



RISK in Focus

Table of Contents

3



Maintaining Staffing Levels

8



Cyber Risk

12



Alcohol Liability

15



Slips, Trips + Falls

19



Water Damage, Mold + Related Risks

23



Rising Cost of Insurance for Commercial Vehicles

RISK in Focus



Maintaining Staffing Levels

RISK in Focus

Maintaining Staffing Levels**Background**

In the hotel industry, positive guest interactions with high-quality, experienced staff members (at the front desk, in the gift shop clerk, and in the restaurant, for example) is an important element of a successful guest experience, customer loyalty, and, ultimately, a successful hotel.

These jobs can be challenging, though, and these employees face difficult circumstances related to overwork, frantic rush periods, and customer rudeness. Few hotel staff at the non-managerial level choose to make it a career. Due to immigration restrictions and other issues, hotels were challenged to find enough qualified workers even prior to the pandemic.¹

With the onset of COVID, the hotel industry, and hospitality in general, was one of the first industries to suffer. According to the American Hotel & Lodging Association (AHLA), it's also projected to be one of the last to recover as many business and personal travelers will be hesitant to travel immediately. AHLA also reported in late August 2020 that four out of ten hotel employees were not working due to the fact that 65% of hotels were at or below 50% occupancy – the break-even point for most properties.²

Many of these laid-off hotel workers have transitioned to other industries or careers. Thus, once hotels approach pre-pandemic occupancy rates, they'll be even more vulnerable to staff shortages than before.

Hazards Contributing to the Risk**Hazard 1: Failure to Stay in Contact with Furloughed Workers**

Laying off an experienced hotel worker is difficult for all parties. If the hotel management team doesn't stay in touch with furloughed workers and check in on their welfare occasionally, the hurt feelings following a layoff not only won't subside, but they could turn to resentment. Alternatively, if that former employee feels valued as a person, not just as a worker, they'll be more likely to return to the hotel when the economics permit, provided they haven't moved on to other opportunities.



Hazard 2: Offering Minimal Wages Instead of Industry-Leading Compensation

Hotel job compensation ranks lower than the average compensation in the United States, paying an average of \$32,420 compared to the U.S. overall average of \$38,640.³ It's one of the reasons employee turnover rate in the hotel and motel industry quite high – over 73%.⁴

There's a certain special group of hotel workers, though, who do choose to stay in the industry long term and make it a career. The primary route for advancement for these experienced people is to move to higher-status hotels that pay their team members commensurately with their experience. Lower-paying hotels will continue to lose experienced team members and professional talent to those properties.

Hazard 3: Not Providing Clear and Accurate Job Expectations

It's tempting to idealize a job description during the recruiting and training phases for new hotel employees. But that will backfire and contribute to turnover when the negative aspects of the job quickly become clear over time. Resentment about these negatives will arise and could even prove toxic across the workforce as employees who feel they were duped leave the job and complain to their peers on the way out.



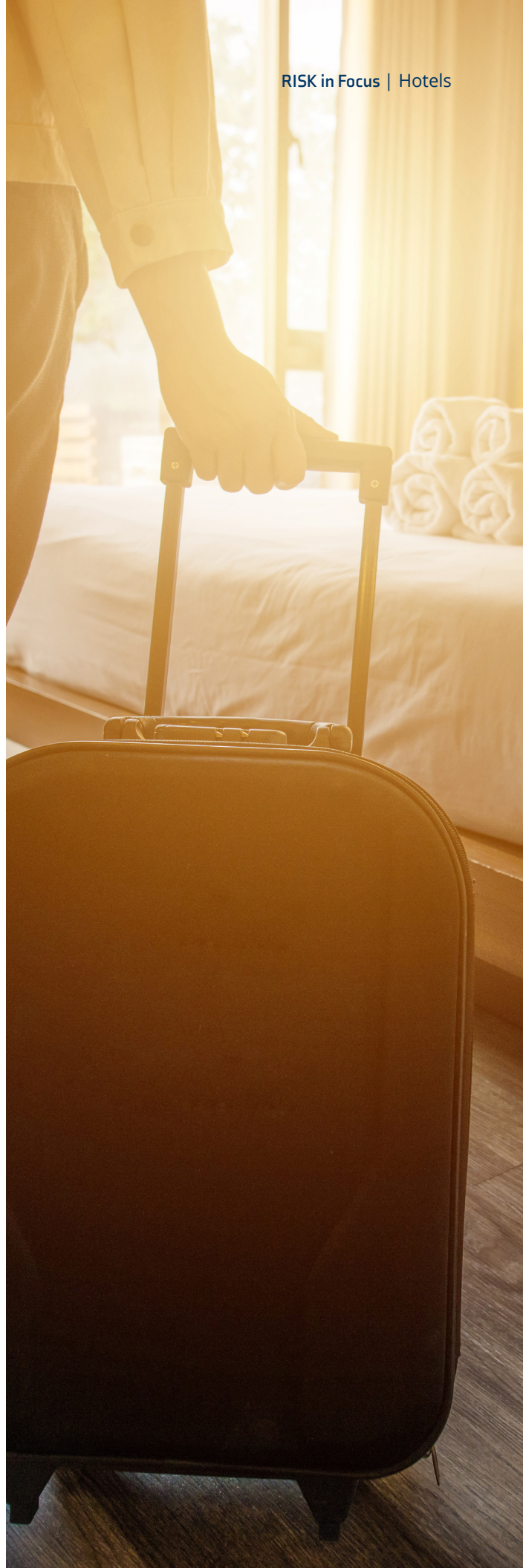
Hazard 4: Failure to Treat Employees Like Long-Term Associates

