours are critical in shaping public perceptions
- External support may be required
- Lack of quality information in the first few hours
- Stakeholder and media interest may be intense
- Systems do not function
- Key people are unable to conduct normal duties
- Physical danger



Assessing the situation

Identify the type or level of event that would trigger a crisis response so that you are aware of how to quickly assess a crisis situation and respond accordingly. A small kitchen fire, for example, would require a different response to a cyclone or flood event. The Event Levels table below outlines these different event levels to help you properly classify a crisis event and an appropriate response.

Your **Emergency Response Plan** should draw on your **Risk Management Plan**, outlining the responses needed for the situations most likely to affect your business.

This may seem like common sense, but having a clear outline of how to respond and who to notify saves time, money, and in some cases, lives.

REMEMBER:

In many cases staff will only have a few seconds to assess a crisis situation before a response is required. How well this is managed is a reflection of their training and the crisis management preparations undertaken by the company.
- Tourism Queensland, 2010



Refer to **Triggers and Implications template** on page 48.

Immediate response

It's easy to think clearly when you can take your time in a relaxed environment. But it's not so easy under the stress of a crisis. Your **Emergency Response Plan** is the guide that steps out the first hour of your response.

Develop an **Immediate Actions Checklist** so you don't forget anything critical. Post this list in highly visible and convenient locations around your business.



Refer to the **Immediate Actions Checklist** template on page 22.

Evacuation plan

Develop an Evacuation Plan which:

- Details what triggers an evacuation (see Events Levels table below)
- Details who has the authority to order an evacuation
- Details how staff and guests are to be evacuated
- Is made accessible to all staff
- Is practiced regularly

HAVE YOU GOT?

An evacuation plan or emergency shut-down procedure?

EVENT LEVELS

Event	Trigger	Implication
Incident	Not part of a standard operating business (e.g. loss of power)	Handled by responsible on-duty staff
Emergency	Poses an immediate threat to human life or serious damage to property or environment (e.g. hail storm)	Handled by the staff who responded, with support from other employees (incl. off-site)
Crisis/Disaster	Significant business disruption and/or potential to impact the overall reputation, viability or profitability of the organisation (e.g. cyclone). This may include a sudden or unplanned calamitous event that causes great damage or loss.	Requires additional resources and people beyond the regular staff, possibly including outside vendors or consultants. The situation will impact an extended area, over an extended period, requiring dedicated management effort. Business will have to be curtailed or discontinued and employees diverted from normal duties. Some employees may have to be let go, supplies halted, etc.



"Luckily enough with the way the river system works here, we get a couple of weeks' notice of river heights coming up very high. So that's when we get onto our social media and onto the phone and contact our guests to let them know what is happening and that we're still here and make sure that we give everybody as much information as possible. That way they seem to be happy with what we do and know what they're expecting when they get here"

- Frank and Lynda White, Partner Big4 Deniliquin Holiday Park in response to Victorian drought

Prepare a 'Go Pack'

If you need to evacuate your site or premises, a **Go Pack** is an emergency kit that can be easily carried or stored off-site and contains key documents such as your **Contacts Lists** and **Business Recovery Plan** (page 51). With your Crisis Management Team, decide what should be included in your **Go Pack**, prepare the pack and store it in a location that is easily accessible on or off-site.

Items that you may consider for your **Go Pack** are listed below. This list is not exhaustive, and you should customise your Go Pack contents to suit your business.









Refer to the **Go Pack Contents template** on page 49.

SUGGESTED GO PACK CONTENTS

Documents:

- Evacuation plan
- List of employees with contact details, especially mobile telephone numbers
- Listing of current and expected visitors/clients with contact phone numbers
- Supplier details with contact phone numbers
- Contact details for emergency services, utility companies, local authorities, insurance company
- Building site plan including location of gas, electricity and water shut off points
- Latest stock and equipment inventory
- Financial and banking information
- Product lists and specifications
- Formulas and trade secrets
- Document back up and restoration procedures
- First Aid Register
- Business Recovery Plan

Equipment:

-  First aid kit and manual
-  Portable radio, torches, spare batteries, disposable camera
-  Computer back-up tapes/discs/USB memory sticks or flash drives
-  Spare keys/security codes
-  Marker pens (for temporary signs) and general stationery
-  Mobile telephone with credit available, plus chargers, including car charger



Crisis communication plan

A **Crisis Communication Plan** details the key stakeholders to be contacted when a crisis occurs, and the means and responsibility for contacting them. Stakeholders include, but may not be limited to:

- emergency personnel
- customers
- staff
- tourism industry partners, including travel trade packaging partners, your Regional Tourism Organisation
- other tourism operators
- suppliers
- possibly the media

Your **Crisis Communication Plan** should include, at minimum:

- Roles and responsibilities
- Communication questions for internal and external communication (see **Contact Hierarchy** below)
- Protocols for working with the media

Contact Lists developed as part of your planning and stored in your Go-Pack are a critical part of your **Crisis Communication Plan**. Make sure they are updated regularly by allocating responsibility to a member of your crisis team.



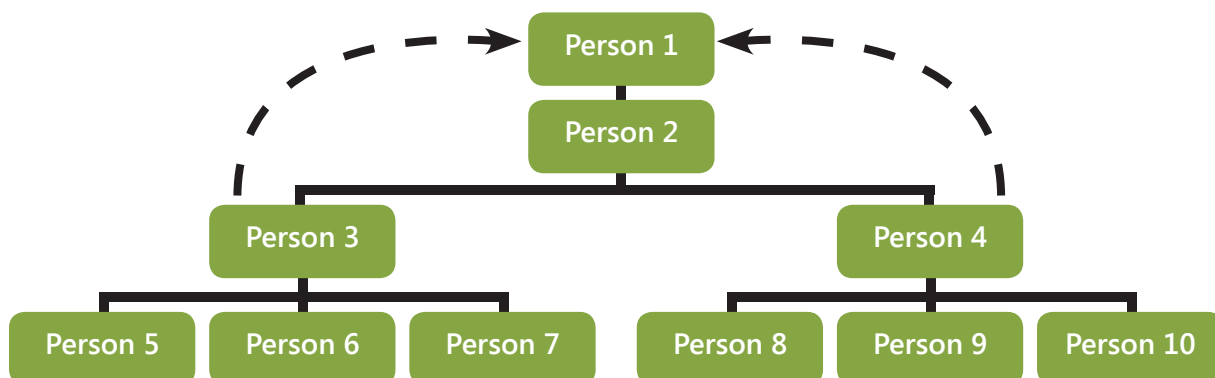
Refer to the **Crisis Communication Plan template** on page 50.

Using a **Contact Hierarchy** can help you to know who should contact whom and the procedures for reporting back to a central location. This way the process for communication is managed and controlled. The figure below is an example of a **Contact Hierarchy**.



Refer to the **Contact Hierarchy template** in your Crisis Communication Plan on page 50.

CONTACT HIERARCHY



Protocols for working with the media

Crises generally draw considerable attention from the media and they will look to speak with as broad a cross-section of the community as possible.

To ensure consistent messages are delivered on behalf of the tourism industry in your area during this time, it is recommended that you direct **all** media inquiries to your Tourism Crisis Management Group (page 12).

With regard to media the Tourism Crisis Management Group's role is to:

- Provide consistent and coordinated information
- Ensure the information provided puts people's safety first
- Minimise misinformation and reduce sensationalism
- Coordinate interviews with tourism operators if necessary

If you believe it may be necessary at some point for your business to speak with the media, do so in consultation with the Tourism Crisis Management Group. Make sure your staff know who the media spokesperson is in your business and ensure they are trained accordingly.

If you do need to talk to the media, do so in consultation with your Tourism Crisis Management Group to ensure the key messages are consistent. Also, keep in mind the following:

- Be factual – don't speculate
- Be calm and reassuring
- Acknowledge the responsibility to visitors and community
- Acknowledge the importance of visitor welfare (if appropriate)

4

Plan to stay in business

After a crisis, the aim of the game is to get back to business as quickly and effectively as possible. What happens beyond the immediate crisis is just as critical for your business' survival as dealing with the crisis itself.

In this section we show you the steps to developing a **Business Recovery Plan**¹.

A **Business Recovery Plan** will look different for every business, however most good plans include:

- Critical assets required for the business to operate
- The critical business activities to be recovered and the timeframe and level of recovery needed
- How you will access the necessary funds for the business' recovery if insurance payments take significantly longer than you expect
- The purpose and scope of the plan clearly stated at the beginning of the document
- A listing of all staff with roles in the implementation of the plan



Refer to the **Business Recovery Plan** template on page 51.

CASE STUDY – Mirimar Cruises Business Recovery Plan

As participants in the Tourism Queensland Weatherproof Your Business workshops in November 2010, Mirimar Cruises is a testament to the value of Business Recovery Planning.

Established in 1934, Mirimar is one of the oldest cruise companies in Queensland. Their famous cruise has carried hundreds of thousands of Queensland families up the river to Lone Pine Koala Sanctuary for 76 years of continuous service. Like most marine tour operators, Mirimar had extensive emergency management and evacuation procedures, but had not written a Business Recovery Plan.

Employing up to 10 staff, the business was almost crippled by the 2011 Brisbane River flooding. Having participated in the Weatherproof workshop, Marketing Manager Debbie Garbutt identified the need to prepare a simple Recovery Plan which identified not only how to secure another vessel but how to quickly restore access to the waterways and regain necessary approvals after identifying a loss of vessel (fire), loss of their vessel access (flood) and inability to access the necessary permits as key barriers to a quick recovery.

Debbie was able to prepare a simple plan, and set about contacting potential business partners to access another vessel, alternative moorings and work with Marine Safety Queensland to ensure she knew just what was needed to get the boat back into operation. This became more than just a good idea when their access to the river was washed away in the January floods (just two months after the workshop).

