

Destination Risk Management Modelling

Project 70119 B3

Final Report

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Rationale

Clearly, an improved and systematic approach to crisis and disaster preparedness, response, and recovery is a necessary and critical component of a sustainable tourism industry in Australia. When industry partners have an understanding of the longer view on possible future events and likely hazards of the future, financial and economic loss can be reduced.

With safety and security foremost in the eyes of international and domestic travellers, a responsible and sustainable tourism product must be based on thorough, clearly described risk management strategies for all levels of tourism businesses.

The initial stage of this project in 2004 is a starting point to then be able to address identified priorities that emerge from the proposed results described below. So then this project is a scoping (issue and needs identification) of risk related issues at this initial stage. It is hoped that the CRC will contribute further to the initiative over the following two to three years. The current research provides a solid basis upon which tourism risk management can be addressed in a systematic and practical manner to the benefit of tourism businesses throughout Australia.

Completion of Project Outcomes

Project Outcome 1: Risk Communications

The establishment of a publicly available web site will facilitate access to information, links to relevant resources, and downloadable documents, all relating to Tourism Risk Management. This will be the first step towards this site becoming a user-friendly, resourceful, and valuable access point for tourism businesses to learn and share risk related guidance and information.

- The web site has been completed and submitted to industry partners for review in order to establish priorities for the types of information that should be made available on the site as it expands.
- At present it is designed to accommodate the project related material but has been designed to accommodate future needs.

- **COMPLETION at 16 December 2004: 100%**

Project Outcome 2: Managing Risk

Practical guidelines and working templates for risk management planning are necessary to reduce the impacts of natural and man-made hazards, and to facilitate more thorough preparedness for disasters of all kinds. Thorough and comprehensive Tourism Risk Management Guidelines should be developed over a longer period with considerable stakeholder contributions. The scoping exercise in this project will therefore flush out priorities and specific needs that Tourism Risk Management Guidelines should

Project Outcome 3: Long Term Risks to Tourism

A methodology will be developed to conduct a survey of experts from the tourism industry, insurance industry, and related fields to assess long-term tourism trends and forecasts with respect to future hazards and risks that tourism businesses and their support communities in tropical coastal areas will likely face in the coming two to five decades. This survey will be undertaken with a global perspective to test the potential of the methodology in view of conducting an Australia-specific survey to fully assess tourism risk management needs in Australia, during the next phase of the Destination Risk Modelling research.

- The survey has been completed, results tabulated, and an initial report prepared and posted on the web site. The report describes the development of the methodology, the application to qualitative long-term tourism futures investigations, and the results of the contributions of experts from 22 countries in Asia-Pacific, Europe, and North America.
 - As a follow-on activity of the research, the findings should be summarised and relevant information should be extracted that will be of value to further development of Risk Management Information to be made available to industry partners and tourism businesses throughout Australia.
 - **Research Documents posted on the website:**
 - i. Tourism Futures: Risk and Catastrophe Methodology and Results (28pp.)
 - **COMPLETION at 16 December 2004: 100%**
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Project Outcome 4: A Risk Management Model

An assessment of the range of existing risk management models currently employed in Australia and elsewhere will be undertaken in view of developing an appropriate model which can in future, be developed to guide risk assessments and risk analyses by using a 'total risk' approach to vulnerability, hazards, and the risk environment.

- This work on the model has developed a simple approach to modelling risk utilising material from two main

- COMPLETION at 16 December 2004: 90%

representatives from the Bureau of Meteorology, Tourism Queensland, Tourism Tropical North Queensland, Cairns City Council, Parks Victoria, Emergency Services (Queensland), and Emergency Management Australia. The Industry Reference Group will review all material prepared for the project and contribute recommendations on priority areas to be further addressed.

7. The web site was designed and built by staff at the Centre for Disaster Studies at James Cook University, and was launched in October 2004. The web site currently hosts a description of the project, copies of all project outcomes, and a variety of links to information and resources relevant to tourism risk management.

