

INDEPENDENT VALIDATION OF HOTEL SECURITY

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THE CURRENT HOTEL SECURITY LANDSCAPE

Hotels have inherent vulnerabilities to targeting by criminals and terrorist alike. This is nothing new and crime analysis in many countries will provide evidence that criminals see hotels as largely 'soft' targets which are rich in opportunity to target people or their possessions. The 'public' nature of hotel buildings, where guests and other legitimate visitors come and go freely, provides the opportunity for would be attackers to enter the building, anticipating little risk of detection, to then exploit opportunities for crime. Cyber criminals also see the hotel industry as a data rich playground for their activities.

Terrorists have similarly seen hotels as high-value targets, particularly in recent decades as terror groups globally have directed attacks at westerners and western interests or sought to attack international groupings of innocent people to gain maximum political impact for their cause. Terrorist attacks on hotels have increased markedly in recent years.

Despite this, hotel security is difficult for travellers and travel risk managers to assess, as the industry culture is such that the emphasis is placed on comfort, facilities, service and other attributes of guest comfort. Whilst many hotels do take security seriously and have good security, it is a fact that standards and security capabilities in hotels vary enormously, there being no commonly accepted international standards for security against which assessments can be made. Therefore, the hotel industry globally is largely 'self-regulating' when it comes to the protection of guests from harm perpetrated by others.

Security is usually not part of the public discourse between hotels and their clientele, but approached as a cost overhead requiring high levels of justification and authority. This approach has sustained the general vulnerability of hotels to crime and terrorism. However, modern communication has greatly increased general awareness of security incidents at hotels and raised the perception of the vulnerability of hotels amongst business and tourist travellers and those that manage their travel.

However there has been an increasing dissonance between the traveller or travel risk manager and hotels on this issue as many hotel owners, operators and managers remain focused on a traditional sales narrative embracing aspects such as quality, comfort, service, food, facilities and location. Security rarely features in the public narrative, yet there is strong evidence globally that the traveller and travel risk manager are increasingly seeking assurance about security.

Some travellers and travel risk managers have sought to use a brand or a high star rating as a general 'rule of thumb' guide to correlate good, or at least better security. However, there is no evidence that this is a reliable approach to the issue. Whilst higher star ratings may reflect better security, this is not always the case. Some brands or chains have well-developed security standards, but local implementation of these standards by franchised hotels is often inconsistent and there is little evidence of hotels being held accountable when not compliant.

RISE IN RISK TO TRAVELLERS



* Hospitality Leaders 2016



64%

of travel security professionals believe **the risks facing business travellers** have increased (Ipsos-Mori 2017)

48%

of business travellers said they would consider not travelling abroad for work if it took them to a location they consider unsafe (SAP Concur 2018)

89%

of guests rank security as their **first concern** when travelling (Travelzoo 2017)

65%

of corporate travel managers said their companies' attention to travel risk management has increased over the past 3 years (BTN 2017)

50%

of corporate travel managers said business travellers have expressed increased anxiety levels about safety and security during the past three years (BTN 2017)

** Bournemouth University Research for ITB Berlin 2017 (USA, UK, China, South Africa, Japan, Germany, France, Russia, India)

A NEW APPROACH

It is for these reasons that a new approach is needed to make security standards more transparent to the traveller and travel risk manager. This will allow hotels that have adopted a professional and diligent approach to security to be recognised and rewarded. This approach is based on objective third party validation of hotel security by qualified and experienced security experts against formal standards of security.

“When travelling to medium and high-threat destinations, hotel selection is important and should no longer be based on the size of the pool or the bar menu but on security”. David Curran, Director – Edson Tiger (March 2018)

INDEPENDENT SECURITY ASSURANCE

There are structural and commercial conflicts within the hotel sector that undermine its ability to respond to rising security challenges. Most branded hotels are not owned by the brand and are either managed or franchised. Therefore, when it comes to security there are often conflicts between the group or brand and the owners or managers of the hotel about security standards and levels of security related investment. Therefore, it is imperative that a more independent form of security assurance should be established. Such independent assurance would be unencumbered by these structural and commercial conflicts and can objectively assess each hotel against a clear standard, regardless of brand, management or ownership.

Independent assurance should determine that the hotel has:

- undertaken credible threat and risk assessments
- developed robust risk and threat profiles
- sufficiently prioritised security
- put in place reasonable and credible mitigation to deter or prevent both criminal acts and terrorist attacks
- developed response elements for the hotel during and in the aftermath of a criminal or terrorist attack

It is also imperative that those undertaking assessments have credible qualifications and experience to undertake this role. The independence and integrity of those undertaking assessments is also vitally important as this is a key component in building trust and confidence in hotel security globally.



DUTY OF CARE

It has long been established practice for corporate travel managers to seek assurance about hotel security. This is in large part driven by the specific duty of care employers carry to take reasonable steps to ensure the safety of employees they send on business travel. This duty of care has intensified in recent years, particularly but not exclusively, in developed countries as both the moral and legal imperatives have strengthened, and threats increased.

Corporates have sought to address this challenge by developing security and risk assessment capabilities internally or through external security support (intelligence reports and country profiles). They have also sought to develop internal or outsourced inspection systems to conduct physical inspections of hotels for security and safety standards before approving them for use by their employees. This extends to requiring their travel management partners to do the same on their behalf.