Thankfully, through her preparations Debbie had identified and agreed to gain access to an alternative berth, and river access point (and the appropriate permits) in just six weeks meaning they could get the vessel back on the water four weeks earlier than if they had not done this important preparation.

The simple act of pre-planning may have saved a Queensland tourism icon.

- Weatherproof your Business, Tourism Queensland, 2011

DID YOU KNOW?

Research shows that every \$1 invested in disaster mitigation saves \$3 in recovery costs.

- Queensland Government, 2001

Identify critical assets for business operations

What assets do you need to get back online to stay in business?

Your **Business Recovery Plan** needs to outline this and what can be done if you cannot access key equipment or people straight away post crisis.

You might need to look at things like:

- Hiring equipment
- Cross-training staff and skill sharing
- Identifying alternative suppliers
- Contracting out

¹ Also known as a Business Continuity Plan

Ensure off-site back up of IT services

Your company files should be stored off-site, preferably online for easy remote access and security.

You can save your files regularly to an external hard drive which can be stored in your **'Go Pack'** or off-site. This takes more time and is not as safe as online, remote storage.

A back-up and restoration procedure is crucial, with someone responsible for ensuring it is adhered to.

A hard copy and up-to-date records of your existing and expected customers and staff is critical for proper recovery. In the event of a crisis, everyone can be accounted for, and upcoming customers contacted.

Plan alternative facilities for periods of disruption

How will you get back to business if you can't get to your business? If your business is flooded you won't be opening your doors until the water has receded. Maybe you can operate from another business' premises or from home? You should identify a temporary location where you could operate from if required.



"We didn't have any communications, and that's what we do, we had no power, no communication, so very fortunately Castaways Resort & Spa took us in and gave us this entire office where four of us worked at a frantic pace"

-Angi Matveyeff Manager, Mission Beach Tourism in response to Cyclone Yasi

Identify alternative sources of essential services

During a crisis, essential services like electricity, gas, water, sewerage and telecommunications may be cut or supply limited. You need to identify in advance how you will access these services. If this is impossible, discuss with your suppliers what it would take to activate services and how long.

Identify alternative suppliers for critical supplies

What if your business is affected indirectly by a crisis? For example, you could operate a hotel and your laundry service can't wash your linen. It pays to know which suppliers are critical to your business and identify alternatives ahead of time. You may never need to use the alternate option, but you should identify them and place them on your key external contacts list depending on how critical they are to your operation.



"The crisis situation wasn't apparent to the hotel and tourism industry. In fact, it was not until Prime Laundry advised they couldn't fulfil a linen order, that the severity and magnitude of the crisis really was understood"

-Renata Lowe, Tourism Western Australia in response to Varanus Island gas explosion

CASE STUDY – Coral Sea Resort, QLD

Coral Sea Resort in the Whitsundays is an award-winning facility, offering hotel suites and luxury penthouses in Airlie Beach. In March 2010, Tropical Cyclone Ului (a category 3 storm) hit the north Queensland coast, significantly devastating the region. Luckily, damage to the resort was relatively minimal, however the property did lose power.

Although the resort had a detailed Cyclone Management Plan in place, it unfortunately did not include procedures for guest services in the case of an electricity failure. This meant that even though the resort's CEO Greg Waites had effectively carried out his Cyclone Management Plan – which included having the property fully staffed the next morning to attend to guests – the lack of power or alternative source left staff virtually impaired and unable to perform many of their regular duties.

Without any electricity, the kitchen was not able to function properly and the regular complimentary hot breakfast menu was not available. Guests began to complain and in one case, someone even published their discontent on TripAdvisor. With the power companies providing no information as to when the power would come back on, Greg was left with no choice but to close Coral Sea Resort until this was rectified.

Looking back, Greg prides his staff on their commitment to keep the resort going and keep guests comfortable until its closure. He is also in the process of including procedures in his Cyclone Management Plan to manage a power outage. Recently, he has invested in 4 small generators to light the stairways and run kitchen and restaurant services should this occur again.

- Adapted from Crisis Management Case Studies, Tourism Queensland, 2010

5

Practice, practice, practice...

Do you regularly review how to get quickly and safely out of the business, as well as how to get quickly back into business?

Conduct drills with staff

All staff, not just your Crisis Management Team, need to know what to do during a crisis and how they can help you get back to business quickly.

Regular drills mean less stress, confusion and panic and a safer environment for everyone during a crisis. These drills should happen at least annually and businesses with high staff turnover should consider running new staff through the procedures at induction.

Reflect and re-assess

After each drill assess how well your plans and procedures worked and gather feedback from your staff.

What worked well? What didn't? What could be improved? Revise your **Emergency Response Plan** based on your findings. The more improvements you make during practice the better you'll respond during the real thing.

REMEMBER

If you are a small business without staff the principles of practicing your response to a crisis remain the same. Practice what you or you and your business partner will do in the case of a crisis and how you will look after guests in your care and consider what you will need to return to business. Revise your plans based on what works and what doesn't.



Refer to the **Scenario Planning template** on page 52.



This page has been intentionally left blank.

This page has been intentionally left blank.

Now is the time when all your planning and practice comes to life.

Making sure everyone is safe, activating your **Emergency Response Plan**, and having clear communication with staff, customers, emergency services and, in some cases, the media, are paramount. Use the **Immediate Actions Checklist** (page 22) to make sure you don't forget any steps.

You will need to determine the scale of the crisis and how it affects your business.

Whether the effect on your business is direct or indirect, a crisis by its nature has the ability to affect every aspect of your business. You will need to review and assess these impacts in order to minimise any disruptions and determine the best way to move forward.

If a crisis event occurs in your local area or region, or there is a major event in your state, it is important to determine:

Is your business possibly or definitely going to be **DIRECTLY** affected by the crisis event?

That is, is the safety or health of your staff, visitors, yourself or the business property possibly or definitely going to be at risk

IF YES



SEE ADVICE FOR:
- **First 24 Hours**
- **Days 2-14**

OR

Is your business going to be safe but it's likely it will be **INDIRECTLY** affected by the crisis event?

That is, is your business open for trade but the crisis is likely to close access routes to your business, or impact on how potential visitors perceive the safety or desirability of visiting your business, the destination or the state?

IF YES



SEE ADVICE FOR:
- **Days 2-14**
As you are open for business, you may move more quickly into the Recovery

CASE STUDY - Equine Influenza Outbreak, NSW

Equine Influenza in New South Wales and Queensland resulted in a significant multi-million dollar impact on the horse racing industry with the Spring racing carnivals, breeding season and associated tourism aspects affected. In addition the broader equine work, trade and pleasure activities have also suffered from losses in gambling revenue and stallion servicing fees, affecting the whole economy (Herald Sun, 2007).

A huge response with approximately 2,000 staff was undertaken to control and eradicate the disease. There were more than 20 control and vaccination centres established across NSW and more than 63,000 horses were vaccinated in NSW during the outbreak. The NSW Government implemented a whole-of Government response including Rural Lands Protection Boards, NSW Police, RTA, State Emergency Service, Rural Fire Service and NSW Health.

The Equine Influenza affected not only the racing industry, but had a dramatic impact on tourism events, accommodation, and farm-stays. According to a study by the Australian Horse Industry Council total association, business and community economic losses were \$522 Million or \$29 million per week between August and December 2007(AHIC Equine Influenza Follow-up Economic Impact Study).

- Weatherproof your Business, Tourism Queensland, 2011

1

Responding to a crisis: First 24 hours

- 1 Activate your Emergency Response Plan** to keep customers, staff and yourself safe and to protect your property.
- Bring your Crisis Management Team (CMT) together (page 12).
 - Work through the **Immediate Actions Checklist** in your **Emergency Response Plan** (page 14).
 - If relevant, follow the advice of emergency service agencies in terms of evacuations, access routes, etc.
 - Aim to maintain business as usual as much as possible.

- 2 Keep informed.**
- Stay tuned to ABC Local Radio - your emergency broadcaster.
 - Look up your **Emergency Contacts List** (in your **Emergency Response Plan**) to find out the most relevant emergency service agencies to remain informed about the crisis.
 - Regularly check the website of the relevant emergency service agency. If you have specific inquiries, contact the relevant information hotline.

- 3 Assess the situation.**
- Continue to monitor the situation through contact with the relevant emergency service agency.
 - Find out what facilities in your area are operating / not operating.
 - Decide if the business should close or remain open.
 - Record your actions in an **'Event Log'** to ensure you don't forget anything and to help with insurance or other claims in the future.



Refer to the **Event Log template** on page 53.

- 4 Stay calm.**
- Be aware that your behaviour and style of communication can have a big impact on your staff and customers.
 - Even if you feel stressed, remain calm as others will be looking to you for leadership.
 - Encourage members of your CMT to do the same.
 - The less stressful the crisis situation is for your customers, the more likely they will be to return to your business.

- 5 Communicate with your staff.**
- Activate your **Crisis Communication Plan**.
 - Give your staff regular updates as information becomes available to help them to make good decisions and to respond to customer inquiries.
 - Prepare a template of key messages that you want staff to pass on to customers. Make sure the 'script' is concise, factual and calm, with an emphasis on following safety advice.
 - Be mindful of changes in energy levels that you and your staff will experience and work with them. (refer to information box over the page.)

- 6 Communicate with your customers and suppliers.**
- Keep customers who are directly in your care informed about the crisis event using the communication methods outlined in your **Emergency Response Plan**.
 - Contact customers who are expected to visit your business during the next few days to let them know if they can visit. (See the **Managing Bookings** section on page 26 for further information.)
 - Keep in mind that a crisis event that occurs in the region may not physically impact upon your business but could affect access routes.
 - Update your website and social media with a brief statement about the status of the situation.
 - Contact your suppliers to update them on the situation.

