
Chapter 7 – RISK MANAGEMENT IN EVENTS

Risk Planning

In 2010, the Convention Industry Council (CIC; a non-profit organization formed in 1949 to provide a forum for member organizations seeking to enhance the meetings, incentives, conventions, and expositions [MICE] industry) launched an initiative called Accepted Practices Exchange (APEX) which clarifies the definition of risk management. **Risk management** means recognizing the possibility of injury, damage or loss, and having the means to prevent it or provide insurance. Risk management for meetings, incentives, conventions, and expositions (MICE) must consider financial, legal, physical, and intangible risks (such as damage to reputation). The following terms are also relevant in the study of risk management in events:

- **Risk** – This is the possibility that a crisis, emergency, or disaster may occur. Risk is not the crisis, emergency, or disaster itself, but only to the possibility of their occurrence.
- **Crisis** – This is an incident characterized by having a small chance of occurring, but when it does, it carries significant risk that threatens the existence of an entity. For instance, a typhoon strikes the hotel where *ABC Group* is holding an event of 500 pax. There are several serious injuries, power is out, and traditional communication channels are temporarily disabled. Decisions on dealing with the crisis must be made quickly.
- **Emergency** – This is an instance that is unforeseen and has significant impact such as mortal injury, property damage, and will result in the suspension of the activities of an entity. For example, a case of food poisoning strikes a corporate group following a dinner for 300 people. Many cases are serious enough to require hospitalization.
- **Disaster** – This is an incident that has high impact, occurs abruptly, is unforeseen, and usually results in significant loss or damage. For example, a roof of a convention center in which an exhibition is being held collapses, killing 100 people attending and participating in the event.

Creating a Risk Management Program

Many event professionals think that writing the risk plan is the first step in implementing a crisis preparedness program. In reality, several crucial steps must be undertaken first. This is the reason why there are no “off the shelf” or one-solution-fits-all risk management plan for events. Each plan should be different, depending on the type of event, and its stakeholders. The following are the steps in creating a risk management program:

1. **Creating a risk management team** – A risk team has to be assigned to develop a risk plan. Risk management is not just the job of security personnel or the venue or the insurance company. The event organizer has a legal and ethical obligation to take an active role in risk management. Risk management for MICE requires involvement from everyone related to the event and everyone related to risks for the event organizer, including but not limited to:
 - ✓ Event organizer
 - ✓ Venue representative
 - ✓ Destination representative (if applicable)
 - ✓ Lawyer
 - ✓ Insurance company representative
 - ✓ Accountant
 - ✓ Security (both venue/in-house security and separate security personnel, if hired)
 - ✓ Emergency services
2. **Conducting risk assessment** – Once the risk team has been assembled, the first task is to brainstorm a comprehensive list of risks that could happen and will affect the event, the team, and its stakeholders. This phase is called *risk assessment*, in which there are two (2) ways to categorize risks: a) by what causes the risk (crisis, emergency or disaster), and b) by what is affected by the risk. Refer to **09 Handout 2** for a *risk assessment template*.
3. **Performing risk analysis** – Brainstorming all possible risks associated with the event can yield a daunting list of possibilities ranging from minor (e.g., no-show workshop speaker) to catastrophic (life-threatening earthquake). See risk categories, examples or effects in *Table 1*.

It might be helpful to plot each risk on a grid similar to that in *Table 2*. To determine the probability of each risk, event organizers should look at the characteristics associated with the type of event (program, speakers and entertainment, attendees, and duration), the destination or location, the facility, and vendor services. Note that some risks cannot be avoided. For instance, an event organizer does not have the power to prevent an accidental fire from breaking out in a hotel. However, if the risk is a typhoon and the event is being held during rainy season, the event organizer may choose to avoid the risk by not holding the event on a cruise ship but instead holding it on land, away from the coast.

Categories	Examples
Natural	Typhoon, rain, flood, mudslide, earthquake, etc.
Human-caused	Assault, no-show presenter/speaker, copyright infringement, theft, entertainer cancellation, slander/libel, bomb threat, etc.
Technological	Power outage, computer crash, data loss or misuse, communication loss, audiovisual problems, etc.

