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# Risk Management for Tour Operators

Online Training Course 2:  
Risk Assessment

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# AGENDA

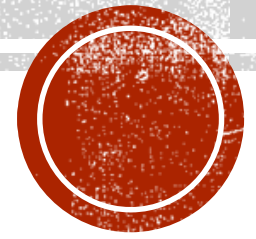
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- Risk assessment
- The 5 steps of risk assessment
- Homework assignment
- References



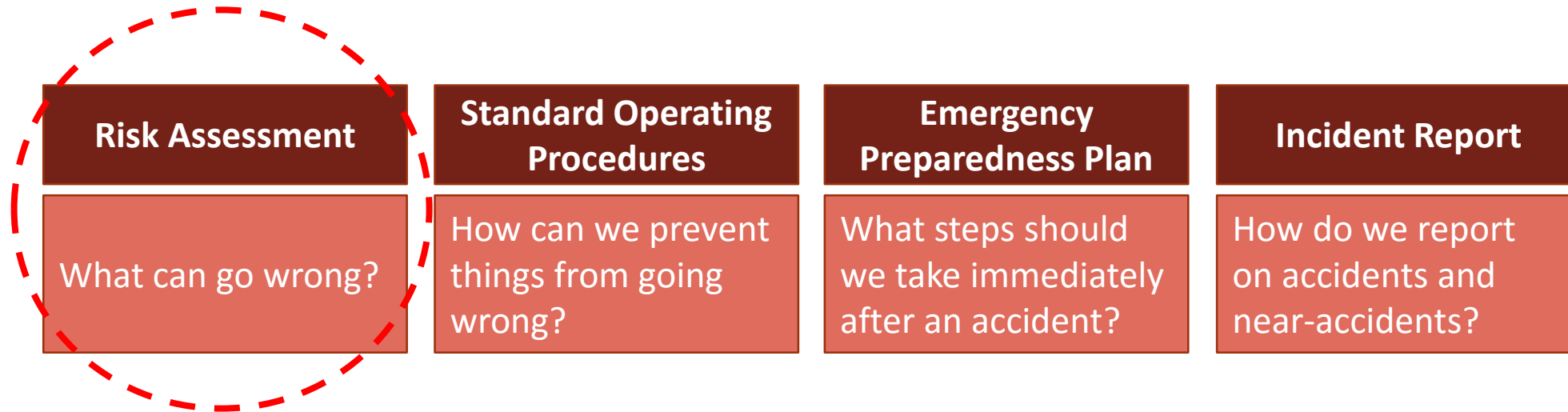


# RISK ASSESSMENT



# THE STANDARD RISK MANAGEMENT SYSTEM

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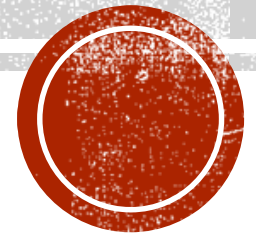
# WHAT IS A RISK ASSESSMENT?

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- Risk assessment involves **finding and assessing** the risks in your tours.
- **Why** should you do this?
  - Being aware of the risk can help **limit the number of accidents.**



# THE 5 STEPS OF RISK ASSESSMENT



## STEP 1: WHAT ARE THE RISKS?

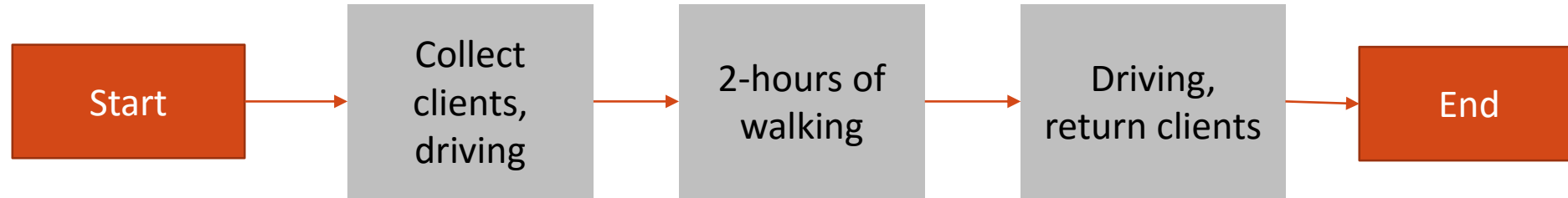
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- The first step is finding **which activities in your tour could lead to accidents.**
- It is necessary to **look at the entire tour and find all the different risks.**



