

Risk Management Solution – Video Security Systems

“Big Brother” is watching and it may not be such a bad thing. Due to improved technology, video security systems have become an increasingly cost effective method for reducing and managing risk. Although most of us are a little apprehensive about the idea of being watched or becoming a subject of surveillance, it has become an accepted and important business tool.

At some point, in the near future, video security systems will become the standard rather than the exception in our industry. Many health clubs already utilize video surveillance to control losses. From a property loss perspective, video cameras trained on the club’s parking lot work as an excellent deterrent from would-be thieves who break into member’s vehicles. These same cameras are likely to limit any potential assaults. Criminals, although admittedly are not the sharpest knives in the kitchen drawer, will usually “case” their prospective targets prior to creating a crime. If the perpetrator spots video surveillance the crime can be eliminated before it begins. For club owners that own their own buildings, video security has become as important as having a fire alarm system.

Perhaps one of the best arguments for video security is protection from liability claims. We recently had a “slip and fall” case dismissed when a video camera caught a member with pre-existing back problems sitting down in a walkway claiming that he tripped over a piece of worn carpet and hurt his back. Once the video was shown to the plaintiff attorney and their client, the claim magically went away. Another case involved a member who fell off of a treadmill who claimed that the machine suddenly sped up and threw her to the ground. Playback of the video caught the woman wiping her face with a workout towel and while her eyes were covered by the towel, she moved to the right of the machine, caught her foot on the side rail and lost her footing. Again, once the evidence was presented, the case was closed without payment. Just think of the number of incidents that will never get reported once the member realizes that the club has surveillance cameras.

Hotels and grocery stores are now required by many insurance companies to have video security systems in place in order to qualify for liability insurance. There is nothing like the truth when it comes to settling premises liability claims. Sometimes, the camera will capture a legitimate slip and fall incident. In those cases, the claims adjuster can quickly assess the degree of negligence that the business owner may have and settle the claim promptly with the injured person. The camera will tell the truth; both good and bad. The good news is that once the truth is clear, litigation expense is drastically reduced.

Several of my clients already utilize video surveillance in the day care area of the club. A monitor is placed at the front counter for parents to view their children without disrupting the activities inside the confined walls of child sitting area. This is an excellent customer service tool but again, it also provides great protection from allegations of child abuse.

Video security systems are also used as a management tool for employee training. A wide angle camera covering the front desk area of a club can provide important feedback to the club owner. Several systems also offer the opportunity to capture audio recording as well. The front counter surveillance provides two important benefits. First, the camera can monitor any unwanted guests that may enter the facility or a member who may cause a scene with your employee. Secondly, the system can monitor the employee(s) and provide excellent feedback as to their performance.

Perhaps the best argument for having a video surveillance system is deterrence. If members and employees are aware that the club is being monitored, you will find that customer service standards increase and claims decrease. You will also find that you no longer have any problems with employee theft. Let's face it; the dwindling inventory of your sports drinks and supplements is not coming from your members.

Some of the best systems available today involve digital technology with the ability to capture data for up to several months with instant access to date and time. The system can also be set up to allow the club owner to view "real time" activity at the club from their home or even from a beach in Mexico. I have club owners that virtually "live" in their clubs. One of the reasons they give is that once they leave, they have no control. A video security system can go a long way to allow the club owner to have a normal life and satisfy their need to know what is going on in their business. Just think of the possibilities.

Video security systems are surprisingly inexpensive. A basic 2 camera with monitor system can be purchased at your local Circuit City for \$250. However, I would definitely look at a high tech digital alternative. A good four to eight camera digital system with internet access and several weeks of recording time will start around \$3,000... Well worth the investment.

For additional information about video security systems, you can contact me at kreinig@frii.com.

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