- 7 Be prepared to respond to the media.**
- If the media contacts you, it is advised that you defer media inquiries to your Tourism Crisis Management Group (TCMG). (See the **Working with the Media** section on page 17 for tips.)
 - However, if you need to respond to the media, identify key messages about the situation in consultation with your TCMG Update these messages as the situation evolves.

REMEMBER

Look after yourself. Seek help and support from those around you.

Stages that you and your team may experience

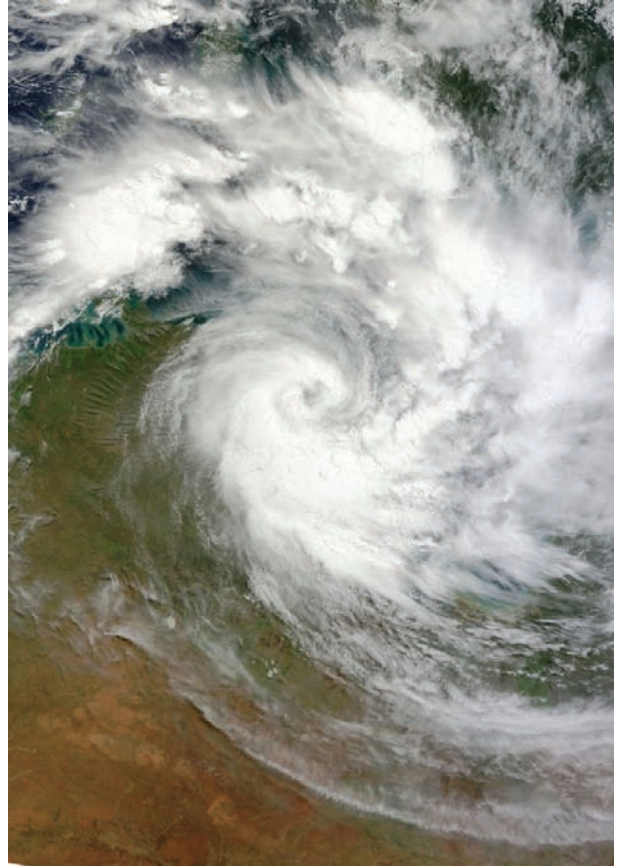
Frantic stage - start of operation or crisis when there is energy to burn, find people driven by adrenalin. Important at this point for team leaders to manage energy and ensure all essentials are taken care of.

Controlled stage - when response changes to that of consequence management. The point when things become more business-like and team members have a chance to get involved and do some work.

Working stage - when energy levels drop as initial challenges that had adrenaline flowing have either gone or are being dealt with. Important to be aware of what is happening with energy shift and assist the team through it.

Exit stage – when the team has to have a strategy for getting out of a project or event in which it was involved, or ending crisis response activity.

Peter Baines – The Crisis Clock



Tropical Cyclone Paul
(photo by NASA Goddard Photo)



“Immediately afterwards the first focus had to be on the people, the staff and everybody that was impacted. And a lot of decisions had to be made in such a short space of time it seemed”.

-Maria Stacey, Visitor Service Manager, Port Arthur Historical Site in response to the Port Arthur shootings

2

Responding to a crisis: Short to Medium Term Actions (Days 2-14)

The period of 'short to medium term' response to a crisis event can vary for a tourism operator depending on the impact of the event. Typically it can be up to 14 days. However, it could be longer if an operator has been directly affected and it requires a significant level of work to reopen the business.

It can also be longer if a business is open but their region / local area is closed for business, (e.g. it is too heavily flooded or fire affected to cater for visitors). The steps below will be relevant for as long as your business or region / local area is closed for trade.

8 Manage your bookings

In the first 24 hours of a crisis event, you would have notified customers who are due to arrive at your business in the next few days to indicate whether they can visit.

Very soon after the event, it is also important to be proactive in managing bookings taken for the next few weeks. This can result in fewer cancellations and more deposits remaining in the business for critical cash flow.

Assess the situation as it evolves including the status of access routes and the condition of the attractions and services in the area that are important drawcards for your visitors. If these are closed, will visitors want to come to your business? Using this information decide whether you will encourage customers to come or to postpone their visit. Either way, contact all customers who have made bookings for the next few weeks and update them on the situation.

If you are advising customers not to come to your business in the short-term, you will need to consider how you manage their bookings. As it is often imperative to keep as much cash in the business as you can during this time, it will be preferable to encourage customers to reschedule their visit rather than cancel when a deposit may have to be refunded.

EFFECTIVE COMMUNICATION IS ESSENTIAL

In the days immediately following the onset of a crisis event it is important to communicate with:

- Your customers
- Staff
- Tourism industry partners, including travel trade, packaging partners, your Regional Tourism Organisation, other tourism operators
- Suppliers

9 Deal with cancellations

Your cancellation policy should explain what happens if either you or a customer cancels a booking. (See page 11 about having a cancellation policy).

If you or a customer cancels an accommodation or tour booking, the following advice may assist you.

Advice provided as guidance only. Refer to your State consumer affairs laws for further information.

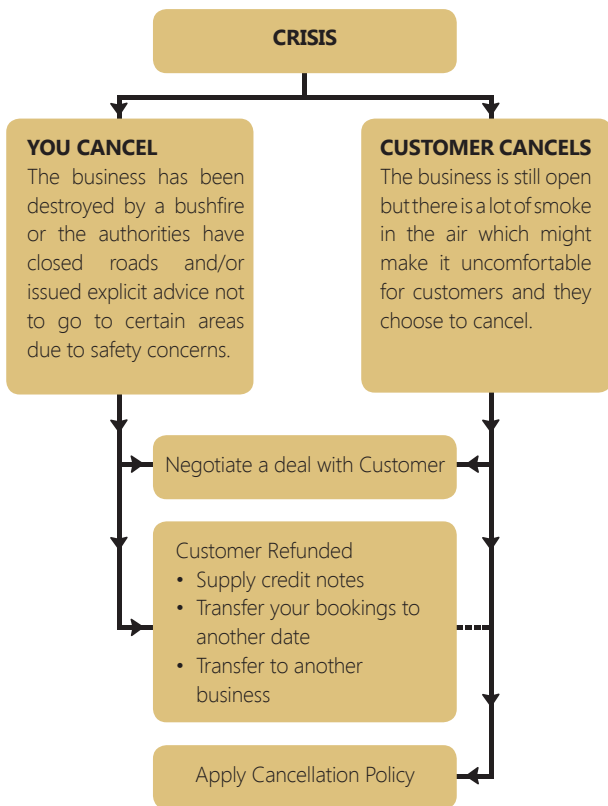
What if a guest cancels? If a guest cancels a booking or checks out early if you have an accommodation business (and there is no booking condition), you should apply your cancellation policy. However, as noted earlier, it is preferable for you to talk to the customer to negotiate other arrangements, especially if there is a real threat of an emergency.

What if you cancel? If you cancel a booking that you have already accepted, you are in breach of a contract and the customer is entitled to claim damages from you to compensate them for any loss.

What alternatives can you offer? Resorting to legal process will probably be expensive in time and money so it is always better to find an outcome that satisfies both you and your customer. Consider alternatives such as:

- Credit notes
- Transferring the booking to another date
- Transferring the booking to another business in your group or another business in the broader region

CANCELLATION SCENARIOS



Please note: that this advice is a guide only and you must take specific advice from your legal advisor with respect to your individual situation.



“There was absolutely no possible chance of the oil getting into Moreton Bay without a complete weather change, but the media were actually advertising worldwide a picture of Moreton Island with a big ring around it as the oil spill area...The poor marketing department were dealing with Chinese inbound operators cancelling hundreds of people”.

-Trevor Hassard, Director Tangalooma Island Resort in response to the Moreton Bay oil spill



Lake Hume in Drought
(photo by suburbanbloke)

REMEMBER

Customers may seek to cancel their bookings due to the perception that you or your region has been impacted by a crisis.

10 Stay informed - work with your RTO

Remember that your RTO is your primary contact for the Tourism Crisis Management Group and they will be very involved in the regional response and recovery process. Keeping up-to-date with news from these tourism contacts will help you to inform customers, travel trade partners, suppliers and others about what is happening in your area.

It is also important to get in touch with your RTO to inform them about the impact of the crisis on your business. This will help them to develop a picture of what is happening in the region which can be communicated to various levels of government and other agencies.

11 Update customers, staff and tourism partners

News (including misinformation) travels fast so ensure they have accurate information to reduce the possibility of unnecessary cancellations.

Your customers and staff

Your website is a great way to update visitors on the local situation, perhaps with a newflash alert on the homepage so it can't be missed. Your Facebook page and other social networking sites can also be good communication channels, especially to update staff if they are off-site.

It can also be useful to prepare scripts for staff to help them respond to visitors' telephone or email inquiries in an upbeat and positive way, and to tactfully address any misinformation.



Refer to the **Staff Briefing Notice template** in your Crisis Communication Plan on page 50.

Tourism Industry Partners

- **Travel trade** - contact your travel trade partners soon after a crisis event to let them know what is happening with your business and your region. If your business or region is closed, it may be appropriate to work with them to identify alternative activities and itineraries for customers who were originally booked with you.
- **Package partners** - if you are involved in packaging arrangements with other tourism operators, contact them to let them know if you are still able to take bookings for packages or to meet your current booking obligations.
- **Other tourism operators** - in the days and weeks following a crisis, contact other tourism operators in your area to find out the impact on their businesses. This is the time for tourism operators and the whole community to work together to provide emotional support to each other, as well as practical assistance where possible.

Suppliers

Any downturn in trade is likely to reduce your need for supplies. Suppliers may also have difficulty reaching you if access routes are closed. Contact your suppliers to let them know what is happening.

