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Ms. Sarmiento

*Insurance*

## Managing the Unexpected: Crisis Planning, Communications and Response

By [Fran Sarmiento](#), Executive Vice President, Venture Insurance Programs

Just as Superstorm Sandy prompted concerns about weather disasters in 2012, last year's tragic bombing at the Boston Marathon made security and terrorist attacks a top concern for many hotel executives. Beyond the immediate security measures taken by hotels in the days and weeks following the attack, this tragedy raises broader questions around crisis planning and response.

Crises and disasters represent significant risk for a hotel's ability to continue ordinary operations, but take many forms and are difficult to predict. They also can affect a hotel's public image, customer base and short- and long-term financial performance. This makes it imperative for hotels and other business to respond effectively in a crisis.

Once a crisis occurs, it is too late to begin planning a response. Hotels must develop, practice and regularly update an effective plan, taking into account all emerging threats, as well as internal operations and available external resources.

### Vulnerability Analysis

The first step in preparing a crisis response plan is to define all types of crises that may occur. This is often called a vulnerability analysis. This entails looking at recent trends in your region, nation and around the world, as well as emerging trends in hotels and weather and health-related issues. Remember, crises are not limited to large-scale events like terrorist attacks and weather-related disasters such as hurricanes, earthquakes, tornadoes and flooding. They also can take the form of fires, crimes committed by a staff member, guest or intruder, and accidental deaths or injuries – especially if they are the result of real or perceived negligence on the part of a staff member.

Disease and illness can also become an emergency when they cause serious injury or death or involve an infectious disease that moves beyond a handful of guests. These can result from food-borne illness or infectious disease such as the H1N1 virus or SARS.

Finally, consider more subtle threats such as cyber attacks, in which cyber thieves attack everything from hotels to small retail franchises in search of data like credit cardholder information. In the past two years, cyber attacks have grown significantly more complex, making

prevention and detection harder.

### Planning Essentials

The second step towards an effective crisis response is putting together the plan. For this, it

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## Mobile PMS: Putting the Personality Back Into Your Hotel Room

By [Jeff Edwards](#), Head of Global Hotel Business, Amadeus

Jeff Edwards, head of global hotel business at Amadeus, looks at how technological advances have shaped the hotel experience, and how that affects a hotel's personality. Are we at risk, Jeff asks, of sacrificing a hotel's personality in the pursuit of technological advancement? Not necessarily so – with the advent of mobile property management systems (mobile PMS), guests can enjoy social, local and mobile interactions with the hotel before, during and after their stay. Mobile puts the personal back into hotel properties – Jeff looks at how this works in theory and in practice. [READ MORE](#)



## Managing Information for Optimal Results

By [Casi Johnson](#), Vice President Operations, M3 Accounting and Analytics

In the hotel business, you send information out electronically all day, every day. But have you thought whether it's easy for recipients to access the data, particularly on phones or tablets? It makes sense to think about this, while making sure that you aren't sending too much information, and that the data won't fall into the wrong hands. In this column Casi Johnson of M3 Accounting + Analytics offers 10 things to think about to help you improve both the readability and the quality of the information you're sending. [READ MORE](#)



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is important to take advantage of the resources in your community or region. Begin with state and local emergency management officials, including the local office of the [Federal Emergency Management Agency](#), which coordinates emergency responses nationwide, such as evacuation recommendations. FEMA will provide you with resources to create an effective plan and information on how to coordinate with the rest of the community. Beyond FEMA, broaden your knowledge by involving others in plan preparation, including local law enforcement and hotel trade associations. For example, the American Hotel & Lodging Association (AH&LA) and the Department of Homeland Security have joined forces on an initiative to encourage and educate lodging employees to recognize, report and react to suspicious and crisis situations that occur on property. Also discuss your crisis plan with legal counsel, your insurance partners and communications experts. Consider forming a committee internally to coordinate the planning, so your staff is involved and engaged throughout the process.