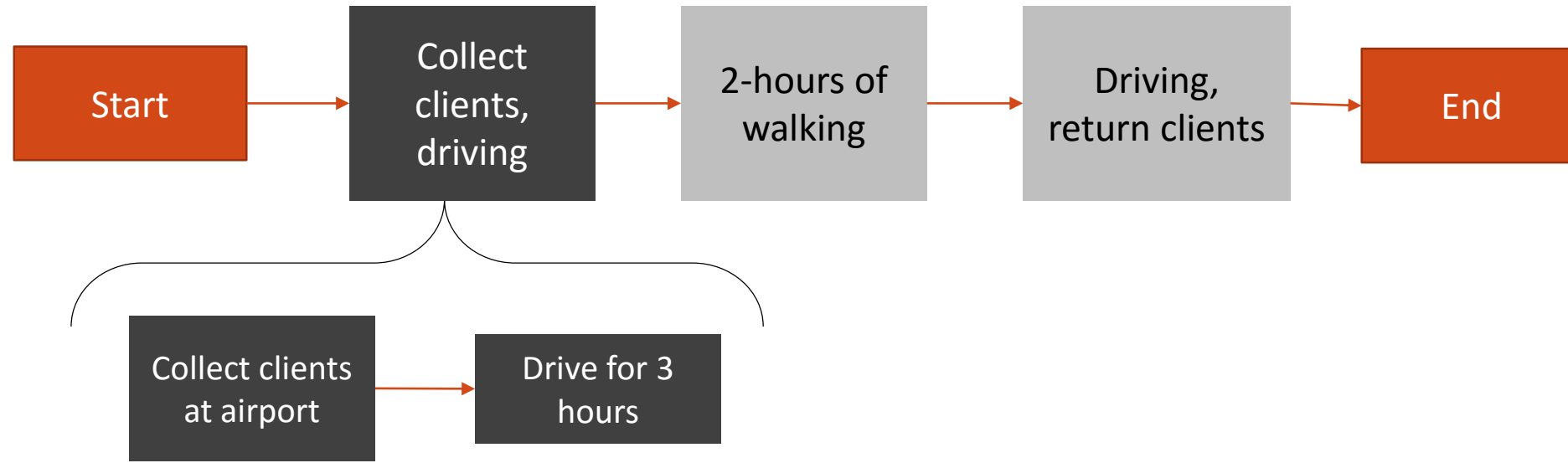
# STEP 1: WHAT ARE THE RISKS? EXAMPLE

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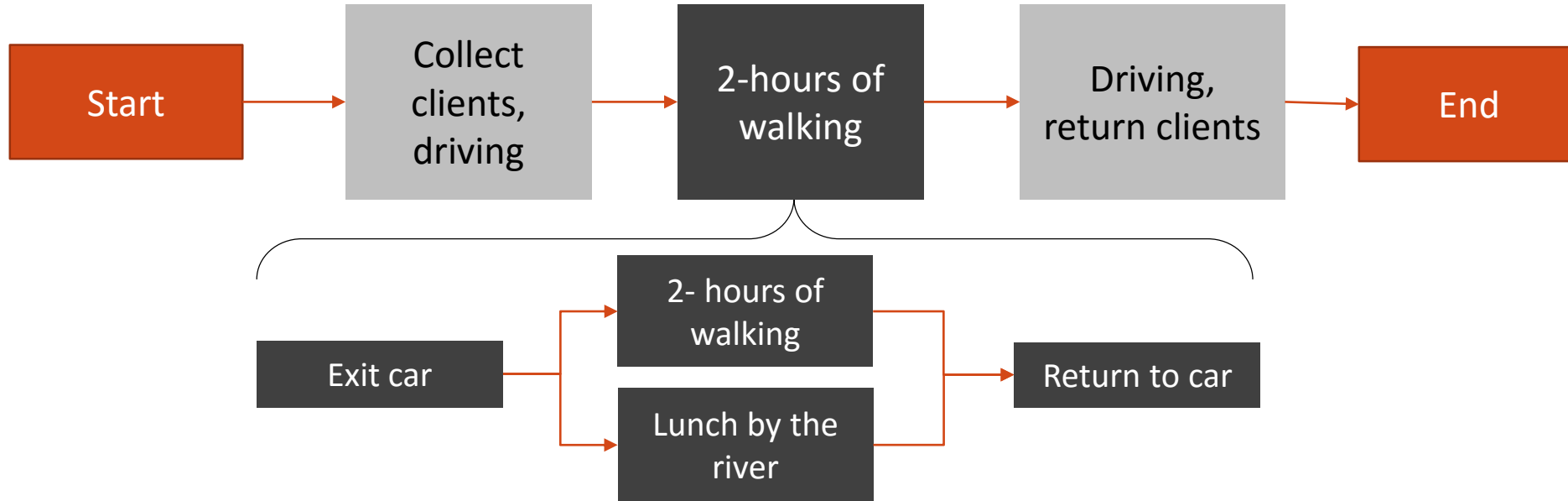
# STEP 1: WHAT ARE THE RISKS? EXAMPLE



Risk	
Client forgotten	A client could be left behind at the airport.
Bruises	A client could get bruises in the car.
Car accident	A car accident could occur.
Get lost	The driver could get lost and not find the destination.
Dehydration	A client could forget to drink water.
...	...



# STEP 1: WHAT ARE THE RISKS? EXAMPLE



Risk	
Sunburn	A client could suffer from sunburn.
Fall on ground	A client could trip.
Get lost	A client could get lost and get separated from the group.
Drowning	A client could drown in the river.
...	...