Table 1. Risk Categories, Examples or Effects
Source: Planning and Management of MICE, 2015, p. 59

Probability	High Probability, Low Consequence -ACCEPT or MANAGE-	High Probability, High Consequence -AVOID or MANAGE-
	Low Probability, Low Consequence -ACCEPT-	Low Probability, High Consequence -MANAGE-
	Consequences	

Table 2. Probability-Consequences Analysis
Source: Planning and Management of MICE, 2015, p. 60

Risk must explore not only its vulnerabilities, but also its strengths and capabilities. Some examples of capabilities that may need to be factored in are:

- Emergency equipment like automated external defibrillators (AEDs) on-site at the venue;
- Staff members who are certified in cardiopulmonary resuscitation (CPR), AED, and First Aid;
- Multiple languages spoken by staff members;
- Security company that has worked with numerous times, and is highly aware of the risks associated with the event; and
- Facility staff who are fully prepared for evacuation and can communicate procedures to event organizers in advance.

4. **Developing a risk management plan** – Once the event organizer has determined the team that will write the plan (and/or a separate team that will implement the plan on-site if something happens), they are finally ready to write the plan itself. Risk management plans vary, but the following is a sample table of contents of a typical risk management plan for events:

- Summary and description of the meeting.* This section will need to change with each event held. Intangibles such as the event goals and objectives, and a description of the event attendees should be included in this section as well as the date/s, duration, schedule of activities, and the like. Keep this section brief. Create a form that can easily be filled out for each event, so that no details are missed.
- Risk team and response team.* This section should include the names, the role of each member, and their contact number/s. Sample roles might include monitoring the news on the pending risk (crisis, disaster or emergency), communicating with media, staff, venue representative, and emergency response services, and managing appropriate response: evacuation, shelter in place.

- C. *Emergency response procedures.* These are categorized by cause (natural, human-caused, or technological) or response (evacuation, shelter in place, first aid). These must be written in simple, easy-to-follow steps.

For example, if sirens are heard, the first step should either be “evacuate immediately” or “stay where you are” until an announcement is made over the public address (PA) system. The risk response team members must know which is the first step and that it be communicated properly to the attendees and other event stakeholders.

- D. *Facility information.* This section will also have to be changed and customized for each event facility (e.g., function hall, outdoor space, classrooms, etc.). There may be multiple facilities used for a single event. This will include contact information for key facility representatives, floor plans, evacuation routes, emergency exits, and location of emergency equipment.
- E. *Communication list.* This includes staff of both the event organizers and the facility, emergency services, attendees’, and their emergency contacts. This section should include an updated phone tree so that each person called calls two (2) or more people until everyone has been contacted. Some should be assigned to communicate internally with event staff, board members (executive committee), and venue or destination representatives. Others will communicate externally with the news media, family of staff and attendees, and so on.
- F. *Forms and appendices.* This section includes, at a minimum, an incident report form, lists of nearby emergency services (e.g., 24-hour medical and dental clinics), and other forms of information that may be needed by the event organizer, the venue, or the vendors in case of a crisis.

The risk plan should be reviewed and revised as needed at least once a year. For an event risk plan, parts of the plan will be customized for each major event (e.g., information about the closest emergency facilities to the facility or emergency services in the destination). Aside from reviewing the plan, implementing it is needed by regularly performing drills (e.g., evacuation drills or shelter in place drills) or tabletop exercises (allowing a group to walk through a mock disaster, making decisions at each stage).

5. **Providing mitigation activities** – Contingency plans must be developed for the risks that need management. These plans will go into the risk plan and may include:

- Reserving an alternate venue in case inclement weather prevents an outdoor location for an event from being used.
- Having a backup speaker or activity if a keynote speaker does not arrive on time or gets sick. Some example of these include:
 - Asking one of the other speakers to be prepared to do a second session elaborating on the topic s/he initially presented;
 - Asking the overall chairperson or event head to be prepared with a “general topic” presentation like trends, industry updates, innovations, and the like; and
 - Being prepared to do a roundtable discussion or interactive exercise with facilitators (from the event organizers) on a prepared, program-aligned topic.
- Being prepared to cancel an event if, for example, the entertainment does not show up or refuses to go on. Alternatively, one might research in advance local entertainment options that might be able to show up at the last minute.
- For every severe crisis, a contingency plan might be as extreme as having an alternate city and venues chosen and negotiated with, in case the entire event needs to be moved due to weather, strikes, or other reasons.

