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# *Crisis Essentials*

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CRISIS MANAGEMENT GUIDE  
FOR TOURISM BUSINESSES

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*You'll love every piece of Victoria*

## HOW WILL THIS GUIDE HELP ME IN MY BUSINESS?

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You may think a crisis will never affect your business, and we hope you are right.

However, the frequency of crisis events related to the natural environment, such as bushfire, flood and drought, has risen over the last decade. Victoria has also endured disease outbreak, chemical leakages and other man-made emergencies in recent years.

A crisis can have a profound effect on the tourism industry whether it directly impacts upon a tourism business or simply occurs within the same region, state or country. Tourism regions are vulnerable to public perceptions of health and safety. A crisis can result in a downturn in visitation to your business.

Businesses that are prepared can respond and recover more quickly and this guide is designed to provide essential information on how you can do both, as soon as possible.

## WHERE CAN I GET MORE INFORMATION?

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Further information on any of the topics presented in this booklet can be found in the *Open for Business* online resource. This comprehensive resource of tools and tips will help you manage your business through a crisis. It is highly recommended that you consult this resource as it contains information which has not been reproduced in this guide.

It can be found online at [tourism.vic.gov.au/crisis](http://tourism.vic.gov.au/crisis). This website also contains factsheets relating to specific crisis events.

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### Disclaimer

While Tourism Victoria believes this publication will be of assistance to tourism businesses, it should not be relied upon as a substitute for obtaining professional advice on particular matters. While all efforts have been made to ensure the correctness of the information provided, the accuracy of each statement is not guaranteed. Accordingly, Tourism Victoria disclaims any liability for any errors or loss, or other consequence, which may arise from any person relying on the information in this publication.

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*Preparing for  
the unexpected*

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PREPARING



## HOW PREPARED ARE YOU?

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This simple checklist will help you identify if you are prepared to respond effectively and recover from a crisis.

HAVE YOU...	Yes	No
1. Secured adequate insurance coverage for your business to cover issues such as asset damage and loss?	<input type="checkbox"/>	<input type="checkbox"/>
2. Prepared an emergency plan for your business – your responsibilities to clients and staff?	<input type="checkbox"/>	<input type="checkbox"/>
3. Identified the emergency management arrangements for your area?	<input type="checkbox"/>	<input type="checkbox"/>
4. Found out who to contact in the event of an emergency?	<input type="checkbox"/>	<input type="checkbox"/>
5. Developed an appropriate policy and procedures to deal with cancellations, curtailment or forward bookings?	<input type="checkbox"/>	<input type="checkbox"/>
6. Listed your business with the nearest accredited Visitor Information Centre and/or the database of your regional and local tourism associations?	<input type="checkbox"/>	<input type="checkbox"/>
7. Identified the protocol for working with the media during a crisis?	<input type="checkbox"/>	<input type="checkbox"/>
8. Prepared a business continuity plan?	<input type="checkbox"/>	<input type="checkbox"/>

If you answered YES to 7-8 of these questions, you are well on your way to deal effectively with a crisis.

If you answered YES to 5-6, your business is engaged but you need to undertake some tasks to increase your capacity to cope with a crisis.

If you answered YES to 4 or less, you do not currently have adequate processes in place to respond effectively to a crisis, and your preparation requires urgent attention.

## GETTING STARTED

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The steps involved in preparing for a crisis event are easy to work through. They should be undertaken at least several months prior to potential high risk periods, such as the bushfire season. But if you haven't planned, start now.

### Step 1: Planning to Manage Risk

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The process to manage risk involves thinking through the following points:

#### 1. Understand your business

What does your business need in order to operate successfully? For example, particular suppliers, technical systems, important records and information.

To help understand your obligations to staff and visitors under the *Occupational Health and Safety Act 2004*, see information provided by WorkSafe Victoria in booklets or downloads available at [worksafe.vic.gov.au](http://worksafe.vic.gov.au)

#### 2. Identify the risks

What are the different risks that may occur and impact upon your business? For example, harmful incidents within the business or natural or human disasters outside of the business.