When you put together your plan, make sure you divide it into different types of crises, with response details in each. Every plan needs to identify the potential risks, what will trigger the response plan, create a clear chain of command and establish protocols for moving through the plan. Emergency contact information is also essential and should be updated regularly.

### Operational Issues

When creating or updating your plan, there are several important operational issues to consider. These include staffing, evacuation, transportation, power, food service and information technology.

- **Staffing:** How do you handle staffing when some employees cannot get on-site due to flooded roads or other problems? How do you reach staff if phones, email and power are out? Consider that not all staff have the same access to email and telephone service. You need to review your communications tree, regularly update staff contact information and make specific plans to ensure adequate staffing during and after a disaster.
- **Evacuation:** One of the biggest issues for any hotel is deciding when to evacuate. Clearly evacuation is a last resort, but it is essential to have an evacuation plan in which you outline, review and practice step-by-step procedures with staff. Running drills helps everyone understand their roles, identifies problems or gaps and helps your organization better understand the plan and its strengths and weaknesses.
- **Transportation:** Also consider how to handle any hotel shuttle vans or other vehicles that may be transporting guests during an emergency.
- **Power:** Sandy taught many businesses the need for back-up generators, which are essential to maintain operations during power outages. But having a generator is not enough. If your generators are on lower levels, they could be damaged by flooding. If you move them to high levels, what about fuel pumps in the basement? Identify what operations will be powered by your generators and how long they will run.
- **Information Technology:** You need back-up systems for computer operations, including a remote system so you can continue operations. If you have paper records, make sure they are secure from water, wind and fire damage.
- **Business Continuity:** If you have to evacuate your facility, have a plan for securing your facility, turning off utilities and contacting your insurance company. Also consider Business Interruption insurance. This coverage goes beyond just property damage. It covers loss of revenue from being out of service.
- **Food Service:** You should have a back-up plan for food service in the event of a power outage. Does staff know safe food storage temperatures? How will you handle spoiled food?

### Communications

Communications are critical to any disaster response. You need the ability to communicate beyond standard telephone and Internet services. For example, you should plan to send voice or text alerts to employees by mobile phone in emergencies and subscribe to local emergency alerts via text messages on your mobile phone from your state or local governments where available.

Other options include satellite phones, which work when cell phone service is down, and contingency plans with your website host, who may be able to provide website updates from a remote location. It's also important to have up-to-date contact lists of all emergency telephone numbers. Consider how to reach hotel guests, who may be on or off the property at the time.

In addition, two communications areas that sometimes are forgotten are media and social media. A media response plan should be developed with one spokesperson in the event of an emergency:

- All media calls and public statements are the responsibility of this spokesperson, whose responsibilities should be clearly defined. This ensures the hotel is communicating consistently with accurate information.
- The spokesperson should be a hotel executive. In case they are unavailable, identify



## Understanding the Power of Mobile: Influencing Guest Behavior On or Near Your Site

By *David Turner, President and CEO, Parallel 6*

The advancements in mobile technology are redefining how guests participate, engage and purchase with hotels throughout their entire hotel experience. Cutting-edge hoteliers that realize the power of mobile are implementing the latest mobile technologies and solutions, so that they can steal market share from their competitors, customize and accommodate each guest experience and monetize the hotel's virtual real estate. The best way to achieve a successful, well-defined mobile strategy is to start with a compelling enterprise-strength mobile application that is armed with a robust feature set. Parallel 6 CEO David Turner explores the power of enterprise-strength mobile apps and their influence on guest behavior on or near site for hotels.

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## Removing Operational Burdens with Mobile

By *Darren Panto, Business Development Director, iRIS Software Systems*

Mobile is empowering the guest and helping hotels engage on a more sophisticated level. Guests want control of their experience, mobile provides them the confidence to engage in their own time while giving the hotel a platform to communicate their offers. This immediate connection is reducing costs of operation and guest services, while removing age-old traditional operational processes that disrupt a smooth guest experience. Mobile will change the delivery of internal hotel services, and the staff skillset will need to change to meet these demands. [READ MORE](#)



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another individual who clearly represents the hotel, is in a position to make decisions and has a complete compendium of hotel information at his/her disposal.