Too many hotels treat employees as expendable – taking the approach that if an employee leaves, they can be easily replaced. If an employee doesn't feel respected, if they don't feel the hotel is investing in their ongoing training, or if they don't see any path to advancement, they'll treat the job as temporary while they remain open to a better opportunity. Hotels are starting out on the wrong foot regarding employee retention if their job descriptions don't discuss paths for promotion or if the company doesn't promote from within whenever possible and advisable.⁵

Hazard 5: Lack of Attention to Employee Mental and Physical Health

A study by the Substance Abuse and Mental Health Services Administration (SAMHSA) reports that restaurant and hotel work is one of the most addiction-prone careers.⁶ Hospitality industry employees face challenges from many sides when it comes to physical and mental health.

In hotels, work hours can turn into long, exhausting shifts during which many employees struggle with poor treatment from customers. This atmosphere, combined with late-night closing shifts, creates an environment for alcohol and drug abuse. Additionally, for some, living paycheck-to-paycheck can also contribute to anxiety-induced substance abuse. Whatever the trigger, it's advisable and understandable that these people leave the industry and the hospitality environment altogether.





Hazard 6: Failing to Conduct Proactive Recruiting

Hotels should maintain records of all past employees and applicants. Solid applicants and former employees may have opted for another position in another establishment. It may have worked out well for them, but if it didn't, they may be open to joining the original team if the door is left open and if the management team reaches out occasionally (unless the individual objects).

Hazard 7: Failing to Provide Unique Benefits

Small gestures can go a long way to differentiate the employment experience from one hotel property to another. If the hotel doesn't find creative and unique ways to reward and acknowledge their employees, and highlight these features in their recruitment processes, they're missing an opportunity to bring in and retain the best employees. An employee experience brand that improves retention can be almost as important to the hotel's success as its customer-facing brand.



RISK in Focus

A close-up photograph showing two hands exchanging a credit card. The hand on the left belongs to a person wearing a white shirt with a black polka-dot pattern. The hand on the right belongs to a person wearing a dark, textured sweater. The background is a blurred office setting with a laptop and a desk. A large, dark blue, semi-transparent graphic shape is overlaid on the bottom right of the image, containing the text 'Cyber Risk'.

Cyber Risk

Background

Cyber risk most often refers to the risk of financial loss, liability, disruption, or damage to the reputation of an organization resulting from the failure of its information technology (IT) systems. The hotel industry is among the five industries most likely to experience a cyber hack, given the large amount of payment information and guest data stored, and the relatively low levels of security typically in place.⁷ Hackers aren't only after credit card accounts; other guest data is valuable to cyber criminals as well, such as email addresses and records of onsite purchases.⁸

Just as concerning, in the vast majority of successful cyber incidents, hotels don't discover the breach on their own. Weeks or months can pass before they're informed by law enforcement or other investigators.⁹ In 2018, for example, Marriott discovered that its systems had been compromised in 2014. In the meantime, four years' worth of guest financial and personal identification data was potentially compromised.¹⁰

When these data breaches come to light, there's not only a significant cost related to investigations, crisis management, remediation, and liability, but a significant impact on customer affinity and a dilution of the brand.

Cyber ransom incidents are one of the fastest fast-growing categories of cybercrime – up 139% in the third quarter of 2020 compared to the same timeframe the year before.¹¹ The largest demand in 2020 was \$30 million. One of the most potent malware versions, Maze, averaged \$4.8 million per ransom demand in 2020, which is significantly higher than the average ransom demand of \$847,000 across all ransomware families in 2020.

Hazards Contributing to the Risk

Hazard 1: Inadequate Training of Staff

Experts suggest that hotel employees are the “weak link” in a facility's cyber security. Therefore, these attacks will continue, and this valuable personal data will be vulnerable, so long as companies fail to train employees about cyber risks and what to look out for. Some companies go so far as to send test “phishing” emails to their staff periodically to measure vulnerability and provide training moments.

