

ARE YOU PREPARED TO MANAGE CRISIS IN THE HOSPITALITY INDUSTRY

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ABSTRACT

In contemporary academia, crisis is any event that is, or is expected to lead to, an unstable, dangerous situation affecting an individual, group, community or whole society. Crises are deemed to be negative changes in the security, economic, political, societal or environmental affairs, especially when they occur abruptly, with little or no warning. Crisis management in the hospitality industry has seldom been addressed as a specific course within programs offering a degree in hospitality administration/management or culinary arts. Yet, today the hospitality industry has an indisputable and unprecedented responsibility for the safety and health of guests at any venue .

Key Words:

crisis management
curriculum development
interactive learning
hospitality education

INTRODUCTION

Worldwide, the hospitality industry is facing increasing rates of crises resulting from both naturally occurring disasters, such as the 2010 earthquake devastation in Haiti or the 2011 tsunami in Japan, and man-made disasters such as the 2008 Monte Carlo Hotel fire in Las Vegas, Nevada (Monte Carlo Fire) as well as from terrorist attacks such as the 2008 attack on the hotels in Mumbai, India. Most recently, a new disaster occurred when the Carnival Corporation's cruise ship, Costa Concordia, ran aground on January 13, 2012 off the coast of the island of Giglio Porto, Tuscany with the loss of 11 people dead and 24 missing (Industry Weighs Effect). As another example, Canadian hospitality industry leaders faced monumental security challenges in their successful efforts to avoid any major crises during the 2010 Winter Olympics. The September 6, 2011 domestic terrorist attack at the International House of Pancakes in Carson City, Nevada, USA which left five persons dead and seven others wounded, is a prime example that today, more than ever, there is a need for crisis management training in the hospitality industry(911 calls).

An organization's survival in a time of crisis may depend on its having a well trained staff and persons in leadership roles that are knowledgeable about effective crisis management. To help meet this leadership need, it is the responsibility of hospitality management education programs to provide crisis management education to their students. Yet, very few programs offer any courses or training in crisis management. This paper addresses that void and discusses how hospitality management programs might provide the future hospitality industry leaders with basic knowledge about how to deal with a major crisis incident. Based on the successful implementation of a crisis management course into a hospitality management curriculum, this paper will address the following questions:

1. Is there a need for an educational program that addresses crisis management in the hospitality industry?
2. What are the stages in the crisis management life-cycle and how can these stages provide the foundation for crisis management education?
3. What methodologies best capture the attention of and are most relevant to the hospitality industry?
4. What educational methodologies work best in the classroom?

CRISIS VERSUS DISASTER

A Crisis is any event that does, or is expected to, lead to an unstable and dangerous situation affecting an individual, group, community or whole society. Crises are deemed to be negative changes in the security, economic, political, societal or environmental affairs, especially when they occur abruptly, with little or no warning. More loosely, it is a term meaning 'a testing time' or an 'emergency event' (Alexander, 2000).

A Disaster is a natural or man-made hazard that has come to fruition resulting in an event of substantial extent causing significant physical damage or destruction, loss of life, or drastic change to the environment. A

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disaster can be defined as any tragic event with great loss stemming from events such as earthquakes, floods, catastrophic accidents, fires, or explosions.

In contemporary academia, disasters are seen as the consequence of inappropriately managed risk. These risks are the product of hazards and vulnerability. Hazards that strike in areas with low vulnerability are not considered a disaster, as is the case in uninhabited regions (Alexander, 2000). Today, as never before in the history of the hospitality industry, all industry organizations have an indisputable responsibility for the safety, health and welfare of their guests.

Singh defines a crisis as: "as any action or failure to act that interferes with an organization's ongoing functions, the acceptable attainment of its objectives, its viability or survival, or that has a detrimental personal effect as perceived by the majority of its employees, clients or constituents in relation to the hospitality industry" (Singh, 2009). There are many factors that are contributing to the increased rates of crisis faced by the hospitality industry today. These factors include: naturally occurring disasters such as the Haiti earthquake devastation of 2010 and Hurricane Katrina that destroyed the United States' Gulf Coast Region in 2005, and man-made disasters like the terrorist attack on the World Trade Center in New York City on September 11, 2001 or the Monte Carlo Hotel fire in Las Vegas, Nevada that occurred on the morning of January 25, 2008.