#### 3. Assess the risks

What is the likelihood of these risks occurring? What is the likely level of impact they could have on your business?

#### 4. Manage the risks

What would need to be done to address these risks if they happened, or to reduce the chance of them occurring? Document your strategies to address these risks.

#### 5. Secure adequate insurance cover

Insurance cover is very useful to help protect your business against risks. For a small business, adequate cover can mean the difference between a business surviving an emergency or going under.

Consider insurance cover for public liability, business interruption, vehicles and property, amongst other things.

## Step 2: Planning for an Emergency

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Your next step is to develop an emergency plan which will guide your response to and recovery from an emergency if it arises. **Looking after your customers, staff and yourself when an emergency occurs is your number one priority.**

It is important that your plan is clear, well-thought through and accepted by you and your staff. Specific procedures and activities are needed to prepare for and respond to different types of emergencies (e.g. bushfire, flood).

The following checklist should be considered for each type of event:

Identify how to prepare the property for an on-coming incident, eg. an approaching bushfire or flood.	<input type="checkbox"/>
Identify who is in charge of managing the response if an emergency arises and/or an evacuation is needed.	<input type="checkbox"/>
Identify evacuation routes and emergency assembly sites.	<input type="checkbox"/>
Identify how and who will communicate with employees and visitors if an emergency occurs, including people with disabilities and special needs.	<input type="checkbox"/>
Identify how and who will check that equipment, records and other assets are safe.	<input type="checkbox"/>
Have a first-aid kit (or several) and advise employees and clients of its location.	<input type="checkbox"/>
Identify staff who have first-aid qualifications and train further staff if necessary.	<input type="checkbox"/>
Have a list of telephone numbers and addresses of staff members.	<input type="checkbox"/>
Identify which staff have the skills to help you in an emergency, and who you can rely on to react calmly and professionally.	<input type="checkbox"/>
Talk to emergency service providers such as police, fire, VICSES and ambulance services to find out what they will want you to do if an incident happens.	<input type="checkbox"/>
Identify how you will receive warning messages and be kept informed.	<input type="checkbox"/>
Identify your trigger points (for relocation/evacuation).	<input type="checkbox"/>

The outcomes of these tasks should be written down to form your emergency plan.

Everyone who works at or visits your business should be aware of your emergency management procedures, even if it is only reading the evacuation procedures on the back of a door in a hotel room.

Planning is a continuous process. To be effective in an emergency, plans must be regularly checked, tested and updated as conditions in your business and environment change.

### **Step 3: Planning for Business Continuity**

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Business continuity, or recovery, is the next step in the survival of your business after an emergency incident has occurred. The quicker you can get your business up and running again, the easier you can get the cash flowing back in.

Developing a business continuity plan involves identifying what you would need to do if an emergency occurred in order to:

- Repair or replace damaged equipment and infrastructure
- Relocate the business to an alternate location
- Temporarily contract operations
- Multi-skill staff
- Upload computer systems with backed up data
- Arrange for staff services such as counselling, taking time off
- Communicate with employees, customers and suppliers.