Similarly, it's critical that hotels advise employees on legitimate service providers who are authorized to provide IT services for the company.

Hazard 2: Failure to Protect Point of Sale Systems

One of the most significant exposure routes for hotel IT systems and their guest data is through the point-of-sale systems (POS) they put in place to improve the guest experience. POS systems are connected to popular amenities related to guest check in, room service, in-person restaurant purchases, coffee shops and bars, and more. Hotel POS systems are a key target for cyber incidents because of the considerable amount and depth of payment card information (PCI) and personally identifiable information (PII) they gather.

Hazard 3: Failure to Use Ideal Software Applications

Even the newest web-based hotel management software can be vulnerable to cyber incidents. Multi-processing systems, whether web-based or other, are vulnerable since they leave applications running in the background when they're not being used.¹² If hotel management teams don't learn about and adopt new IT applications that close these and other points of entry for threat actors, it's just a matter of time before hackers exploit those weaknesses to access the data or plant ransomware (the fastest growing area of cybercrime¹³).

Hazard 4: Poor Management of Guest Wi-Fi Services

One of a hotel's most frequently used amenities is also one of its greatest cyber security liabilities. Whether guests are online in the lobby or their rooms, cyber threat actors can easily gain access to their personal devices if guests are using the hotel's complimentary Wi-Fi network.

The hotel as well as the guests have a role to play to keep this information safe while guests access these networks. First of all, guests should be advised about the risks of using the network. And from the hotel's perspective, old equipment, outdated firmware, and the failure to frequently update passwords all increase cyber vulnerability. The FBI agrees, stating that, "Malicious actors can exploit inconsistent or lax hotel [Wi-Fi] security and guests' security complacency to compromise the [business] and personal data of hotel guests."¹⁴



Hazard 5: Lack of Clarity in Responsibilities Between the Corporate Entity and the Franchisee

Cyber threat pathways are similar for both a corporate-owned hotel and a franchisor-owned hotel. For franchised properties, the responsibilities related to preventing data breaches and securely maintaining data should be spelled out contractually. This will ensure that appropriate security steps aren't accidentally overlooked with one party thinking the other is taking the lead in preventing cyber breaches. After all, it's in the franchisor's best interest to ensure the franchise property takes this responsibility seriously since breaches to a franchised system will significantly affect the corporate brand. However, mandating that franchisees apply specific solutions, such as maintaining PCI technical and operational standards, could actually increase the franchisor's liability exposure.

Hazard 6: Failure to Assign a Qualified Person with the Responsibilities of a Chief Information Security Officer (CISO)

Despite the high likelihood and the potential impacts of a cyber incident on a hotel IT system, few hotels assign qualified people to try to ensure this doesn't happen. If properties don't have a tech-savvy person responsible to establish staff policies and continually review equipment and software, they'll be much more susceptible to threat actors and incidents.

The CISO position has been the norm in financial and other industries for several decades. These professionals have portfolios that range from data loss and fraud prevention to maintaining the security IT architecture.¹⁵ In a major hotel, this should clearly be a full-time focus for a qualified employee or outside resource. No systems can be 100% secure, but the goal is to make sure that state-of-the-art security policies and practices are in place to deter cybercriminals and cause them to shift their sights elsewhere.



RISK in Focus

A close-up photograph of a bartender's hands pouring a golden-brown liquid through a metal strainer into a glass. The bartender is wearing a black apron. The background is a blurred bar setting with warm lighting. A dark blue graphic overlay is on the right side of the image.

Alcohol Liability

Background

U.S. state “dram shop” laws hold businesses liable when they serve or sell alcohol to minors or visibly intoxicated people who later cause death, injury, or property damage.¹⁶ Third-party victims of this intoxicated behavior can file civil lawsuits against the hotel food service and/or the waitstaff who sold the alcohol. These victims may also sue the intoxicated person directly, and the intoxicated person might also sue the hotel.

Hazards Contributing to the Risk**Hazard 1: Lack of Employee Training**

Employees who serve alcohol are a hotel’s first line of defense against the risk of alcohol liability. They’re likely to fail in this mission, though, if they haven’t been thoroughly trained regarding the signs of intoxication, the laws and penalties regarding serving minors and intoxicated people, and the proper steps to confirm that a person is of legal age. After all, while there are certainly scientific ways to measure blood alcohol content levels, these aren’t available to wait staff and bartenders in the hotel restaurant and/or lounge.

Room service raises a special area of concern. Similar to COVID-era laws that allowed the sale of alcohol drinks to-go or for delivery, the hotel staff can’t be certain who will ultimately consume that drink delivered to the room. It might be a minor who’s also in that room or an inebriated co-traveler across the hall.