The lessons learned from each of these incidents have all pointed out a recurring theme: that there is a need for an educated workforce that has the knowledge and tools for dealing with a crisis or disaster event in the workplace. The first six minutes of any event is critical for the survival/reduction of casualties and the loss of life as well as the reduction of adverse publicity for the involved organization. In today's society any crisis event will receive "real time" attention from the news media. An organization's survival may depend upon how well trained its staff is to deal with crisis, and that training can only come through education. That education starts with the top tier of any organization and flows down to the lowest levels where the most important aspect of any crisis management plan occurs, implementation.

Within the hospitality industry there has been considerable academic research that has addressed the theory of crisis management or the development of crisis management plans, but this research has failed to address the most important aspect of managing crisis, providing first responders. In regard to the hospitality industry, it is the management and staff of a hospitality venue who must be provided with the knowledge and tools to deal with the incident. How well persons respond to any crisis incident depends upon how well they were prepared and trained to deal with any given situation. The United States Navy has a mantra, "we fight as we train!" This same mindset is what leaders in the hospitality industry need to disseminate throughout their organizations in order to meet their responsibilities for the safety and welfare of their guests.

Dyck (2011), addresses the above in his article, "Crisis Management at an Unprecedented Level". He asks the question: "what would it be like to be the manager of the Hotel Inter-Continental Kabul, in Afghanistan when the terrorists attacked and made their final stand on the roof of the hotel?" In the aftermath, 11 guests were killed, and the terrorists were killed when the NATO forces responded with a rocket attack. His questions included:

- ✓ What had the management gone through in the 24 hours following the attack?
- ✓ Did the hotel have a crisis management plan?
- ✓ Did the plan cover an event of this scope? Given the location it is very possible that they did in fact have a plan in place.
- ✓ Were the employees on duty that night trained to deal with an event of this magnitude?

These questions are ones that the manager of any hospitality organization will most likely have to deal with at some point in their careers. Appropriate preparation/training can only be accomplished through the education of the hospitality industry workforce starting with top management and continuing down to the most important asset, the front line personnel, the persons who are usually the first to respond in a crisis. There is often a "gap" between what personnel plan for and what actually occurs during an incident. Management needs to plan for these contingencies using various recourses from both inside and outside their organizations (Quarantelli, 1988). Individuals in an organization do not always make the correct decisions during a crisis or under pressure. This poor decision making sometimes happens because "organization memory" is hard to maintain under stress (Nunamaker, Weber, & Chen, 1989). This need for correct decision making was stressed by Racherla and Hu, 2009, when they noted that even a minor incident such as a guest's slip and fall in a hotel lobby could lead to unwarranted crisis if the situation was not handled quickly and, more importantly, handled correctly by management. They pointed out that strategic plans and procedures for crisis management need to be in place, and the hospitality organization's staff need to be well trained in their use (Racherla and Hu, 2009).

The question is what is currently being included in the curricula being taught by hospitality management programs in institutions of higher learning to prepare current and future leaders/managers within the various fields of the hospitality industry to deal with crisis management? In 1995, colleges and universities in United States offered academic degrees in the area of emergency management. Their curricula focused on emergency management and disaster preparedness as an elective to a degree in political science or civil engineering. Some academic institutions offering emergency management degrees included:

- ✓ The University of North Texas (Bachelor of Science)
- ✓ Thomas Edison University (Bachelor of Science)
- ✓ Rochester Institute of Technology (Bachelor of Science)
- ✓ The University of California, Los Angeles (UCLA) (Continuing Education Certificate Program)

