



Holistic Risk Assessment: Reducing Vulnerabilities and Addressing Threats

By Jason Porter, Regional Managing Director, Pinkerton

Hotel facilities face a multitude of unique risks not always present in other industries. That unique set of risks creates an ever-changing demand to firm up your business operations and remain vigilant in your security and emergency response plans. With the rise of new threats constantly evolving, one of the most effective ways to protect your guests, employees, hotel operations and your facilities is to conduct a thorough risk assessment. After all, it's impossible to know the threats and vulnerabilities that affect your safety and security if you don't reasonably identify them in the first place.

All facilities, from small independent hotel locations to international hotel chains, face a myriad of unique risks, many of which ultimately differ depending on a hotel's physical location. Not only do hotel operators need to promote their guests' and their employees' safety, they may ultimately also be responsible for guests' financial information, personal belongings and equipment and properly maintained facilities.

The risk profile for the hotel industry tends to be considerably greater than in other industries. However, a thorough and comprehensive risk assessment can help you identify and define your risks, vulnerabilities and potential consequences, outline a plan to prioritize and address these issues, and ultimately help keep your hotel facility and guests comfortable and secure.

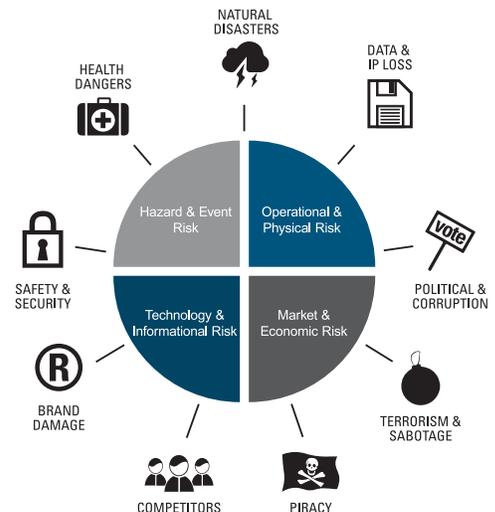
Identify and Define Your Risks

In our industry, we define a risk assessment as: a holistic approach to identifying all of the

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threats, vulnerabilities and consequences that are associated with the potential risks that a hotel may face. A threat can be conceived as anything that has the potential to disrupt your business, interfere with operations, harm your guests, employees or physical property, or subject your facility to liability.

It may be tempting to take a “one size fits all” approach to risk assessments when determining the potential threats that may affect your facility, but this tends to be an incorrect approach. Risks and vulnerabilities are truly unique from location to location. The simple fact is that a hotel in Dallas, Texas and a similar location from the exact same chain in Wichita, Kansas will each face unique threats. Their employee uniforms may look the same, their operating procedures may be identical to a tee, but the threats and risks can



be completely different. As such, it's vital to take an honest look at all of the potential and unique risks facing your facility, and how your individual location can best respond to them should an incident actually occur.

A risk assessment looks holistically at any vulnerability and how that vulnerability could be exploited, starting with a hotel's physical location and operating procedures. For example, an unlocked door or improper key control can present a big vulnerability and open your facility up to unnecessary risks. Broken or out of date technologies, like a non-functioning video camera, also pose a large risk. Sometimes overlooked, but just as important, are your employees. They have unprecedented access to your guests' personal information and belongings, making it vital that they are properly trained and screened. All

of these scenarios, properly identified, addressed and taken into account together, can help leaps and bounds in reducing and potentially eliminating some of your risks.

In addition to looking at your physical location, a comprehensive risk assessment will also look at historical data, like weather, crime and demographic data, and then benchmark your security protocols with that of your neighboring competitors. This should go without saying, but facilities located in Tornado Valley or close to a coastal region need to be prepared in event of a wind-storm or hurricane. Likewise, hotel operators with statistically higher neighborhood crime rates need to take these into greater account when assessing their vulnerabilities. It may not be out of the question to have uniform security on staff in a high crime area, whereas in other parts of the country it may be viewed as overly cautious.

Another key step in the risk assessment process that may be missed is benchmarking – taking a look at similar hotel facilities near you and comparing your security measures against theirs. Do you find that you take similar approaches to security? Are there inconsistencies between your facility and a neighboring facility?