- Consider what information will be shared and any approvals needed. Communications need to be fast, accurate and appropriate. Training is available through public relations firms.
- Establish protocols for how media calls and visits will be handled, taking into account guest privacy. Finally, your social media sites like Facebook and Twitter can be excellent tools for communicating accurate information, as well as monitoring what people are saying about your hotel. It is important to have someone dedicated to managing these sites during a crisis.

During the Boston Marathon tragedy, several hotels showed how real-time, responsive communication could identify followers' concerns and calm them with direct and transparent messaging. Each property addressed incoming questions received through each channel promptly and worked hard to broadcast the safety precautions they were taking. Each hotel also suspended any form of communication that was not relevant to the ongoing disaster and avoided any form of promotional or unrelated posts that may have been originally scheduled.

Some lessons learned are:

- A social media crisis policy is needed. Such a policy should detail (and limit) which staff member will respond to social media and what information can be shared. Your public relations team or other communications experts should be involved.
- Social media messaging happens in real time, so your response must be in real-time. This keeps communications relevant, appropriate and consistent. This can be achieved by clearly outlining the parameters of what can be discussed.
- Discontinue self-promotional messaging until a real-time crisis is ended; instead engage with followers and "likers" in a responsive way until business is back to usual. Only then should you resume your planned social media content strategy.

### Violent Threats

The Boston Marathon tragedy and news of armed intruders in schools, movie theaters and other locations has heightened everyone's awareness of the need to prepare for these threats. Security must be part of your crisis planning and you should use law enforcement or security professionals to help you plan.

In addition to the planning considerations discussed above, security planning will include access and security systems, security personnel and interactions with local law enforcement.

In the aftermath of the Boston bombings, the Department of Homeland Security disseminated a wide range of anti-terrorism training resources designed to help private sector businesses, including hoteliers and lodging professionals. Topics included methods of ensuring a safe environment for staff and guests and the warning signs for potential terrorist activity.

### Plan and Practice

It is important to learn from disasters and continually update your plan. Be sure to practice; drills are essential to your success. Hurricane Sandy and the Boston Marathon bombing demonstrated that those who fared the best knew what to do ahead of time.

If you do not have a plan when disaster strikes, you are only reacting, which puts your guests, staff and reputation at increased risk. Develop a plan before you need one.

Fran Sarmiento is the Executive Vice President of Programs for Venture Insurance Programs, a national program administrator for select industries, including the hotel and resort industry. At Venture, Ms. Sarmiento manages more than \$75 million of insurance premiums and is responsible for overseeing the underwriting, development and expansion of all programs. An outspoken proponent of providing insurance coverage that is specifically tailored to meet the needs of the ever-changing hospitality industry, Ms. Sarmiento's 30 years of commercial insurance experience includes positions with Liberty Mutual Insurance Company and CIGNA Insurance. She has spent the last 10 years focused on industry specific insurance programs, with one of her main areas of emphasis being the hotel and resort industry. Ms. Sarmiento can be contacted at 800-282-6247 or [fsarmiento@ventureprograms.com](mailto:fsarmiento@ventureprograms.com) [Extended Bio...](#)

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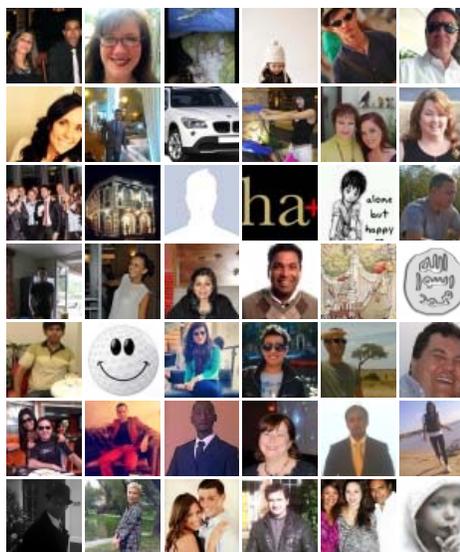
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