The establishment of the Department of Homeland Security in the United States federal government in 2002 was a signal by the U.S. federal government that “homeland security” had become a major priority for the United States. The head of this department, the Secretary of Homeland Security, had the creation of a new “Cadre” of management professionals with security or emergency services backgrounds as his first order of business. It was soon discovered that there was a major “shortage” of these qualified professionals. The second Secretary of Homeland Security, Michael Chertoff, took positive steps by directing the U.S. Federal Emergency Management Agency (FEMA) to establish the Higher Education Project (FEMA, 2007). This program was instituted to help institutions of higher education create and promote academic programs to educate individuals from government, business, and industry. The program also provided colleges and universities with an avenue for conducting needs assessments for prospective feedback on the development of security programs. FEMA’s Higher Education Project had five goals:

- ✓ Increase collegiate study of hazards, disasters, and emergency management
- ✓ Enhance emergency management professionalism
- ✓ Support development of academic disciplines related to emergency management
- ✓ Long-term: make contributions to enhanced hazards footing
- ✓ Long-term: greater collegiate role in emergency management and disaster recovery (FEMA, 2007).

CURRENT EMERGENCY MANAGEMENT PROGRAMS

The following higher educational institutions are currently offering degrees that are loosely associated with emergency management or security:

- ✓ George Washington University (PhD. Of Science, Crisis, Disaster, & Emergency Management). Department of Engineering Management
- ✓ Georgia State University (PhD in Disaster Science and Management. Department of Public Administration & Urban Studies.
- ✓ Louisiana State University (PhD in North Dakota State University (PhD Emergency Management. Department of Sociology & Anthropology).
- ✓ Oklahoma State University (PhD Disaster Science and Management Department of Environmental Science).
- ✓ Texas A&M University (PhD Urban & Regional Science. Department of Landscape architectural & Urban Planning).
- ✓ University of Delaware (PhD in Environmental and Energy Policy).
- ✓ Walden University (PhD in Public Policy & Administration, School of Management).

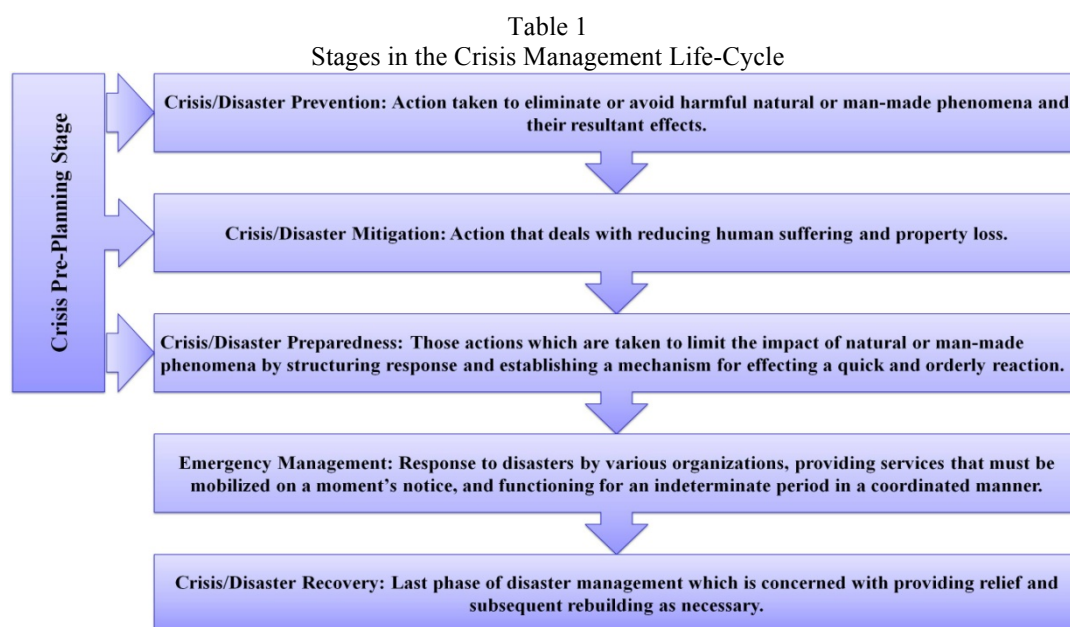
There are currently an additional 116 programs being offered at the following levels:

- ✓ 49 Associate Degrees
- ✓ 35 Bachelor Degrees
- ✓ 32 Graduate Degrees

While these degree programs may meet the needs of persons who are studying in the major fields of crisis management and security, the curricula offered by these programs fall short on what leaders and managers in the hospitality industry require. Hospitality industry leaders and managers do not need to know the workings of weapons of mass destruction (WMDs) or the command and control structure of the U.S. Incident Command System (ICS). Rather, they need a curriculum that deals with crisis and disaster management in the hospitality industry. Several institutions do currently offer crisis management instruction that is oriented toward the needs

of the hospitality industry. Taylor's University, Selangor Darul Ehsan, Malaysia, has an executive course/seminar for owners and senior executives of hospitality properties (Risk Prevention and Crisis Management). Texas Tech University in Lubbock, Texas offers a graduate course specifically designed for managing crisis in the hospitality industry. Senior level undergraduate students in the Hotel Administration degree program can be admitted to this course on a limited basis.

What methodologies best capture the attention of and are most relevant to the hospitality industry? Capturing the interest of the hospitality industry today is not a critical issue. Anyone who has a television, radio, computer, or a "smart" cellular telephone (cell phone) is "connected" to today's world's events in a microsecond. Events similar to hotel fires, cruise ship disasters, terrorist attacks, earthquakes and typhoons are available from the media almost instantaneously to all levels of management in the hospitality industry. In each case it is reasonable to assume that those individuals would ask the question, "What would I do if something like that happened here"? Table I indicates the states in the crisis management life-cycle, and illustrates an example of the basic information that hospitality industry managers should have if they are to effectively handle crises that may occur in their organizations.



The hospitality industry is well aware of the need to have trained personnel to deal with disasters or crisis within their organization. So, capturing industry attention is not the problem. Today there has been a paradigm shift toward a theory of "more is better" in higher education. Those institutions that offer the most "diverse curricula" are considered the best and attract the best students and faculty (Lucus, 2006). Thus, there is a need for universities and colleges that are currently offering degree programs in Food and Beverage Management, Hotel Administration and Management, Special Events Management, Convention Services and Recreation Leisure Management, and any other area that encompasses the hospitality industry to include in their curriculum materials and/or a course that addresses crisis management.

WHAT EDUCATIONAL METHODOLOGIES WORK BEST IN THE CLASSROOM?

In the *Fundamentals of Curriculum Development*, the authors state that, "Persons who have given serious attention to the problems of curriculum development now agree that curriculum principles and procedures should be grounded in social reality" (Smith, Stanley, and Shores, 1957 p.13). This statement is as true today as it was when it was written in 1957. The method of instruction for any program that deals with crisis management depends upon the students and their level of experience. It would appear that there are three levels or groups of students that need to be accommodated. First, there are those undergraduate students enrolled in Hospitality Administration/Management, Special Events Management, Convention Services, and Recreational Leisure management degree programs. Second, there are those students in graduate level programs, and finally, there are special needs students, executives and senior management levels from the corporate level. To meet the needs of the three groups will require very diverse curricula and instructional modalities.

The normal classroom lecture will not meet the needs of all three groups, and faculty will be required to develop new methods of instruction at both the undergraduate level and the level of the graduate school. Face to face lecture and recitation can still be used, but case study development, practical demonstrations, guest speakers by experts in professional fields related to crisis management (subject matter experts [SMEs]), and the use of multimedia will be required. The normal semester or quarter may require modification to meet the needs of an executive degree program as these individuals are running companies and cannot just "take off" from their organizations to attend classes. One method that could be incorporated to meet the needs of this unique group may be the use of online course offerings.

SUMMARY

The world encompassing the hospitality industry today is not as "safe" as it was in years past. Today going on a holiday with one's family or traveling alone on business or for a holiday has a certain amount of "risk" involved. It is the duty and responsibility of the owners, operators, and managers in all facets of the hospitality industry to protect the welfare of their guests. Hospitality destinations, whether a restaurant, sporting venue, or hotel, require trained staff who can quickly and efficiently respond to a crisis incident to protect the welfare of their guests. Abandoning the ship, hotel, or any venue before all of the guests have been evacuated as Captain Francesco Schettino did when his cruise liner sank is unacceptable.

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