Though not mandatory, it is advisable to consider hiring a disinterested third-party with risk management expertise to conduct your risk assessment. This allows someone who is not involved in the operations of your organization and has no personal stake in the company to provide a different perspective on a particular vulnerability that you may have overlooked.

Once your risk assessment is complete, it is imperative to follow through by outlining a plan to address your vulnerabilities.

Prioritize, Plan and Respond

A proper risk assessment is only the first step in reducing your risk – once you've identified your risks and vulnerabilities, it's time to plan corrective measures and put them into action. Following any thorough risk assessment, you should receive a prioritized list of areas of recommendations. Take a tactical approach, set a timeline

and address your risks appropriately. A good risk assessment will outline high, medium and low priority action items. Prioritize the most important items, set a timeline to fix and implement a solution, and continuously improve procedures and operations.

Priorities and vulnerabilities will again differ from location to location, but the highest priority items should involve reducing the risk of a loss of life, be it through crime deterrence, physical facilities or in event of a natural disaster. Other high priority items include vulnerabilities that could potentially damage your physical property and tarnish the brand of your hotel. Think about the potential consequences to the threats and plan to address them accordingly.

Once your risk assessment is complete and you've put a plan into action to firm up your oper-

ations, it's time to maintain your security and plan a response. Someone planning to commit harm at your facility will often exploit the weakest point of your operations, so it's vital to remain vigilant while combating potential threats. A key to the longevity and success of any business is how they respond to a threat when an incident occurs at their location.

The last step in a comprehensive risk assessment and security plan is to plan a response. The four main ways to look at a response are: deter, detect, delay and respond.

Deter the Threat

The first step in responding to any threat is through preparation and deterrence. Locks, fences and security personnel can all be successful deterrents, but it can be difficult to strike the delicate balance between the secure yet relaxed, home-away-from-home environment that hotel operators provide their travelers. Consider your own hotel facilities and the deterrents

that are in place. If a threat were to occur at your hotel right now, do you have all of the appropriate systems, equipment and security procedures in place to help deter an incident?

Detect the Threat

The next step in responding to a potential threat or incident is to detect the threat before it hits. There are a multitude of methods and tools that can help detect a threat or vulnerability, but they are only effective if they are utilized properly. One of the biggest mistakes hotel operators make is using a closed circuit camera system as a crutch as opposed to a tool. Strategically placed video cameras can be an excellent tool for both detecting and responding to threats, but only if the video feeds are actively monitored. How quickly is your staff or facility equipped to detect a potential threat?

Delay the Threat

The next step in responding to an incident is to delay the risks. Think of a delay as a physical deterrent or barrier to keep your guests, your employees and your business secure. These measures give you time

to respond to an incident, and are what most people generally think of when they think of traditional security measures. Every facility can be penetrated, but you can put mechanisms, policies and training in place to help protect your guests, employees and their valuables.

Respond to the Incident

The last step in implementing a risk assessment is to plan your response, when an incident occurs. Though a full response plan will again depend on the individual facility, it is critical to determine how to respond and who will respond to an incident. Does your hotel have the capabilities to respond to a threat internally, through in-house security personnel, or do you need to rely on emergency services like your local police and fire departments? If the best response is calling the police or fire departments, make sure you know what their emergency response times are and have the delays in place to protect until they get there.

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While your response plan will vary depending on the size and resources of the hotel, the important thing is to have a response outlined. Preparation and training can go a long way in reducing the severity of an incident.

The threat landscape is continuously changing. Many of the top threats today didn't exist two years ago; likewise, the potential threats two years from now don't exist today. If your last comprehensive risk assessment was two, five or perhaps even 10 years ago, consider prioritizing a risk assessment plan in 2015. If you've con-

ducted a risk assessment more recently, consider this an opportunity to audit your current systems. Are your policies in top shape, and have your employees been properly trained? Are your facilities in good, working condition, or are there areas of improvement? Unfortunately, it's impossible to completely secure a hotel facility from every possible risk. However, the more proactive your approach to risk management, the more prepared facilities can be to help protect their guests, employees and business in the long run. ■

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