12 Revise marketing activities

When a crisis occurs, you may have advertisements and other promotional activities booked. If your business or region is closed/not suitable to visit, you may need to cancel advertising activities.

Even if your business is not located in the area affected by the crisis, review the advertisements in light of how they might be perceived by potential customers in the aftermath of the event.

For information about undertaking new promotional activities if you are open for business, see the **Review and revitalise your promotions** in the RECOVER section on page 37.



"We actually created a new television ad that we could show on the local market and to the people that were staying in Cairns".

-Max Shepherd, Managing Director, Skyrail Rainforest Cableway Cairns in response to the Global Financial Crisis

13 Responding to the media through the Tourism Crisis Management Group

If the media seeks comment from you about your experience of the crisis, refer to your media protocol, as discussed on page 17. Remind all staff about your media protocol.

Monitor state, national and international (if relevant) media coverage of the event to help you gauge how consumers might perceive your business, destination or region. This will add to your understanding of what the impact of the crisis event is likely to be on your business over the next few months.



Cyclone Yasi
(photo by Ron and Stephanie Levy)

14 Prepare a cash flow budget

When a crisis event first affects your business, it's important to develop or revise your budget. Budgets are the expected future activities of a business, measured in financial terms. They are a kind of financial summary of all anticipated plans and actions for the business such as marketing, staffing, human resources and operations.

There are essentially two types of budget:

- Cash flow budget
- Profit and loss budget.

The cash flow budget estimates the future income and expenditure of the business, revealing any periods where it may fall short of cash.

Consider the information you've gleaned from discussions with your RTO, other tourism operators in the area, and notice how the media is presenting the event to the public to help you estimate the likely impact of the crisis on visitation levels to your business.

Because cash is the life blood of a business and cash flow is critical to survival, the cash flow budget is the most useful operational budget for a tourism emergency. It is also the most commonly requested budget when seeking finance from a bank or another financier.

By developing cash flow projections for several months in advance, you can estimate when the business will be short of money and take appropriate steps beforehand.

Irrespective of the nature and duration of the tourism emergency, it is recommended that you prepare, and continue to monitor, an emergency management cash flow budget using the following steps as a guide.



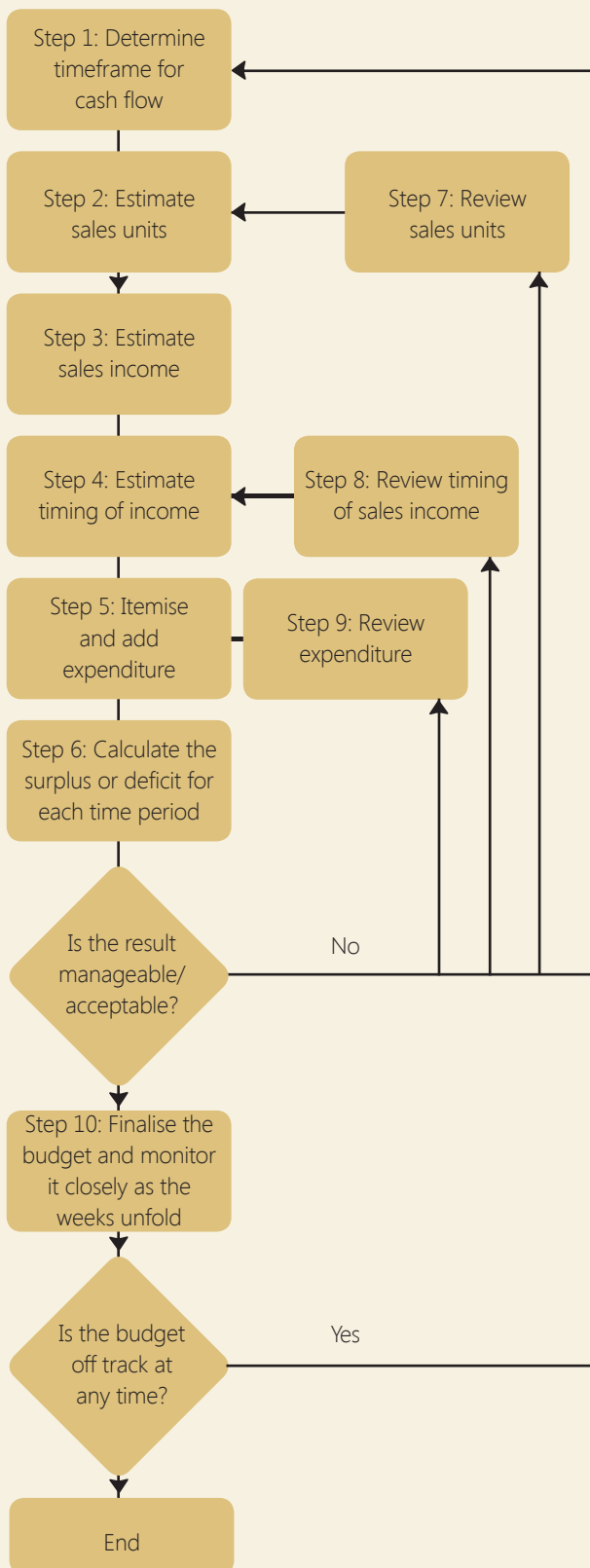
Refer to the **Estimates to Assist with Cash Flow template** on page 54.

FINANCIAL RESPONSES TO DIFFERENT CRISES

Type of Crisis	Examples	Financial Response
1. Brief or Sudden Event: Short Term Consequences for the business	<ul style="list-style-type: none"> • Infrastructure/transport failure • Rain affecting access roads to the business 	Act immediately to ensure that the short-term effect of the emergency can be handled using existing financial resources. Otherwise arrange for extra cash - cash injection, overdraft or credit extension.
2. Brief or Sudden Event: Medium to Long Term Consequences for the business	<ul style="list-style-type: none"> • Disease outbreak at or near the business premises (food poisoning, Legionnaire's, bird flu) • Terrorism attack or riot • Shark attack 	This type of emergency threatens customers' sense of safety and security with long-term impacts on visitation. It may be important to invest in marketing campaigns and preventative systems to restore confidence, e.g. food safety systems in the case of food poisoning. Develop a budget to present to the bank or shareholders to secure the extra cash required.
3. Medium Term Event: Medium Term Consequences for the business (1-4 years)	<ul style="list-style-type: none"> • Flood or bushfire eliminating a whole tourist season, with longer term impacts 	Organise for additional cash to be available to the business to help tie it over until sales return to a normal level. This could come from a bank or from further investment from the owners or shareholders, once a plan has been prepared to show how the business will return to profitability.
4. Long Term Event: Changing Business Strategies for the business (4+ years)	<ul style="list-style-type: none"> • Long-term impacts of climate change, altering the ambiance and attractiveness of a tourist location (e.g. ongoing water restrictions) 	Invest in promoting the most positive messages about the destination to potential visitors, ideally in collaboration with other businesses to pool marketing dollars. The business may also need to invest in new systems that demonstrate they are tackling the challenges of the long-term emergency, e.g. energy or water saving devices, or security systems.
5. Long Term Event: Continuing Consequences for the business	<ul style="list-style-type: none"> • Closure, or reduced access, to a fundamental resource or activity that is crucial to the business, such as a national park for a tour operator, or the drying of an inland lake to a boat or accommodation provider • A flood or a fire resulting in substantial destruction of the business' assets and equipment 	If relevant, use an insurance payout to start afresh. If there is no financial payout, assess whether the expertise, enthusiasm and financial resources exist for the business to provide a new package of services or to re-establish in a new location. In an extreme case, the business owners may need to seek accounting and legal advice to determine how to meet the demands of creditors to wind-up the business, and avoid being forced into liquidation.

Acknowledgement: Street Ryan and Associates

CRISIS MANAGEMENT CASH FLOW BUDGET STEPS



Acknowledgement: Street Ryan and Associates

Step 1 Decide how long the emergency might have a significant impact on your cash flow.

Step 2 Estimate the number of customers or sales units (for each of your areas of income – e.g. meals, tours, accommodation, equipment hire) you could expect to attract/sell for a weekly, fortnightly or monthly forecast period.

Step 3 Multiply the customers/sales units by the actual (or average) price of each unit, to give the likely sales income.

Step 4 Calculate when this sales income will actually be paid to the business' account, taking into account any deposits, cash payments, credit card payments, etc.

Step 5 Identify and add up all the expenses that must be paid in each week/fortnight/month. Separate the expenditure into fixed costs (those that will occur regardless of your situation) and variable costs (those that are linked to the number of sales).

Step 6 Calculate the surplus or deficit for the week/fortnight/month. If there is a deficit, consider whether it can be covered by any cash you have on hand, or by an overdraft or other credit facility.

Step 7 Review the number of sales units. Is there enough time to establish marketing strategies to increase sales with special offers or add-ons? Add in any extra units you could expect to sell, and recalculate Steps 2-6.

Step 8 Review when the sales income is likely to be received into the business. Are there any opportunities to increase income during the emergency projection period by paying incentives for cash payments, or by temporarily reducing the normal payment terms? Add in any changes to the timing of when income is to be received, and recalculate Steps 4-6.

Step 9 Look at each expense item and ask whether any expenses could be deferred, reduced or avoided altogether without impacting on your business' reputation or future sales.

Deduct any changes to expenses and recalculate Steps 5-6.

Step 10 When a satisfactory and manageable result is obtained, finalise and print out the budget.



Refer to the **Cash Flow Budget Template** on page 55.

This page has been intentionally left blank.

This page has been intentionally left blank.

When your business and the destination / local area or region are open for trade, you are considered to be in the Recovery phase.