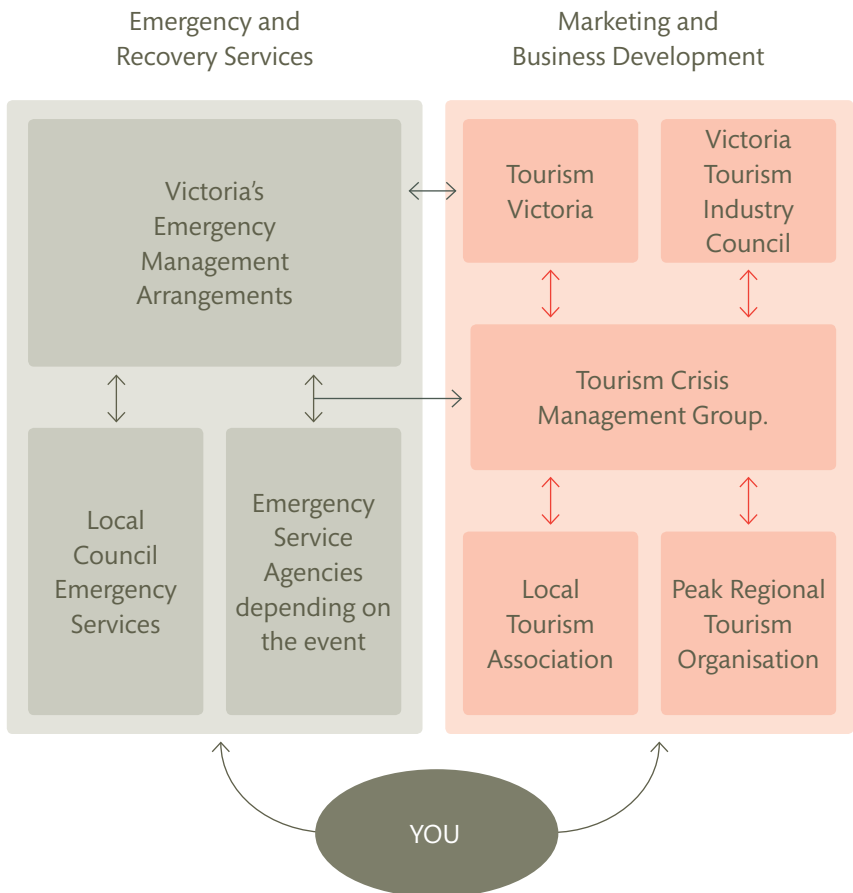
The plan should also identify who will do what and when.

Make checklists. This can help you work out the most important actions to take.

## THE BIG PICTURE & YOU

As a tourism operator, it is useful to know that there are a number of organisations in Victoria who can help you to prepare for, respond to, and recover from a crisis.

The chart below includes the most important organisations that you are likely to come across in the crisis management of your business (depending on the nature and severity of the event). These organisations are explained in more detail on page 18.







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*Responding  
to a crisis*

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RESPONDING

## IMMEDIATE ACTIONS CHECKLIST

### FIRST 24 HOURS

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If an emergency occurs that impacts on your business:

#### Activate your emergency plan

Follow the advice given by emergency services agencies in terms of evacuations, access routes, etc

- Stay informed by tuning into the emergency broadcasters: ABC Local Radio, commercial radio, designated community radio stations or Sky News television.
- Seek further information by contacting the relevant organisation. Details below.

Bushfire/Wildfire		
Victorian Bushfire Information Line	1800 240 667	<a href="http://cfa.vic.gov.au">cfa.vic.gov.au</a>
Metropolitan Fire Brigade	1800 240 667	<a href="http://mfb.vic.gov.au">mfb.vic.gov.au</a>
Storm/Flood/Earthquake		
VICSES	132 500	<a href="http://ses.vic.gov.au">ses.vic.gov.au</a>
Blue green algae		
Dept of Sustainability and Environment	136 186	<a href="http://dse.vic.gov.au">dse.vic.gov.au</a>
Pandemic/Health emergency		
Dept of Human Services	1300 650 172	<a href="http://dhs.vic.gov.au">dhs.vic.gov.au</a>
Road closures		
VicRoads	131 170	<a href="http://vicroads.vic.gov.au">vicroads.vic.gov.au</a>

## **Keep customers and staff safe and informed**

Update clients about the emergency by talking to each visitor personally. How well you communicate can have a major impact on how comfortable clients feel through the emergency situation.

Remember that you are in the customer service business and the easier the emergency situation is for clients, the more likely they will be to return to your business.

If your business is not operational or access routes are closed, contact clients with forward bookings to cancel or postpone.

Keep staff informed about what's happening regarding the emergency through bulletins or staff meetings. Remember to also keep staff informed who are not currently at work.

## **Stay calm and relaxed**

This will help other staff to do the same when carrying out emergency activities. It will also reduce the level of anxiety that clients feel. Be wary of your stress level and those of your staff and clients.