Too often, training in all of these areas falls to the wayside. Untrained employees or front-desk workers may step in as servers during a rush. If an employee is hired to help during a busy season, they might be needed in the hotel restaurant or lounge to work immediately, and their alcohol liability training may be skipped or abbreviated. High turnover can also result in a chaotic onboarding process in which training for some employees is given short shrift, overlooked, or forgotten.

Hazard 2: Lack of Employee Motivation to Adhere to Their Training

A server's financial motivations can place them at odds with the alcohol serving policies that protect the hotel from liability. Waitstaff and bartenders depend on tips to augment often low hourly wages. More sales and happier customers translate to higher tips.

Thus, if a patron's age or level of inebriation is in a gray area, the server may be willing to give them the benefit of the doubt rather than take steps to enforce the rules at that point. After all, they may have spent several hours waiting on a certain customer only to receive a smaller tip, or no tip at all, if they follow their training and say "no."

Hazard 3: Employees Assuming Hotel Guests Can Drink Heavily Because They're "Staying In"

It's all too tempting to assume a hotel patron is going safely back to their room after they've over-imbibed at the hotel happy hour or on-site banquet. They may even mislead their server that that's their intention, so it's okay to serve them "one more." Their room might indeed be the guests next stop ... to freshen up before taking a night on the town.

Further, an inebriated guest can cause trouble inside the hotel as well. Fights with other guests, partner abuse, and falling down a stairwell can all trigger liability as readily as a drunk driving accident.



Slips, Trips + Falls



RISK in Focus

Slips, Trips + Falls**Background**

Clean floors, expansive lobbies, lush rugs, spas and pools – these are all enticing images for a successful hotel property. But within each one of those images lies a hidden threat. Hotel managers should see in each one the possibility of a guest or staff member slipping on that newly buffed floor, a child tripping on that pool deck, or a staff member who's carrying a guest tray tripping over a rug in the lobby elevator alcove.

Slips, trips, and falls are all too common in hotel settings. Preoccupied guests don't notice the water drops another guest shook off their umbrella just a minute before – before housekeeping or the front desk staff had a chance to mop it up. Guests may step into the bathtub in their room, not familiar with how slippery their footing might be.

Paying extremely close attention to wet floors and similar hazards, as described below, may seem excessive, but the consequences of a slip, trip, and fall accident for a staff member or guest can be severe as well. It's estimated that the average medical cost of a slip, trip, and fall incident is \$20,000, while the average cost to defend a related claim is \$50,000.¹⁷

Hazards Contributing to the Risk**Hazard 1: Inadequate Housekeeping Attention to Floors**

While ideally everyone who works in a hotel should make housekeeping a priority, managers must specifically direct the housekeeping team to pay continual attention to floors in common areas – lobbies, gift shops, elevator banks, breakfast lounges, coffee islands, and similar spots – as well as walkways outside the door. Dedicating one person to making continual rounds to these locations is an established best practice.

Management should bear in mind, though, that while shiny, well-buffed lobby floors are attractive and create a good first impression, these can be the most dangerous locations for slips and falls since guests will track in snow and mud from shoes and drip water from their umbrellas. Consider replacing entryway tiling with attractive non-skid floors.

And speaking of non-slip floors, be sure shower and tub surfaces are nonslip as well.

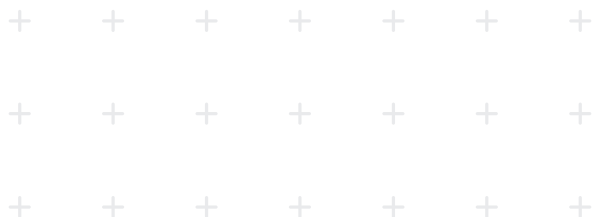
Hazard 2: Failure to Make Spill Management a Top Shared Priority

Bellmen, breakfast lounge staff, and desk staff should take a nearly “drop-everything” approach to cleaning spills when they happen. Cleaning supplies, including rags to mops, should be staged in multiple spots so they are out of view but always within reach.

Staff should be reminded, too, that water isn’t the only floor hazard. Dust and leaves on the floor can also cause a guest or staff member to slip.

Hazard 3: Failure of Management Staff to Perform Walk-Throughs

Management teams should routinely walk the floors of the hotel to look for potential hazards that could cause slips, trips, and falls. They should be mindful of any condensation or leaks (e.g., from an ice machine or pipes), rugs with turned up edges, rugs that don’t grip the floor, and objects out of place that may be in the path of a guest.