This is an important time for looking ahead, making new plans and putting some strategies in place to revitalise your business. It can be useful to think through:

- What are my bookings / turnover likely to be in the coming months?
- What will the impact be on my staffing levels in the next 6-12 months?
- What new products or experiences will I need to create or identify in the local area to offer to visitors?
- What promotional activities should I undertake?



Refer to the **Recovery Plan template** on page 51.

1 Cash flow

Keep a close eye on cash flow

Continue to monitor your cash flow budget carefully during the months following a crisis as outlined on page 29. It is useful to compare your actual to estimated results each week/fortnight/month and revise your budget when necessary.

“Until you get back to 100%, you’re still trading behind.”

- Mel Neil, (former) Owner, Piglets Cafe in response to the 2009 Victorian bushfires

Reviewing your budget during this period will need to be ongoing to ensure accuracy. As things change (like staffing levels, new funding sources, increased turnover due to marketing, etc.), your cash flow will change too. Below we discuss how cash flow can be increased.



Refer to the **Financial Responses to Crises** and **Financial Decisions templates** on page 56.

Reassure customers with forward bookings

You’ve already contacted customers with bookings in the first few weeks after the crisis, but what about after that? People may have doubts about whether the destination is safe to visit and perhaps if they still want to visit. Being proactive in managing bookings can prevent a lot of cancellations.

- Contact all your customers with bookings for the next few months and tell them that you are looking forward to welcoming them.

- Identify the positive reasons why visitors should still visit your business and the local area. If part of the region has been damaged, have ideas ready for new itineraries and identify alternative, enjoyable attractions that suit a range of interests.
- To help you and / or your staff to respond positively to booking inquiries, prepare a script for answering telephone calls, emails, walk-ins, etc. that outlines the activities and things to do.

Seek financial support

A major crisis event **may** prompt some financial supports from both government and non-government agencies which could assist you through a time of low turnover. However, this depends largely on the size and impact of the event on your region or state.

There will be various ways to find out about government assistance including:

- Your regional and state tourism organisations
- Your local council
- State government’s business development agency
- Emergency service agencies
- Your accountant

Assistance from non-government agencies may also be available, such as through your bank (e.g. postponement of mortgage payments) or selected charities, (e.g. funding support). Even renegotiating your payment terms with suppliers may provide valuable financial support during tough times.

“We really weren’t looking for assistance because we had money in the bank, but by approaching the bank we found out we were entitled to have our loans frozen for three months which was a huge help.”

- Karen Azzopardi, Owner, Glen cromie Caravan Park in response to the 2009 Victorian bushfires

2 Managing staff

Assess your staffing levels

Staff are often one of the greatest assets in a tourism business, and can be one of the most valuable when recovering from a crisis. Staff can be very understanding and generous with their time to help get the business back on track. However, it's important to make sure that anyone who goes 'over and above the course of duty' does not burn out or risk their health.

This might also be a time when hard decisions need to be made in terms of reducing staff numbers or hours. You will need to be calm, open and forthright when communicating with staff.

Here are some tips to assist you:


- Make a thorough appraisal of the short, medium and long term situation before making decisions about the future of your staff.
- Stay calm.
- Listen carefully to staff advice and concerns.
- Keep everyone informed.
- Maintain normal procedures as much as possible.
- Take charge of each emerging situation – show leadership.

Reviewing your staff structure

When assessing your financial situation, if you decide you need to restructure the staff team, your first concern should be whether the success of the business can be sustained.

Questions to ask include:

- Should the existing mix of skills in your business be retained or broadened?
- Can any critical skills be outsourced to contractors, rather than retaining permanent staff?
- Will training be required if we ask remaining staff to take on broader responsibilities? Would this be external or on-job training?
- Should retained staff be:
 - Purely assistants
 - Ideas people
 - Customer focussed
 - Money earners for the business?

 "At the end of the day we tried to shift [staff] around so that they weren't unemployed and were still doing hours".

-Trevor Hassard, Director Tangalooma Island Resort in response to the Moreton Bay oil spill

Consider how to retain your key employees

Before taking the serious action of retrenching staff, look at all the options that may enable the business to retain staff, beyond a short or medium term crisis. These are a few to consider:

Inviting employees to take any accrued leave entitlements while a crisis is ongoing. These entitlements would need to be paid even if the staff member is retrenched, so business cash flow would be unchanged. However, you would need to be confident that the emergency impact would only be short-term, and that the person's job would be secure in the longer term. Otherwise the employee would be deprived of any income while seeking new employment.

Negotiating for staff members to take leave without pay, or full-time workers to work part-time. Again, you would need to be confident that the emergency impact would only be short term, and you could restore the normal working arrangements for the person soon after.

Considering the merits of changing staff employment arrangements to contracting arrangements so that your staff have the potential to earn other income. This would reduce the ongoing commitment of the business to regular wages. However, there must be genuine prospects and intent for contracted staff to attain other work; a simple arrangement whereby a business abrogates its responsibilities as an employer by engaging dedicated contractors is not legal.

Negotiating with other local businesses to employ your staff on a temporary basis. This can have legal and practical complications if the location of the work is less accessible to the staff member, or if the job requirements are substantially different from those at your business.



"It wasn't until about 2 months after the flood that I really started to get worried. If people stopped coming here and our business suffered, how could I retain my staff?"

-John Sharpe, Owner, CEO Riverlife in response to the 2011 Brisbane floods

If you need to make staff redundant

If you've concluded that there's no way to retain all of your staff as a result of a crisis, and the impact of the crisis is likely to have a long-term threat on the viability of your business, the following are some points to consider in relation to redundancies.

- Check the Industrial Award, the Employment Agreement, or the business' own Terms and Conditions of Employment, to be sure of your legal obligations in negotiating with staff or making any changes to their employment arrangements.

Of particular importance will be to note what may be required in terms of:

- Any specific redundancy payments
- Potential for claims of unfair dismissal. There have been many cases where it has been assessed that an employer has sought to disguise wrongful termination as redundancy
- Accrued leave and benefits
- Ability to make it clear that retrenchment is necessary due to a downturn in business, rather than the unsatisfactory performance of the employee
- The way in which the retrenchment is communicated to the employee
- Provision of adequate notice and support to the outgoing employee, such as references

- Discuss any changes with affected employees before putting changes in place.
- If you decide to go ahead with a restructure, processes that can make it easier for staff include:
 - Explaining why the restructure is happening
 - Allowing time for one-on-one feedback
 - Helping staff to retain their dignity and self-esteem through providing a supportive environment
- Make sure the restructure does not leave your remaining staff disillusioned or uncertain about their own future. Keep staff informed about why you've made the decisions you have.



Albert Street, Brisbane CBD (photo by Jono Haysom)

3

Revise your offer and your markets

During the first few weeks after a crisis event, you will need to make some quick marketing decisions for your business to help increase sales. This section will assist you to identify the best strategies to get your business back on track.

Key questions to answer include:

- Is my product still intact?
- Have the main drawcards to the region been affected by the crisis?
- What is the affect of the crisis on the appeal of visiting the region amongst my target markets? Do I need to focus on other markets? Which customers are the most likely to come back quickly?
- How do I encourage customers to come back to the region and to my business?
- Should I reduce my prices?



Refer to the **Reviewing your Markets template** on page 57.

Reassess your product

One of the things you may discover soon after a crisis event is that you can't offer the same experience to visitors as you did before.

- The environment you operate in could be affected, (e.g. by fire, flood or cyclone), which may lessen the appeal of visiting the area.
- If major drawcards to the region are closed or damaged, you may need to identify new sites of interest that are appealing and safe for visitors.
- You may not be able to offer your usual range of products or services due to damaged property or trouble with suppliers.
- The crisis may also have created certain negative perceptions about the region that you need to address through changes to your product.
- Or you may need to restructure your product in some way to appeal to a new market to substitute for those who are not visiting.

Most tourism operators have to alter their product offerings in some way to compensate for the impact of a crisis.

USEFUL TIP:

The key to success is to be quick to notice what changes would help your business, to put these in place and then communicate them to your markets.

Recovering from a crisis can encourage us to pay more attention to market needs and perceptions and to be more adaptable and flexible in response.

Customers may have fears and concerns about visiting the region post crisis in relation to their safety and comfort, or the quality of experience available.

If you can understand and address their fears, concerns and expectations you can work towards addressing them:

- Have a good understanding of why your customers visit your business:
 - If your product is damaged in some way, consider the rewards that customers are seeking when they experience the product or service you offer (i.e. emotional, physical, social, spiritual rewards).
 - Also, what else are customers doing while they're in the area? Has the availability of these experiences changed? (NB. It is helpful to survey / research your customers' interests prior to a crisis occurring).
- When you contact customers with forward bookings, notice if they have any fears or concerns about holidaying in the region.
- Monitor how the media are representing the region and the impressions this is likely to make on the public.
- Talk to other tourism operators about whether they're noticing any changes in attitudes towards the region from their customers.

Having undertaken the above research, it's then important to identify:

- If your essential product or service is damaged in some way, how else can you provide the rewards your customers are seeking through another product or service?
- What substitute experiences in the region can you recommend to visitors that are open, safe and they will equally enjoy?
- What marketing messages can you develop that will reassure your customers and address their fears and concerns?

Once you've identified the types of product changes you'd like to put in place, work out how you'll communicate your new offers to your target markets. (See the Reviewing your target markets section below).



"When we first bought the Park it was predominately water skiing based...The Park was known for the water skiing and no one would come up here other than for that reason. When we had no water, we realised that it was a big issue and we had to change the culture of the place."

-Frank and Lynda White, Partner Big4 Deniliquin Holiday Park in response to Victorian drought



Contact customers with existing bookings to let them know about any changes to your product if the experience they initially purchased has been altered.

Let potential visitors know about any changes to your product when they contact you by telephone. Prepare briefing notes for reception staff to ensure the message communicated to visitors is clear and consistent.