Thorough and comprehensive guidelines preparation is a priority for further stages of the project. At this stage, a range of templates have been prepared to test appropriateness of format and content. A draft Table of Contents have been developed to investigate priorities for the overall approach to the development of tourism risk management guidelines.

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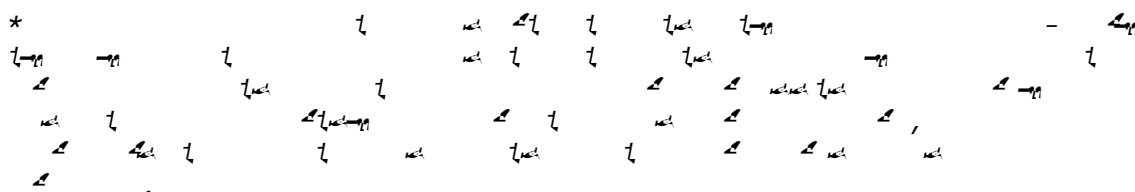
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The aim was to assess the preparedness of tourism businesses to cope with a variety of hazards that may or may not have an (negative) impact on future business viability. In order to find out how well tourism businesses were able to cope with disasters, and what preparations they currently have in place, primary research was undertaken in various North Queensland destinations (Cairns, Townsville and the Whitsunday Islands) to determine what tourism businesses perceive as their priority needs to cope with disasters.

7. Review and revise overall project objectives and scheduling.

Long Term Benefits of the Project



Based on thorough research done for the APEC Risk Management Manual¹, this project will build on that material with Australia specific examples of emergency management strategies and hazard mitigation measures, attuned to the tourism industry, the protection of infrastructure investment, and visitor safety and security in general. Destination managers around Australia will have the opportunity to access information (from the project web site) on a variety of risk related issues that are likely not a part of current business plans, corporate strategies, or disaster planning in general.

Benefits will include: minimising potential loss due to disaster or catastrophic events (life, real property, business interruption, reputation, insurance premiums); knowledge of the value of risk management strategies and disaster preparedness to sustainable and responsible best business practices; access to resources and training to assist tourism managers' capacity and ability to respond to risk events in a coordinated and systematic manner.

The project must be inclusive of all levels of industry representation to be able to provide an effective, practical application of risk management models to the variety of businesses directly and indirectly contributing to the tourism industry. This can only be achieved with a variety of communication tools including (but not restricted to) the

¹ Wilks, J. and S. Moore (2003). Tourism Risk Management For The Asia Pacific Region: an authoritative guide for managing crises and disasters. Brisbane, APEC.

following:

1. Announcing nationally the intent and scheduling for the project through industry partners, academic journals and all possible electronic communications
2. Making direct contact with a wide representation of tourism leaders.
3. Providing introductory presentations at relevant gatherings conferences and seminars on tourism related topics.
4. Supplementing the CRC newsletter with project specific material for dissemination through existing networks.
5. Summarising key project findings and progress statements regularly into small downloadable (pdf format) brochures to be made available to interested parties through the web site and in hard copy.
6. Providing regular press releases to the media on key issues and findings as they become available to the Team.
7. Providing an adequate opportunity for feedback from all businesses and individual stakeholders.
8. Publishing material regularly throughout the project in accordance with a publication plan prepared as part of the initial Scoping exercise, and
9. ... other means of maintaining a continued communications relationship with industry partners

Contents of Final Report Submission

While all documents prepared for this research project have been posted on the website, as a final submission to the STCRC, copies of these document have been compiled into a hard copy which is made up of the following documents:

Project Outcome 2: Managing Risk

Risks to Tourism (28pp.)

Vulnerability Reduction (9pp.)

Tourism Risk Management (40pp.)

Proposed Tourism Risk Management Guidelines Contents (2pp.)

Project Outcome 3: Long Term Risks to Tourism

**Tourism Futures: Risk and Catastrophe
Methodology and Results (28pp.)**

Project Outcome 4: A Risk Management Model

Tourism Risk Management Model (7pp.)