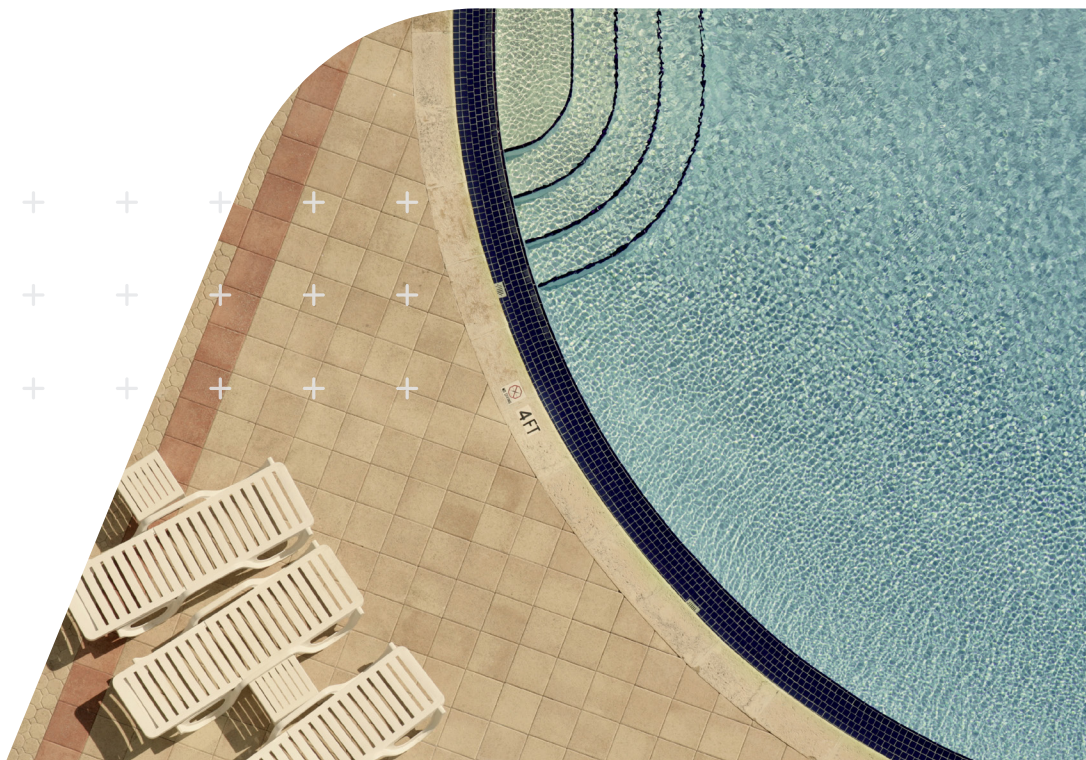
Hazard 4: Inadequate Response to Wet Weather

Rain and snow should put the entire hotel team on alert to monitor outdoor walkway and interior floor slip and fall hazards. Management should assign specific staff to continually shovel snow and apply deicer. Weather mats should be put in place from the point of entry well into the lobby. The mats should be absorbent, have beveled edges to reduce the risk of tripping, and have sufficient adhesion to the floor so they don't slip.¹⁸

Floor signs warning of possibly slippery floors should be placed conspicuously throughout the lobby during these times. And of course, mopping should be continual as well as verbal reminders to the guests from team members to "Watch your step, the floors could be slippery."

Hazard 5: Poor Enforcement of "No Running" Rules on Pool Decks

If pools are supervised, the lifeguard should be vigilant about enforcing the "no running" rule on the pool deck. If the pool isn't supervised, this rule should be highlighted on the posted Pool Rules sign.



RISK in Focus



Water Damage, Mold + Related Risks

RISK in Focus

Water Damage + Mold**Background**

Hotels can be ideal locations for mold due to common sources of persistent water and moisture – from guest bathrooms to ice machines to the kitchens and breakfast nooks. Mold spores can thrive and multiply if they have an organic food source (e.g., wood or the paper covering on drywall) and if the environment on which they come to rest is warm and moist. In these cases, the mold can grow to dangerous levels very quickly.

Whether it's through breathing, swallowing, or skin contact, at low levels, most people won't have a reaction to mold. However, as mold concentrations increase, people with underlying health conditions and compromised immune systems may be more sensitive to the health effects and experience severe asthma aggravation, skin irritation, fatigue, muscle aches, and worse.

Accumulated mold can also severely damage a building's physical structure since it can weaken the integrity of the wood and drywall it is slowly consuming.

Hazards Contributing to the Risk**Hazard 1: Failure to Maintain Proper Indoor Environmental Conditions**

The proliferation of mold requires:

- + Moisture or a high relative humidity (60% or greater)
- + Temperatures between 40-90 degrees Fahrenheit
- + Organic matter as a food source, for example wood, drywall, carpet, cotton clothing, and other material

The majority of hotel managers make it a point to review and inspect their property for areas that could support mold growth. However, in the right conditions, mold can rapidly grow. When mold is found, the factors causing the mold in addition to clean-up must be addressed – for example by dehumidifying and cooling the environment.