Review your target markets

Understanding your markets

Having a good understanding of who your markets are before a crisis hits gives you a head start when recovering from an event.

- Record information about your customers (origin, interests, demographics, etc.) and their visitation patterns to help you make decisions about marketing and product development that are tailored to their needs.
- Keep records of contact details for previous visitors and seek permission to contact them again with promotional offers (e.g. request them to tick a box of a sign in or sign out form).
- Build your relationships with previous customers by contacting them with information about special offers, new products, etc. (e.g. twice per year). Customer loyalty can generate critical support for a business affected by a crisis event.

Which markets recover faster than others?

The experiences of different businesses when recovering from a crisis show that some markets recover faster than others. How markets respond will depend on the type of crisis. For example, German visitors who generally value the environment will take longer to return to a region where natural habitat has been damaged in some way (e.g. by a chemical or oil spill). United States visitors are sensitive to issues of personal safety and can stay away from a destination for a long time if there has been a terrorist attack.

If some of your usual markets are staying away, you may need to target new markets, some of which may take more effort to attract. Ideas include :

- You may be able to find market substitutes that can generate business (e.g. if short-break weekenders are staying away from a bushfire-affected area, you may be able to attract a mid-week seniors touring market with a modestly priced package). Focus on market segments that are less deterred by the specific type of crisis (e.g. if visitation by international markets is in decline due to a rising Australian dollar, shift your focus to relevant domestic markets). Business tourists are also likely to return faster to a destination post-crisis due to the imperative of work in contrast to choosing a holiday destination.

- Encourage your previous guests to return.
- Sometimes those looking for a bargain can provide a short-term market to stimulate cash flow if you decide to discount your prices.

Review and revitalise your promotions

Sometimes parts of a region which are not as hard hit by a crisis event as other areas can be ready to reopen for business earlier than the region as a whole. In this instance, it is a good idea to work with your local tourism industry and your RTO to devise a promotional campaign for your destination / local area.

Work out which markets you should target in the short-term aftermath of the crisis to get business going again. Use this information to help devise a **Marketing Action Plan** (template on page 58).



“Through that the organisations and the local industry started to market the Tasman region as a place not only to do just a day trip, but more important to stay here overnight.”

-Danial Rochford, Director of Tourism Operations, Port Arthur Historic Site in response to the Port Arthur shootings

It's also very valuable to participate in promotional activities developed for the re-opening of a whole region when that occurs.

However, also undertake your own marketing activities, focusing on lower cost, effective strategies.

Top Tips for low-cost marketing you should consider include:

1. Previous Guests

Send a newsletter or email to your previous guests to inform them about any new products, experiences or special offers - it's a quick and cheap way to get a message out to people who already know about your business and who could be encouraged to return again.

2. The little extras - adding value

You know the saying that it's the little things that count. This is never truer than for tourism businesses which need to be 'customer' focused to succeed.

To encourage positive word-of-mouth promotion (the cheapest and most effective of all marketing) and return visitation, think about the added extras you can offer that will make people feel happier and more satisfied with their experience. Consider:

- Free tickets to gallery exhibitions or local attractions
- A pick-up/drop-off service, or transfers to/from accommodation to a restaurant for dinner
- Games for children in the winery, restaurant or accommodation
- Take-home mementos (e.g. a booklet about local natural and cultural history written by a local expert and designed by a local artist)
- To meet the needs of special interest markets, identify what would make their stay or visit more enjoyable and convenient (e.g. at accommodation - foot massage baths for walkers at the end of the day, bike storage and tyre repair kits for cycling visitors, picnic hamper service and fold-up chairs for visitors wanting to enjoy the bush).

Research suggests that if you discount your product or service it should only ever be for limited periods, otherwise customers will come to expect the discounted price as the norm. Also, if you discount too heavily, it may damage people's perception of your product, giving the impression that it's of cheap quality. The more luxurious the product or service, the greater the risk of undermining your brand if you discount your prices.

3. Should you discount or value-add after a crisis?

Decisions you will need to make if you decide to discount are:

- For how long will you offer the discount? A week, month or season?
- What will the value of the discount be? Can you cut costs and make some money while offering the discount, or will the discount create cash flow but mean that you operate at a loss?
- How will the discount be offered? For example, will it be a price reduction or a buy one, get one free?



"I think people sometimes prefer value-adding than discounts and we couldn't afford to discount so we looked into what wouldn't cost us any extra to value-add."

- Karen Azzopardi, Owner, Glen Cromie Caravan Park
in response to the 2009 Victorian bushfires

An alternative to discounting is value-adding. This involves including additional products or services (for example a picnic hamper or bottle of wine) for the same or slightly higher price. It can be a way of making your product offer more attractive but still attaining the full price for your product or service. This may make the business less vulnerable to unsustainable cost-cutting.

4. Packaging

Packaging can be a way of value-adding to your product. It doesn't need to be price driven. Many visitors opt for packages

because of the convenience of someone else organising the experience or products included. You can develop packages of products/services within your business, or link with other experiences in your area or region. The package must provide one or more advantages to the customer (e.g. convenience and greater value cater to special interests).

With marketing dollars especially limited after a crisis, packaging with other businesses allows you to share the promotional costs.

Consider...

- What would interest each of your target markets as a package?
- How would the package be booked?
- How would it be promoted?
- How long would it be available for?

5. Public relations

Research suggests that people are much more responsive to impartial editorial than paid advertising. Public relations (PR) opportunities, such as journalist familiarisation programs, will arise through your Tourism Crisis Management Group. However, it can also be useful to seek out your own PR coverage. No matter how large or small your business, if you're doing something well and you can link with other interesting experiences in the region, there will be opportunities to attract publicity.

In particular, if you've altered your product or services, or developed new packages, etc. this could create a newsworthy story. Contact travel media and other relevant media outlets to explain the new products. Consider press, radio, TV and online options.

For more tips, see Tourism Australia's publication, *Making a Splash: Generating Publicity - A Practical Guide for Working With The Media*. Available online at www.tourism.australia.com.

6. Direct marketing to special interest groups

After a crisis event it's even more important to be targeted about where you choose to advertise so money doesn't trickle away without results.

Direct marketing can be a cheaper way to reach your target markets. If your customers have specific interests, for example fishing, hiking, cycling, it can be useful to advertise in dedicated magazines or newsletters of relevant interest clubs. If your product appeals to people in a particular life stage, such as a seniors market, consider targeting relevant recreational groups such as Probus clubs, etc. Packages promoted to special interest groups can also work well.

7. E- Marketing

As you're aware, the use of websites, iPhones and iPads to research travel information is rapidly overtaking all other forms of communication. If you're not using these mediums to the greatest effect already, it's a good idea post-crisis to embrace these opportunities.

- **Your website** - upload information and images about your new products, services or packages. Include links to the websites of other package partners and ensure their sites include links to yours. Upload video clips of your products (or embed YouTube links) to more powerfully communicate information about your product.
- **Electronic direct mail (EDMs)** - you may be able to secure access to an email database of relevant potential customers through your RTO, and use your own database of previous guests to email promotional information about your services / products.
- **Online booking services** - consider expanding the number of sites that promote and list your products for purchase. This may require up to 20% commission for themed travel sites, and usually less for regional or state online booking services. However, you only pay this when a booking is made. Your RTO can make some useful recommendations of relevant sites.
- **Apps for iPhone and iPad** - commission the development of suitable apps so visitors can properly view your online information using these tools. There are some low-cost opportunities available (talk to your RTO).
- **Google Adwords** - consider listing your business with Google Adwords. You only pay when someone clicks on your paid advertisement and the online exposure can be high. Visit adwords.google.com for more information.
- **Search engine optimisation** - ensure your site is listed where it needs to be - at the top of the web search results for key topics associated with your business for all major search engines!

See Tourism Australia's easy to use online tutorials to assist you to develop an online marketing program, called Tourism E-Kit: Delivering clear e-knowledge to the tourism industry. Available at www.atdw.com.au/tourism_e_kit.asp.

8. Events

Often events can be a catalyst to bring people to your business. A winery may use a series of music or theatre events to bring a new audience to the winery. A town recovering from a bushfire may create an event to celebrate a lifestyle or cultural feature of the area to give people a reason to visit other than for the natural environment.

"Some of it was not a big investment, particularly with social media – that's less costly than advertising. And all of the sudden we were investing time and effort into there, saving money in one area but getting a better result at the same time."

-Max Shepherd, Managing Director, Skyrail Rainforest Cableway, Cairns in response to the Global Financial Crisis

Also, look at opportunities to link your product or service with events being held in the region - for example, can you develop a package of your accommodation plus a ticket to the event, or provide short guided tours departing from the event? Identify opportunities for the event to promote your business (e.g. on the event website, program, etc.).

9. Work with your accredited Visitor Information Centre

Are you taking full advantage of the promotional opportunities available through the extensive network of accredited, professional visitor information centres in your state? Your local visitor information centre is an important marketing avenue.

Ask yourself...

- Have the information centre staff and volunteers visited your business on a familiarisation tour recently? (If not, talk to your RTO)
- Have you offered a discount to the staff and volunteers to encourage them to visit your business for the full experience?
- Have you investigated opportunities to receive additional profile in the information centres, such as a dedicated stand of information and imagery or a special offer/competition made available through the centre?
- Do they always have adequate stocks of your brochure?



"For three weeks the site was closed and on that third Sunday after the massacre there was a memorial service, a huge service, held here to reopen the site."

-Maria Stacey, Visitor Service Manager, Port Arthur Historic Site in response to the Port Arthur shootings

10. Work with the Tourism Crisis Management Group and your regional and state tourism organisations

As part of the recovery process from a crisis event that affects your region, the Tourism Crisis Management Group, in association with your state and regional tourism organisations, will establish a marketing program that is designed to bring people back to the region. This may include subsidised promotional opportunities to participate in press, radio and email promotions, or other initiatives. Spending your money on cooperative activities rather than going it alone can provide greater returns on your marketing spend.