## **Be prepared to be contacted by the media**

You do not have to speak to the media, but if you do ensure you have taken the time and considered the key messages you want to say. However, this should only be done in coordination with your regional tourism spokesperson.

## SHORT TO MEDIUM TERM ACTIONS

### 2 – 14 DAYS AFTER THE INCIDENT

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#### **Protect your existing business**

If your business is operational and accessible protect the business 'on your books' by contacting people with existing bookings to reassure them that you are open. This action can prevent cancellations.

Post up-to-date information on your website and prepare bulletins for staff to respond to telephone inquires about the crisis event.

#### **Deal with cancellations**

If your business is not operational or is inaccessible due to road closures or explicit government warnings due to safety concerns then you may have no other alternative but to cancel bookings. In this scenario, both you and the customer are released from the contract and the customer is entitled to a refund of any deposit paid, less any expenses reasonably incurred by you.

Even if your business is open and transport routes are clear after an incident, it is inevitable that some pre-booked clients will decide to cancel their visit, rather than postpone. In this case, the contract is still valid and your cancellation policy can be applied.

The best solution in both of these circumstances is to talk to the customer to see if you can negotiate something to suit you both. For example, hold the deposit over to be used at a different time.

#### **Assess your finances**

An emergency event in your region or local area will inevitably have a financial impact on your business. One of the first actions to take after an emergency occurs is to prepare the business' finances to cope with the months/years ahead.

The extent to which your business will be affected by an emergency will depend on:

- The nature and expected duration of the event
- Your financial reserves and access to other funding sources
- Whether the business can keep trading
- Whether customers continue to come to your business
- The actions you take to reduce expenditure.

Contact your financial institution as soon as possible to discuss your financial situation and possible emergency relief and support measures. The Australian Taxation Office can also provide a range of support measures to assist you in a crisis event

### **Prepare a cash flow budget**

When a crisis event first hits your business, an important step is to develop or revise your budget for the business.

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. 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.

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, such as promotions, revising staff allocations, etc.

### **Manage/Reduce your stress levels**

Emergencies are naturally a very stressful time. Your capacity to manage your stress can have a big impact on how staff and customers respond to a threat of an emergency. By concentrating on your and others' physical and emotional wellbeing, you can maintain your capacity and reduce the impacts of stress. Strategies to do this include:

- Take regular food, drink and breaks; preferably before you need them.
- Take emotional 'breaks' by putting aside fears and worries for a time by doing something practical – maybe for others.
- Physical energy and emotions are tied together. Don't think about emotional problems when you are tired. Promise yourself to think about it when you have rested.
- Manage emotions by not feeding negative feelings. Express positive emotions to others – optimism, faith in the future, confidence in survival. If you have negative emotions, talk about them rather than expressing them directly. You inspire others by how you behave rather than how you feel.

## **Be prepared to work with your Tourism Crisis Management Group and the media**

If a crisis event occurs in your region, Tourism Victoria will work with your region's tourism organisations to establish a Tourism Crisis Management Group (TCMG). This group will be responsible for developing and coordinating a crisis management plan for the tourism industry, including working with the media.

As far as practicable, the appointed spokesperson for the TCMG should be the only person who communicates with the media on behalf of the tourism industry. This will ensure that a consistent message and style is related to the media, as opposed to conflicting information from multiple sources.

The media can also be a key partner in the recovery process.

Individual business should ensure that they are aware of the TCMG's activities, and should direct any media inquiries to the spokesperson for the TCMG.

Sometimes it may be necessary for a tourism business who is directly impacted upon by an emergency to talk to the media. However, this should only be done in coordination with the TCMG. If you are asked by the TCMG to talk to the media, it is useful to keep in mind:

- Be factual – don't speculate
- Be calm, reassuring and positive (avoid terms such as 'emergency' and 'crisis')
- Acknowledge the responsibility to visitors and community
- Acknowledge the importance of visitor welfare, etc. (if appropriate)
- If appropriate, empathise with the victims of the incident.