Hazard 2: Failure to Properly Maintain Air Circulation Systems

Given the right combination of food, temperature, and moisture, mold can grow nearly anywhere. Air ducts are an especially hospitable environment for mold and bacterial growth. These ducts often contain dust that can serve as a food source for the spores. If humidity is introduced into that system from drip pans, humidifiers, or cooling towers, the mold will thrive – and its spores will spread throughout the property.

Industrial hygienists agree that regular inspection of ducts for cleanliness and moisture is critical. They also encourage hotel maintenance teams to follow manufacturer-recommended maintenance schedules for their ducts and related filters.¹⁹

Hazard 3: Assuming a Clean Indoor Environment is Safe from Mold

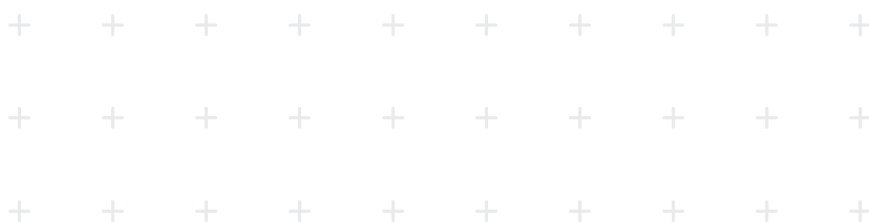
Even the “cleanest” rooms can have a mold problem simply because mold isn’t always a matter of building hygiene, it’s a natural environmental condition. Thus, the absence of visible mold or the lack of any moldy odor isn’t proof that it’s not present at dangerous levels.

Only regular air sampling by an industrial hygienist can definitively determine that mold levels are not a problem in a given hotel structure or a room.

Hazard 4: Reopening a Building Without Analyzing the Potential Mold Situation

During the pandemic, many hotels closed off floors or wings to allow for more efficient housekeeping. Some hotels closed completely for a period of time. Unoccupied areas are always a threat for mold. Unreported water leaks and relatively undisturbed indoor air, whether from scaled-back HVAC systems or the lack of human activity, can help create ideal environments for mold proliferation. By the time these rooms are occupied once again, exposure levels may have become dangerously high.

If hotel managers and engineers fail to inspect for mold and conduct an air sampling survey prior to reopening to previous occupancy levels, guests and staff could be coming back to unhealthy indoor environments.



Hazard 5: Failure to Closely Inspect Guest Rooms for Water Leaks and Mold

Guestroom bathrooms are very prone to moisture problems and, therefore, mold. Guests may be careless with shower curtains or fail to run exhaust fans. They're not inclined to soak up water on the bathroom floor as they would be at home. Circulation in hotel rooms is often less than ideal as guests are not inclined (or able) to open windows. Water leaks can also come from improperly maintained air conditioning units in the room.

Hazard 6: Using Incorrect Mold Remediation Techniques

Mold is unsightly in any setting, especially in a hotel. Housekeeping and maintenance teams may be tempted to simply caulk over it or scrape it off. They may try to effectively treat the area without addressing the root cause. Removing accumulated water and eliminating a leak is a critical step – after sealing off the area from the rest of the building. Only then should work begin to treat or remove mold-exposed wood or drywall.

With the water source eliminated, the area must be dried. But using blowers to dry an area could in fact spread the spores further. Similarly, putting in heaters might perpetuate the warm environment in which mold thrives. Wiping down the mold before it's killed will spread its spores as well.

Remediation of larger mold growths is not a “do-it-yourself” job. Regretfully, Lysol, bleach, fumigants, and most fungicides won't completely take care of the problem. Only a few chemical treatments are proven to kill or mitigate mold. And if these are used indoors by inexperienced crews, they could create another type of hazardous indoor environment.

Hazard 7: Failure to Maintain Water Systems that Help Prevent Legionnaires' Disease

Legionnaires' disease is a severe type of lung infection caused by legionella bacteria. Health departments in the U.S. reported around 10,000 cases of the disease in 2018, and that number is likely underestimated since the disease is frequently undiagnosed. (<https://www.cdc.gov/legionella/fastfacts.html>) Legionnaires' disease is contracted when a person inhales water droplets or vapor that contain the legionella bacteria. If hotel water systems are not utilizing appropriate disinfection processes and water management systems, legionella bacteria can spread to guests through shower heads, cooling towers, ice machines, humidifiers, standing water in unoccupied areas, hot tubs, decorative fountains, and other features that introduce water droplets and steam into the air within the facility.



RISK in Focus



Rising Cost of Insurance for Commercial Vehicles

RISK in Focus

Rising Cost of Insurance for Commercial Vehicles

Background

One area of expense that hotels tend to pay insufficient attention to is the cost of commercial insurance for the vans and other vehicles they use for customer and business service. As the hotel industry recovers from the disastrous effects of the COVID-19 pandemic, every dollar counts, and it's imperative to limit this fixed cost as much as possible.