Useful questions to ask before you get involved:

- What specific markets is the promotion targeting?
- How much exposure will your business get?
- How much will it cost?
- How much business will the promotion need to generate to cover your participation costs?
- How will you track whether it generates bookings/sales?

Adapted from Top 10 Marketing Tips for the 'credit crunch' by Laurence Bresh, July 2008.



Refer to the **Marketing Action Plan** template on page 58.

Whatever promotional activities you think would work best to attract your revised target markets, list these in your Marketing Action Plan. Identify who will do what in your business to make the plan happen and use it as a tool to brief them.

4

Crisis support management

Manage stress levels

Most people recover well from a crisis while some need specialised help. However, personal recovery can take some time. It may be months rather than weeks before a person feels less stressed and a sense of returning to normal again. People will respond to crises at different times and in different ways. Some people will feel the greatest impact immediately afterwards. Others will feel it more than six months after an event.

Seek counselling

Counselling can be a great way to get your main worries off your chest and sort through them with someone who is not part of your family and friendship circles.

A crisis that affects a whole area is likely to attract the provision of counselling services by the state government for those affected. Details on the services available will be communicated by emergency service organisations, the media, local councils, etc.

If an incident affects only one or a small number of businesses, you should ensure that counselling is available for owners/managers and staff. Details of services and more information may be obtained from your local doctor, community health centre or community mental health service.

Understand stress in the community¹

As a business person in your local community, you will often be involved in community meetings or working with others to assist the recovery process. An awareness of how members of a community may respond to a crisis event can be helpful, especially if people behave in challenging ways.

Emergencies pose threats to people, their property and environment. They are associated with uncertainty about the threat and what will keep them safe. This can make people feel highly emotional which results in physical and / or mental tension.

Tension is often released as anger which seeks to assign blame and responsibility. This is often directed to people with responsibility as blaming God, natural forces or the weather is not effective.

Angry or anxious people are often relieved when they communicate their concerns and feel they are genuinely being heard. Anxiety can also be reduced by being provided with reassurance and certainty about what is unknown. If people cannot be given information to reduce their anxiety, then any certainty that can be given will help, such as information on assistance that's available.

It's important that people have an opportunity to relieve their stress and anger so they can think more clearly and move into a more productive frame of mind which will help the recovery process.

¹ Adapted from 'Managing Emotions in Emergencies - for people working with affected communities: Fact Sheet' by Department of Human Services (Vic)

This page has been intentionally left blank.

This page has been intentionally left blank.

RISK MANAGEMENT PLAN

Name of Business: _____
 Date of Plan: _____
 Date to be Reviewed: _____

Potential Risk / Hazard	Likelihood of Risk	Do you have adequate insurance cover?		Action to be Taken to Reduce / Prepare for Risk	When	Responsibility	Proof of Action
		Yes	No				
Premises are inaccessible because of fire/flood	Medium			<ul style="list-style-type: none"> • Staff to be trained in health and safety procedures • Conduct regular maintenance of plumbing & electrical goods • Identify an alternative site where business could operate from/set up agreement with relevant agency 	On-going On-going By March 2012	Manager Maintenance Manager	See Operations Manual (OM) See maintenance schedules in (OM) See Business Recovery Plan

SWOT ANALYSIS

Strengths - Internal	Weaknesses - Internal
<p>Review in the Risk Assessment to determine if strengths could become weaknesses if the situation changed.</p>	<p>Should be included in the Risk Assessment to change weaknesses into strengths or make them less of a weakness to the business.</p>
Opportunities – Internal and External	Threats - External
<p>May be included in the Risk Assessment depending on the likelihood of the opportunities being implemented. If the decision is taken to investigate the opportunity, the risks need to be discussed and minimised. Watch the rush of enthusiasm – Be Analytical</p>	<p>Should be addressed in the Risk Assessment to see how Threats can be monitored, minimised or turned into an opportunity.</p>

Source: Adapted from Tourism Northern Territory (n.d.) 'Tourism: It's a Risky Business'

ROLES AND RESPONSIBILITIES

Role Title	Designated Employee(s)	Alternate Employee(s)	Emergency Responsibilities
<i>Team Leader</i>	<i>John Smith</i>	<i>Nancy Green</i>	<ul style="list-style-type: none"><i>• Carry out the Risk Management Plan</i><i>• Communicate with emergency services</i><i>• Keep staff up-to-date on any changes to the situation</i>

CONTACTS LIST – ALL STAFF

Contact Name	E-mail	Contact Number(s)	Contact Made?	
			Yes	No

KEY CONTACTS – EXTERNAL

Contact Type	Key Contacts	Contact Name	Contact Number	Web Address/Facebook
General Emergency	Emergency Services (Police/Fire/Ambulance)		000	
	State Emergency Services			
	Hospital			
Air Pollution				
Blue Green Algae				
Cyclone				
Disease Outbreak				
Drought				
Earthquake				
Fire/Bushfire				
Flooding				
Food Poisoning				
Hazardous Materials				
Landslides				
Major Crime				
Major Accident				
Oil Spill				
Pest Plagues				
Severe Storm				
Terrorist Incident	Police		000	
Water Pollutions				
Regional Offices (non-emergency)	Police			
	Ambulance			
	Fire			
Tourism Partners	Tourism Crisis Management Group			
	State Tourism Organisation			
	Regional Tourism Organisation			
	Visitor Information Centre/s			
Government	Local Council			
	Other government agencies (e.g.Main roads)			
Information and Reporting	Bureau of Meteorology			
	Crime Stoppers		1 800 333 000	
	Latest Fire Threat Information			
	Fire Bans and Permits			
	National Security Hotline		1 800 123 400	
Poisons Information Centre		131 126		
Business Contacts	Insurance Company			
	Financial Institution			
	Lawyer/Solicitor			
	Phone Company			
	Internet Provider			
	Suppliers: Main Back-up			
Access Points	Airport			
	Bus Depot			
	Transit Centre			
	Railway Station			
	Main Roads			
Utilities	Water and Sewerage			
	Gas			
	Electricity			
Employment	Fair Work Australia		1 300 799 675	
	Wageline		1 300 369 945	
Other				

TRIGGERS AND IMPLICATIONS

Event	Trigger <i>Significant business disruption and/or potential to impact the overall reputation, viability or profitability of the organisation (e.g. cyclone). This may include a sudden or unplanned calamitous event that causes great damage or loss.</i>	Implication



'GO PACK' CONTENTS

	Item	Last Updated
1	<i>Evacuation Plan</i>	<i>January 2012</i>
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15.		
16.		
17.		
18		
19		
20		

CRISIS COMMUNICATION PLAN

1. Roles and Responsibilities		
Who is responsible for managing communications	Internal	Name: Contact Details:
	External	Name: Contact Details:

2. Contact Hierarchy
Draw your contact hierarchy here – that is, who is responsible for contacting who

3. Staff Briefing Notice	
Description of incident	
Current assessment of situation	
What is being done?	
Message to customers	

BUSINESS RECOVERY PLAN

Critical Asset	Action (Continuity Strategy)	Responsibility	Completed		Date
			Yes	No	
Tax payments	Keep a copy of all financial records at home and originals at work in case one set is destroyed.	John Smith			31/01/12
Staff payments	Through goodwill, staff will wait an extra week for pay.	Nancy Green			31/01/12

SCENARIO PLANNING

Scenario 1: [name of scenario]

Question	Details
Critical failure	[Provide a short description of a critical area that could be interrupted.]
Background	[Provide any relevant background information that is essential to restoring the critical area.]
Impact to Business	[Provide an estimate of the impact to your business. This can be in terms of percentage of sales or a dollar figure.]
Immediate Actions	[List what needs to be completed immediately to ensure loss is kept to a minimum.]
Secondary Actions	[Once immediate actions have been completed, what secondary actions can be completed until your business has recovered completely?]
Responsibilities	[List the people who are responsible and for what during this critical business scenario.]
Resources needed	[What resources will you need to ensure you recover well in this sort of scenario?]

EVENT LOG

Date	Time	Information / Decision / Actions	Initials
31/01/2012	09.00 hrs	Activate Risk Management Plan	JS

ESTIMATES TO ASSIST WITH CASH FLOW BUDGET

INCOME

Product/Service	Charge or Price Per Unit or Hour (including materials)

EXPENDITURE

Expected Costs Per			
Fixed Costs	Week (\$)	Month (\$)	Year (\$)
Accountancy			
Bank Fees			
Cleaning			
Electricity			
Telephone			
Salaries/Wages			
Contractors			
Insurance			
Superannuation			
Travel Costs			
Rent			
Leasing Costs			
Legal Fees			
Advertising			
Printing and Stationary			
Postage			
Training			
Interest Charges			
Variable Costs			
Stock Purchases			
Freight			
Fuel and Oil			
Contractors			



CASH FLOW BUDGET

SALES UNITS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	TOTAL
Total Sales Units													
Loan Funds													
Funds from Owners													
INCOME													
Total Sales Units													
Loan Funds													
Funds from Owners													
Actual Income													
Received Cash/Same Month													
Received in 30 days													
Received in 60 days													
Received in 90 days													
TOTAL INCOME													
Year to Date													
Moving Monthly Average													
COST OF SALES													
Casual Staff													
Fuel and Oil													
Booking Commissions													
Credit Card Charges													
Sub-Total Costs of Sales													
Capital Expenditure													
EXPENDITURE													
Accountancy													
Bank Fees													
Contractors													
Electricity													
Interest													
Insurance													
Maintenance													
Marketing and Promotions													
Motor Vehicle Expenses													
Postage, Printing, Advertising													
Salaries and Wages													
Superannuation													
Workers Compensation													
Telephone													
Training Costs													
TOTAL EXPENSES													
CASH SURPLUS/DEFICIT													
CUMULATIVE CASH SURPLUS/DEF													