### **Keep informed/updated**

To receive the latest information about the crisis response and recovery process for the tourism industry, make sure you are listed with the nearest Visitor Information Centre and/or the database of your regional and local tourism associations. If you are a member of these organisations, you will automatically be on their contacts databases.





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*Recovering  
from a crisis*

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RECOVERING

## KEY RECOVERY TIPS

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Assuming you are open for business after an emergency, implementing these tasks in the weeks and months following will substantially assist with the recovery process.

### **Monitor your cash flow**

Monitor your budget carefully in the weeks and months following a crisis. Compare your estimated turnover with actual figures so you can modify outgoing expenses accordingly.

### **Review the products or services you have to sell**

- If your business has been directly affected by the emergency, confirm the products/services that you do have to sell. You may need to come up with new options if your existing product has been damaged. Be creative and flexible. Allow yourself to venture into new territory.
- Look at ways of adding extra value to your existing products/services to encourage people to visit your business. Develop packages and remove minimum stay requirements.
- As a number of products and experiences in your region may no longer be operating, do some research to identify alternative options for visitors.



### **Revise your target markets**

Reconsider your target markets in light of the product you have to sell. Identify markets that are most likely to visit your region/business after an emergency, such as your previous guests. You may need to devise new experiences to appeal to new markets if your normal markets are staying away.

### **Promote your business**

Prepare a brief marketing action plan to guide your promotional activities. Promote your business as soon as it is open for trade again. Consider low-cost options, such as public relations activities, email blasts to your guest database, Google Adwords, regional marketing initiatives, etc.

### **Keep staff engaged**

Involve your staff in the process of restoring your business to normal. Regular communication can help them to feel part of the team and to understand the reasons behind any tough decisions.

### **Review your staffing arrangements**

Assess whether you need to restructure your staffing arrangements to cut down costs.

### **Review your emergency plan**

Review your plan after an emergency and incorporate what you have learnt from your experiences into your future planning. Crisis preparedness is an ongoing process.

## KEY ORGANISATIONS

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### **Emergency service agencies**

There are many emergency service agencies in Victoria that specialise in preparing for, and responding to, specific emergency situations. You are encouraged to contact the relevant emergency service agencies to assist you with your emergency planning.

### **Local Council emergency services**

Your local council works with key State emergency management agencies to ensure a coordinated approach to emergency events.

### **Tourism Victoria**

As a Victorian State Government statutory authority, Tourism Victoria is the vehicle through which the Government participates in the tourism and travel industries. It maintains a strong formal and informal working relationship with the emergency service agencies and related State Government departments. It also supports marketing programs for regions affected by crisis events and assists Tourism Crisis Management Groups (see below).

### **Victoria Tourism Industry Council (VTIC)**

VTIC is the peak policy council for the Victorian tourism industry, which represents key industry associations, operators and government agencies. Its roles include advocating for and supporting the development of a professional and sustainable tourism industry in Victoria. VTIC may lobby government for resources to assist regions affected by a crisis event.

### **Tourism Crisis Management Group (TCMG)**

A TCMG is a core group of stakeholder representatives for a region who are responsible for formulating a local or regional Crisis Management Plan for tourism. The recommended activities of the TCMG are outlined in Tourism Victoria's publication *Preparing & Implementing an Effective Tourism Crisis Management Plan: Guidelines for Regional and Local Tourism*.

### **Peak Regional Tourism Organisation**

Your peak regional tourism organisation is responsible for the development and growth of the tourism industry in your region. They conduct promotional activities to bring people back to the region after a crisis event has occurred. They also coordinate and are active participants in the TCMGs.

## Local Tourism Association (LTAs)

Your local tourism association may also play an important role in preparing and responding to an emergency, depending on the organisation.

## KEY EMERGENCY CONTACTS

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Organisation	Contact	Telephone
Emergency (fire, police, ambulance – life threatening situations)		000
CFA		
Council		
Electricity supplier		
Gas supplier		
Local tourism association		
Police		
Regional tourism association		
Tourism Crisis Management Group		
VICSES		
Insurance provider		

Note: please use pencil to enable contacts to be kept up-to-date



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