Unfortunately, commercial auto insurance rates have been rising significantly in recent years, and this trend will not slow down in the near future. Alera Group Inc. forecasts that commercial auto insurance rates will increase between 10-20% in 2021, and that the highest increases, along with higher deductibles and lower limits, are in store for the largest commercial fleets.²⁰

Hazards Contributing to the Risk

Hazard 1: Failure to Enforce Policies Requiring Drivers to Avoid Distractions

The risks associated with distracted driving are not new, but drivers have more and more distractions literally staring them in the face when they're behind the wheel of the hotel van or town car. GPS navigation systems, Bluetooth audio systems, texts, email, cameras, and more are increasingly competing for that driver's focus.

Far too often, hotels don't adopt and strictly enforce policies related to:

- + Use of handheld devices while driving
- + Carrying unauthorized passengers
- + Unauthorized drivers
- + Driving while eating

According to one recent analysis, distracted driving kills nine people each day and injures another 1,000. It accounts for 8.5% of the fatalities in automobile crashes.²¹ Even though the use of handheld phones and PDAs while driving is illegal in many states,²² it's still happening far too often with all drivers, including the younger, male drivers who tend to drive more miles than their counterparts.²³

Hazard 2: Not Budgeting Adequately for Maintenance and the Cost of Minor Repairs

The advanced features on newer vehicles lead to increased costs of maintenance and repair, following even minor accidents. For example, as of May 2018, all new vehicles were required to have rearview video systems (backup cameras) in accordance with National Highway Transportation Administration (NHTSA) regulations. This technology should reduce accidents; however, it has also made common and previously inexpensive bumper repairs more costly to the point where they trigger auto insurance claims. According to U.S. government data, between 2000 and 2017, motor vehicle repair prices increased 61%, and vehicles were far more likely to be declared total losses after an accident.²⁴

Hazard 3: Maintaining and Insuring a Newer Fleet than is Necessary

Related to the increased cost of repair, newer vehicles with newer features are more expensive to insure. While they may come with new-era safety features (e.g., collision warning) that can temper the vehicle insurance rate increase, cost of replacement is one of the primary features determining commercial auto insurance rates for a hotel's fleet of vehicles.

Hazard 4: Poorly Managed Use of Employee Personal Vehicles for Business Use

There are times when an employee will be asked to use their own car for hotel-related business, as well as times an employee does this on their own accord. In both cases, while the employee's personal auto policy provides primary coverage for an at fault accident, the hotel may be held liable for losses beyond those coverage limits. If hotels don't ensure that the employee has adequate vehicle coverage – ideally \$100,000/\$300,000, the hotel's direct costs could be significant in the event of an accident.

To minimize this financial hazard, before an employee is authorized to drive on behalf of the hotel (and at least annually thereafter) the management should check that driver's motor vehicle record (MVR) to determine the level of risk that employee poses and also require the employee to sign an agreement that includes detailed standards on:

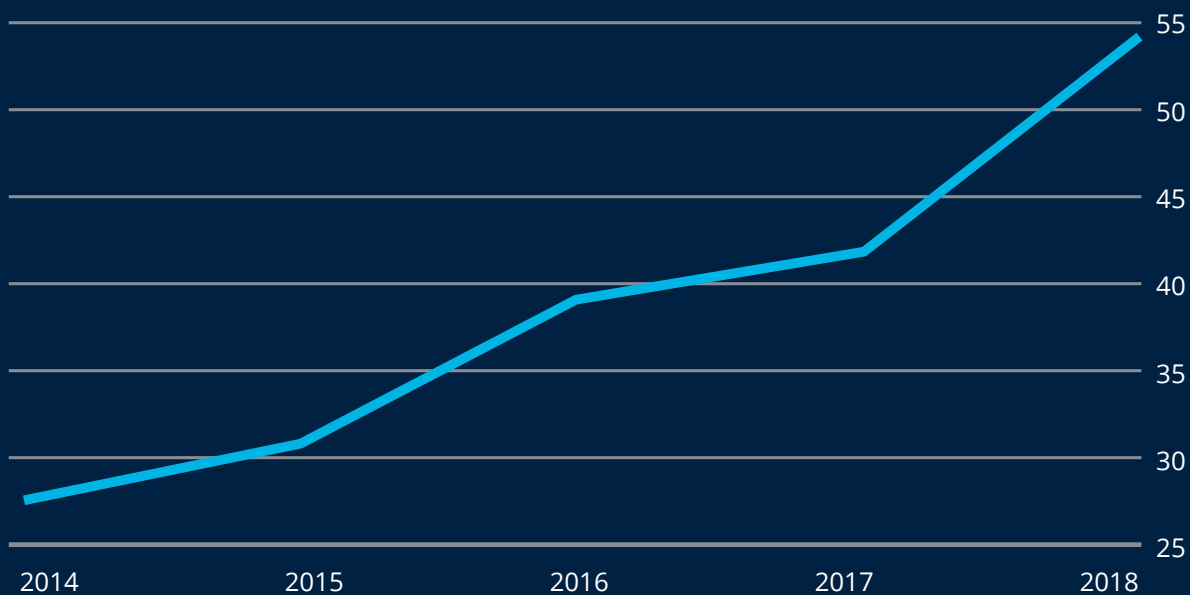
- + Situations where the use of their private vehicle is allowed
- + Minimum insurance coverage levels – ideally \$100,000/\$300,000 bodily injury coverage
- + Requirements for vehicle maintenance
- + Adherence to traffic laws and other safe driving practices – for example, prohibiting the use of handheld devices while driving and driving defensively