FINANCIAL DECISIONS

Area	Sample Strategies	Your Strategies	When?	Who?
Proactive measures to increase sales	<ul style="list-style-type: none"> • Extra advertising to advise that it's "business as usual" • Discounts or bonus add-ons to increase customers • Use your customer database to contact previous guests with offers • Website and media updates on business during the emergency 			
Improve the flow of sales income	<ul style="list-style-type: none"> • Incentives for cash payments • Introduce or increase deposits or booking fee 			
Reduce expenditure	<ul style="list-style-type: none"> • Reduce the level of stock • Negotiate staged payment terms with suppliers • Defer capital expenditure purchases or leases (new equipment) 			
Staffing measures	<ul style="list-style-type: none"> • Ask staff to take accrued leave • Reduce hours for casual staff • Restructure total staffing needs if necessary, giving as much notice and support as possible to outgoing staff • Consider contracting some services formerly performed by staff 			
Negotiating additional bank facilities	<ul style="list-style-type: none"> • Prepare a business case for additional short term funding, supported by a cash flow budget showing how loans can be repaid, or how a credit/overdraft facility will not exceed its limit • Determine the security that can be offered to support the external finance 			



REVIEWING YOUR MARKETS

Markets			% of your business	Market Change		Should I invest in this market?	
				Market Trend	%	Yes	No
Know and understand your existing markets. Where are your customers coming from and is this position changing?	Existing Markets	Short-break couples	40	Declining	25		
		Individual business traveller	30	Static	30		
		Small family / friends groups	30	Declining	20		
Be aware of new markets and emerging segment groups that you can target	Emerging and Potential Markets	Events	-	Growth Potential	10		
		Bush walkers	-	Growth Potential	5		
		VFR	-	Growth Potential	10		

ADDITIONAL RESILIENCE RESOURCES

TOURISM INDUSTRY RESOURCES

Resources	Summary	Source
Business Continuity Planning	This and the relating videos, as well as the other links on the website are describing the process of developing a business continuity plan. It goes through in detail the components of the plan and discusses the key factors to ensure that your plan is as effective as possible.	http://toolkit.smallbiz.nsw.gov.au/chapter/18/92
Good Security, Good Business - Attorney-General's Foreword	This booklet outlines how to make your business more resilient by understanding how your business operates, identifying and evaluating risks, and developing emergency and continuity plans.	www.tisn.gov.au/Documents/Good+ Security+ Good+Business.rtf
Regional Tourism Crisis Management Plan Template - A Guide To Preparing A Regional Tourism Crisis Management Plan	A R-TCMP aims to ensure a consistent and coordinate approach to response and recovery activities within the region, and between state and regional tourism bodies, in the event of a "shock" impacting tourism in a region. This template outlines the structure and content of a R-TCMP and the steps to take in preparing a plan.	http://www.sustainabletourisonline.com/awms/Upload/HOMEPAGE/QLD%20Regional%20Tourism%20Crisis%20Management%20Plan%20Template.pdf
The Better Business Guide - Tips for a Sustainable Tourism Business	This guide assists you in understanding exactly what is going on and what some of the changes mean for you. It gives some practical tips and tools and covers some of the most frequently asked questions by tourism businesses seeking help to change and grow their businesses.	http://www.tq.com.au/fms/tq_corporate/industrydevelopment/Sustainability%20Section/FC01234_TQ_The_Better_Business_Guide_ONLINE.pdf
Tourism Risk Management - An Authoritative Guide to Managing Crisis in Tourism	A guide that provides a practical framework within which tourism destinations can identify, analyse, evaluate, treat, monitor and review risks in the tourism context. The same principles also apply to a tourism business or organisation and can easily be adapted for their purposes.	http://www.sustainabletourisonline.com/awms/Upload/HOMEPAGE/AICST_Risk_management.pdf
Weather Proof Your Business Kit: A Guide to Managing Your Response	This kit outlines the four phases of Crisis Management (prevention, preparedness, response, recovery) and explains what should be done in each of these phases	Tourism Queensland (2011). Weather Proof Your Business Kit: A Guide to Managing Your Response

ADDITIONAL RESILIENCE RESOURCES

COPING WITH SPECIFIC EVENTS

Resources	Summary	Source
Bring prepared for a Human Influenza Pandemic - A Business Continuity Guide for Australian Businesses	This business continuity guide helps Australian businesses to consider what impact a human influenza pandemic might have on their business, and to help businesses take appropriate actions to prepare themselves as best they can.	http://www.business.gov.au/BusinessTopics?Insurance/Documents/BusinessContinuityGuideforAustralianBusiness.pdf
Discussion paper: Implications of a human influenza pandemic for employment and workplace relations	This discussion paper provides advice to employers and employees to manage the employment and workplace implications of a human influenza pandemic and, where possible, continue business operations during a pandemic.	http://www.justice.qld.gov.au/_data/assets/pdf_file/0007/9466/ir-influenza/pandemic.pdf
Pandemic Influenza - Building Resilience Through Business Continuity And Pandemic Planning (for non-government organisations)	This document assists non-government organisations to better prepare for a potential human influenza pandemic in Australia. It furthermore provides some practical tools and information to assist you in thinking about and developing your pandemic plan.	http://www.fahcsia.gov.au/sa/communities/progserv/documents/pandemic_influenza/pandemic.pdf
Pandemic Planning in the Workplace	This resource assists employers and employees to consider some of the possible impacts of a human influenza pandemic on their workplace and prepare in advance. (It should be read in conjunction with the resource right above.)	http://www.dpvc.gov.au/publications/pandemic/docs/Pandemic_Planning_in_the_Workplace.pdf
Prepare. Act. Survive: Your guide to preparing for and surviving the bushfire season	The guide will help you to prepare and develop a bushfire survival plan.	http://www.fesa.wa.gov.au/safetyinformation/fire/bushfire/BushfireManualsandGuides/FESA_Bushfire-Prepare_Act_Survive_Booklet.pdf
Prepare – Cyclone Smart	This factsheet explains the nature of cyclones and what people can do before, after and during a cyclone in order to keep the impact as low as possible.	http://www.fesa.wa.gov.au/safetyinformation/cyclone/CycloneManualsandGuides/FESA_Cyclone-CycloneSmart.pdf
Queensland Wine Industry Biosecurity Emergency Response Protocol	This document summarises existing protocols which address the emergency response to an incursion of high risk exotic pests and disease which may threaten Queensland Wine Industry.	http://www.dpi.qld.gov.au/documents/PlantIndustries_FruitAndVegetables/QLD-Wine-ER-Protocol-final.pdf

ADDITIONAL RESILIENCE RESOURCES

NATIONAL RESOURCES

Resources	Summary	Source
National Disaster Resilience Framework	This framework supports measures to strengthen communities, individual, businesses and institutions to minimise the adverse effects of disasters on Australia. It is a framework to enhance disaster resilience.	http://www.em.gov.au/Documents/NationalDisasterResilienceFramework-EndorsedatMCPEM-EM20Nov2009.doc
National Strategy for Disaster Resilience	Strategy that focuses on priority areas to build disaster resilient communities across Australia. Outlines roles for individuals, households, businesses, communities and governments.	http://www.em.gov.au/Documents/National%20strategy%20for%20disaster%20resilience%20-%20word.DOC
Risk Management Toolkit	This toolkit by the ACT Insurance Authority assists Act Government agencies and employees to assess risks and develop risk management plans for their areas or projects. It outlines the process from identifying and analysing risks up to evaluating and treating them.	www.treasury.act.gov.au/actia/toolkit.doc

STATE RESOURCES

Resources	Summary	Source
Back to business – recovery	This factsheet names a number of practical steps that businesses can take to get back on track after a natural disaster.	Queensland Government (2011/2012). Back to business – recovery
Building Business Resilience – Business Continuity Planning	A guide using the comprehensive approach (PPRR – Prevention, Preparedness, Response and Recovery) to disaster management. By following this approach you will be able to develop a Business Continuity Plan for your business.	Queensland Government (2009). Building Business Resilience. Business Continuity Planning. Guide
Business Continuity Plan Template	The Business Continuity Plan is to ensure the continuation of your business during and following any critical incident that result in disruption to your normal operational capability. It helps you to undertake a Risk Management Plan and Business Impact Analysis, and create Incident Response and Recovery Plans for your business.	http://www.business.qld.gov.au/risk-management/business-continuity-planning/whats-in-business-continuity-plan.html
Business Continuity Plan Template	A Template for writing Business Continuity Plans	The State of Queensland (Department of Employment, Economic Development and Innovation) (2009). Business Continuity Plan Template
Crisis Communications Handbook – for regional and local tourism	This Handbook is an acknowledgement that effective stakeholder communications play a critical role in the tourism recovery process for regions affected by disaster and other high-impact events. The guidelines suggest taking specific actions before, during and after the crisis to successfully manage it.	http://www.tourism.vic.gov.au/images/stories/Documents/IndustryResources/crisis-communications-%20handbook.pdf
Crisis Essentials – Crisis Management for Tourism Businesses	This guide provides essential information to tourism businesses about how to prepare for, respond to, and recover from a crisis event. The guide will help to get organised so you can recover more quickly from any emergency incident.	http://www.tourism.vic.gov.au/images/stories/Documents/IndustryResources/crisis_essentials.pdf
Queensland Government – Risk Management	This website provides much information on risk management – from identifying business risk unto protecting your business from crime.	http://www.business.qld.gov.au/risk-disasters/risk-management/index.html

This page has intentionally been left blank.