## STEP 2: ARE THESE RISKS ACCEPTABLE?

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- Next, we need a **system** to answer: **are these risks acceptable?**
- This system should be based on **2 questions**:

### 1. How **likely** is the risk?

Likelihood		
3	High	Often
2	Medium	Sometimes
1	Low	Rare

### 2. How **serious** is the risk?

Seriousness		
3	High	Life-threatening injuries / High unhappiness
2	Medium	Injuries that require a doctor / Medium unhappiness
1	Low	Small injuries / Little unhappiness



## STEP 2: ARE THESE RISKS ACCEPTABLE?

- **Is the risk acceptable?** = (Seriousness + Likelihood)

- **Example:** A client trips over uneven ground.

Seriousness = 1

Likelihood = 2

Seriousness + Likelihood = (1 + 2) = 3 → This risk is maybe acceptable!

- So... is the risk acceptable?

(Seriousness + Likelihood)	The risk is...
6	Unacceptable
3 – 5	Maybe acceptable...
1 – 2	Acceptable



## STEP 3: HOW CAN I ANALYZE THE RISKS?

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- To analyze the risks, you have to **use the system** from step 2.
- ...so answer the following questions for **each identified risk**:
  - How **likely** is the risk?
  - How **serious** is the risk?
  - **Is the risk acceptable?**



# STEP 3: HOW CAN I ANALYZE THE RISKS? EXAMPLE

## ■ Previous example:

Risk	Before Risk Management		
	Seriousness	Likelihood	Risk acceptable?
A client could be forgotten at the airport	2	2	4
A client could get bruises in the car.	1	2	3
A car accident could occur.	3	2	5

## ■ Reminder:

Key to risk assessment					
Likelihood	High	3	4	5	6
	Medium	2	3	4	5
	low	1	2	3	4
Risk	Unacceptable	1	2	3	
	Maybe Acceptable	Low	Medium	high	
	Acceptable	Seriousness			



## STEP 4: HOW DO I MANAGE THE RISKS?

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- What do we do with the maybe-acceptable (yellow) and unacceptable risks (red)?

Manage	Decrease the seriousness or likelihood of the risk. (Course 3)
Avoid	Eliminate the risk by changing/stopping that part of the tour
Accept	Accept the risk, but make sure insurance covers it.

- **Most of the time, we will choose to manage** the risks.
- We then need to decide:
  - **How** do we manage the risk?
  - **Who is responsible** for managing the risk?
  - Where is this rule **formalized**? (Documentation)



# STEP 4: HOW DO I MANAGE THE RISKS? EXAMPLE

- Risks from the previous example:

Risk	Before Risk Management			Manage, accept, avoid?	How to manage?	Responsible person?	Documentation
	Seriousness	Likelihood	Risk acceptable?				
A client could be forgotten at the airport.	2	2	3	Manage	The guide has a list of the clients and does a role call before departure.	Guide	Standard Operating Procedures for guides (more in Course 3)
A client could get bruises in the car.	1	2	3	Manage	The driver and guide remind everyone to put on their seatbelts.	Driver and Guide	Standard Operating Procedures for drivers and guides (Course 3)
A car accident could occur.	3	2	5	Manage	The driver checks safety of his vehicle before departure.	Driver	Standard Operating Procedures for drivers (Course 3)





# STEP 4: HOW DO I MANAGE THE RISKS? EXAMPLE

- Risks from the previous example:

Risk	Before Risk Management			How to manage?	After Risk Management		
	Seriousness	Likelihood	Risk acceptable?		Seriousness	Likelihood	Risk acceptable?
A client could be forgotten at the airport.	2	2	4	The guide has a list of the clients and does a role call before departure.	2	1	3
A client could get bruises in the car.	1	2	3	The driver and guide remind everyone to put on their seatbelts.	1	1	2
A car accident could occur.	3	2	5	The driver checks safety of his vehicle before departure.	2	1	3

## STEP 5: UPDATING YOUR RISK ASSESSMENTS & COMMUNICATION

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- Make sure you **update your risk assessments** after every high season.
- Make sure that there is **one person responsible for risk management** in your company.
- Make sure this person **communicates to all your staff** on risk management matters.



# HOMework ASSIGNMENT



# ASSIGNMENT 2

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- Complete a risk assessment for all of your company's tours and services.
- You can use the **risk assessment template** on our website.

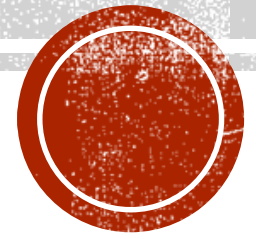


Risk Assessment  
Template

- In this template, complete columns A-E.
  - Complete columns F-L after you complete Course 3.
- Please send your assignment to [riskmanagement4tourism@gmail.com](mailto:riskmanagement4tourism@gmail.com).
- Please feel free to also send questions and comments!



# REFERENCES



## REFERENCES

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- Vakinn (2013): Safety plan for tourism. Guidelines and examples.  
<http://www.vakinn.is/static/files/Enska/safety-plan-for-tourism.pdf>
- Explore (2012): The Explore Safety Manual. How to keep you and your group safe (& happy!)



THANK YOU!