Hazard 4: Failure to Budget for Higher Premiums Stemming from the Social Inflation Effect

The term “social inflation” refers to the rising insurance losses due to the growing emergence of litigation financing and higher jury awards. The chart below from Swiss Re illustrates the increase in the median jury verdicts on an annual basis – nearly doubling in just four years.²⁵

Social inflation is leading to higher liability claims

Median of top 50 single plaintiff bodily injury verdicts in the US (\$m)



Source: SwissRe
©FT

To some insurance industry observers, increased commercial vehicle operation regulations over the past decade seem to have opened the door to more lawsuits and higher settlements.²⁶ Clearly, the risk of steadily increasing jury settlements against companies for their fleet-related accidents is having a tremendous effect on insurance premiums. These kinds of settlements simply cannot be borne by an insurance company without significant increases in premiums.



¹<https://www.pdma.org/hospitality-industry-responds-labor-shortage/>

²[https://www.ahla.com/sites/default/files/State of the Industry.pdf](https://www.ahla.com/sites/default/files/State%20of%20the%20Industry.pdf)

³<https://www.businessinsider.com/how-much-are-hotel-workers-paid-2019-5#34-combined-food-preparation-and-serving-workers-earn-a-median-of-23330-and-there-are-14080-employed-in-the-hotel-industry-4>

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⁵<https://harver.com/blog/causes-of-employee-turnover-in-hospitality/#JobExpectations>

⁶https://www.samhsa.gov/data/sites/default/files/report_1959/ShortReport-1959.html

⁷<https://www.ekransystem.com/en/blog/5-industries-most-risk-of-data-breaches>

⁸<https://www.smartmeetings.com/news/109715/new-breach-hospitality-industry-cyberattacks>

⁹<https://www.ekransystem.com/en/blog/5-industries-most-risk-of-data-breaches>

¹⁰<https://www.consumer.ftc.gov/blog/2018/12/marriott-data-breach>

¹¹<https://axio.com/insights/ransomware-trends-you-need-to-know-in-2021/>

¹²<https://www.smartmeetings.com/news/109715/new-breach-hospitality-industry-cyberattacks>

¹³<https://internetofbusiness.com/ransomware-disables-hotel-door/>

¹⁴<https://nationalinterest.org/blog/techland/fbi-warns-cyber-security-risk-workers-hotel-wi-fi-170362>

¹⁵<https://www.csoonline.com/article/3332026/what-is-a-ciso-responsibilities-and-requirements-for-this-vital-leadership-role.html>

¹⁶<https://www.investopedia.com/terms/d/dram-shop-laws.asp>

¹⁷<https://www.bicmagazine.com/departments/hse/business-cost-of-slips-trips-and-falls/>

¹⁸https://www.issa.com/wp-content/uploads/minimizinglipstripsfalls_checklist.pdf

¹⁹https://www.osha.gov/sites/default/files/publications/preventing_mold.pdf

²⁰<https://www.businessinsurance.com/article/20201216/NEWS06/912338557/Alera-predicts-2021-rate-increases-across-several-commercial-lines>

²¹<https://www.thezebra.com/resources/research/distracted-driving-statistics/>

²²<https://www.iihs.org/topics/distracted-driving/cellphone-use-laws>

²³<https://www.trafficsafetystore.com/blog/distracted-driving-is-a-leading-cause-of-death-on-u-s-roads/>

²⁴<https://www.forbes.com/sites/jimgorzalany/2018/02/15/the-sum-not-the-whole-is-greater-when-it-comes-to-the-skyrocketing-cost-of-car-parts/>

²⁵<https://www.ft.com/content/5fb9aef8-07fb-11ea-a984-fbbacad9e7dd>

²⁶<https://www.propertycasualty360.com/2020/05/28/these-motor-vehicle-accidents-let-to-major-settlements/>



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