

BEST Education Think Tank

June 16-19, 2005
Kingston Jamaica

Author: Scott K. Cunliffe
tourismfutures.org
Keltenallee 3
Anif bei Salzburg
Austria
Email: scott@tourismfutures.org
riskanalyses@gmail.com

Title: *"Tourism Risk Management for Small and Medium Enterprises"*

Abstract: The presentation initially presents some recent research on risk models, their origins and their adaptation to tourism businesses. Risk management is a critical sustainable tourism working tool that can minimize losses of all kinds resulting from both natural and anthropogenic hazards. A few practical templates will illustrate the application of risk management methodologies that respond to the needs of the tourism industry small and medium enterprises in coastal tropical areas. The approach adopts the term '**Total Risk**' to describe what is needed to provide small businesses with a means to minimize future losses.

Secondly, the presentation will look at some existing examples of the inclusion or not of using risk management as a sustainable tourism planning tool. One such example is how the tourism sector of the economy was considered in the initial **response** to the recent Indian Ocean tsunami in examples of macro-economic **recovery** planning. The evidence is dismal, apart from the tourism industry response illustrated in the Phuket Action Plan draft from February 2005.

Thirdly, the presentation will take the 'Total Risk' approach to describe a few essential components of what is termed '**Critical Risk Infrastructure**' including risk financing, which needs urgent attention. Finally, the presentation will suggest a possible approach for integrating risk management into sustainable tourism that may require a paradigm change to include risk analyses in a comprehensive approach to minimizing future loss potential of small and medium tourism businesses. The future of sustainable tourism must necessarily account for the uncertainties of disaster and catastrophe and we possess the tools to act responsibly.