Where corporates or their travel management partners do not undertake physical inspections, they may then seek other forms of assurance such as requiring hotels to complete security questionnaires as part of a procurement process.

There are however weaknesses in these approaches:

- Corporate security teams have limited internal capacity to conduct physical inspections.
- There are cost implications and limitations.
- Inspections may have to be outsourced to third parties in different countries leading to variations in standards, expertise, reliability and integrity.
- Travel management partners may lack the security expertise and similarly may have to outsource inspections.
- Hotels are likely to 'self-certify' in procurement questionnaires in their own favour.

These weaknesses are exacerbated for smaller businesses and independent or leisure travellers, who may have to rely fully on their travel management partner / booking agent for security assurance or the hotel itself.

Where the validation of security is delegated to a travel management partner or booking agent there are potential conflicts as the partner or agent is profiting from the traveller or risk managers' business so there are incentives to ensure the business is transacted. This can create a lack of objectivity and inertia in raising security issues.

Corporate customers of hotels and travel management companies can use their purchasing power to encourage hotels to provide independent assurance of their security. Whilst credible providers already exist this would encourage new independent expert assessment providers to enter the market and incentivise hotels to submit to independent assessment against transparent standards.

INDEPENDENT SECURITY ACCREDITATION

The forthcoming ISO 31030 Travel Risk Management Standard is likely to promote more independent systems of validating security at hotels by recommending travel risk managers seek a consistent level of evidence-based validation; provided through their own internal security department capabilities or through more robustly independent and expert providers of assurance.

An ISO standard which encourages this approach will, in turn, encourage expert security accreditation and assurance providers into the market.

The benefits of these providers to hotels and the travel risk management community (and the traveller) are:

- Encourage the development and adoption of consistent and transparent security standards
- Introduce formal and independently supervised accreditation or certification systems.
- Greater independence from the potentially compromising commercial imperatives of the hotels, travel and travel management sectors.
- General and ongoing improvement in security standards in hotels.
- Reduction in the cost of assessing hotel security standards.
- Annual re-accreditation to maintain ongoing duty of care commitment.
- Accreditation attracting more corporate business to hotels and simplifying the validation process.
- Instilling confidence in independent travellers through greater security assurance.
- Providing independent internal assurance to hoteliers that appropriate security measures are in place.
- Generates reports and other assets that hotels can use as marketing tools to provide assurance potential clients.
- Greater reputational protection and defence against litigation in the event of a serious security incident.

The model of accreditation or certification potentially transfers the initial cost of assurance to the hotel sector rather than being borne by the corporate or travel management partner (although this may still be transferred to the client). In this model the hotel pays the validating organisation to assess the hotel against a published standard to determine if the hotel meets or exceeds the standard.

Failure to meet the standard would see the hotel provided with an action plan to address the areas of weakness before re-seeking accreditation or certification. Successful certification or accreditation will enable the hotel to advertise or market its security qualifications accordingly. For example, the 'Global Secure' accreditation includes the provision to the hotel of a detailed security accreditation assessment report which the hotel can provide to corporate and other clients as part of the assurance process.





PRIVATE ACCOMODATION / SERVICED APARTMENTS

The corporate travel community use hotels as the preferred type of accommodation for business travel, however there is growth in the use of private residences (i.e. Airbnb) and serviced apartments. The ISO 31030 standard may also consider recommending that travel risk managers consider taking steps to assess the overall security of such properties, if they are to sanction their use.

It is clearly possible for standards of safety and security to emerge in the serviced apartment market over time, but the use of private residences will present challenges as this market is extremely diverse, less mature and much more fragmented than the hotels sector.

SUMMARY

The hotel industry continues to evolve its security policies, systems and procedures in response to rapidly developing changes to the global risk and threat picture. Many hotels are exemplar in their development of intelligent and proportionate security regimes which incorporate good or best practice approaches. However, it is clear many hotels do not have such security in place either due to a lack of capability, resources, commitment or leadership and it is difficult for travellers to look below the surface to determine the difference between these two positions.

Global events, and the observable vulnerability of hotels has meant that security has become the major priority for corporate business travellers as well as independent travellers. For the industry to continue to 'mark its own homework' on security is no longer sustainable or desirable. Credible, qualified and fully independent security accreditation is now beginning to emerge in this sector. One such example is Global Secure Accreditation (UK) which has used police crime and protective security expertise, together with counter terrorism expertise, to develop a set of global 'risk based' hotel security standards. These incorporate the type of techniques used by leading law enforcement and security agencies in the prevention of crime and terrorism.

These standards 'flex' according to a formula based on the risk and threat profile of the hotel and trained experts determine what level of security needs to be in place to satisfy the standard. The standards and assessment processes, together with the assessor training have been formally accredited under the UK Government's 'Ofqual' qualifications and standards regulatory framework. In this model the company providing the assessments is 'supervised' by the standards body, who are the final arbiter as to whether the evidence justifies the award of the accreditation.

This approach is a 21st century form of 'self-regulation' by the industry which brings hoteliers, qualified security specialist and appropriate 'regulators' together in a collaboration to maintain trust and confidence through independently assured hotel security.

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