There are other ways to mitigate some risks besides contingency planning. One is to shift the risks to others. Two (2) of the most popular ways to shift the risks are purchasing insurance and signing contracts.

- **Insurance.** Buying insurance is a way of shifting the financial risk of loss, injury or damage to the insurance company. It is a payment guarantee in case a risk indeed happens. For example, in exchange for the payment of a premium, the insurance company agrees to accept the risk that property may be damaged or lost. The higher the probability or likelihood of damage or loss, the higher the cost of the insurance premium.
- **Contracts.** A contract is a binding agreement between two (2) or more persons or parties, especially one that has been written and is legally enforceable. For example, it could be an arrangement between two (2) parties concerning the delivery of goods or services at a fixed price.

6. **Implementing the plan** – The risk management plan can only be useful if it is easily accessible and if people are familiar with its contents. The time a crisis occurs is not the time to find out what is actually in the plan. Key people, both at the event (i.e., the safety and security/general services committee) and back at the office (if such exists), should have copies of the plan in a 1- to 1.5-inch red binder (red is used for easier visibility and as an indicator for risk-related documents/reports) or an electronic equivalent kept close to them or where they can easily access it.

An **incident commander** or **safety officer** (in a class setup, the committee head for safety and security/general services), together with the response team, must be determined to be in charge of responding to all crises in an event. This person ensures that everyone has and plays their assigned role during cases of emergency, disaster, or crisis. S/He will confer with local emergency authorities during such cases. S/He will also have to do the following with honesty, intelligence, and confidence:

- Publicly acknowledging the problem before others do;
- Taking control by leading the dissemination of timely and correct information regularly;
- Being open to advice and assistance; and
- Providing updates and putting them on paper and on the Internet via the event website and/or social media accounts.

Health and Safety

Event organizers must also ensure that everyone who is working on the event understands the importance of the health and safety issues and works together to achieve a safe event for all. Every event will require different arrangements, and these should be discussed at length with the appropriate authorities. The following are fundamental elements that will help event organizers manage the overall health and safety of its stakeholders:

- **Health and safety policy** – The health and safety policy should set out the event organization's commitment to health and safety. However, the internal health and safety policy is likely to be different from the one that will be created specifically for a planned event. The event-specific policy should set out:
 - Who is responsible for the health and safety of the organization;
 - Who will monitor health and safety at the event;
 - Arrangements for each component and phase of the event;
 - How others should follow and interpret the policy (the Event Safety Memo); and
 - Staff training procedures.

Subcontractors should also provide event organizers with their own policies that should be verified to avoid conflict with the organization's policy or the Event Safety Memo.

- **Event safety memo** – It contains the health and safety policy of the event and the organization. This must be distributed to all those working at the event (preferably at the pre-event briefing or meeting). This memo should give specific and easy-to-follow advice to all employees, volunteers, subcontractors, etc. who are working at the event during ingress, event proper, and egress. It should also set out how the organization expects others to conduct themselves while on-site or at the venue.

The Event Safety Memo should highlight particular safety aspects everyone should be aware of, such as fire controls, emergency exits, evacuation procedures, incident or emergency codes and procedures, personal protective equipment (PPE), incident reporting procedures, hazards, and the like.

- **Reporting procedures** – For every aspect of health and safety, the event organization should have a procedure for reporting incidents and occurrences. It should be clearly stated in the Event Safety Memo how and to whom individual incidents should be reported. Each incident should be written down and described in full detail. Reports will take the form of accident/injury, lost persons, lost/damaged property, and safety/system failures.
- **Normal operating procedures** – If the event's location is an existing venue, its normal operating procedures will likely have in place. Ensure that the whole event organization is aware of these and are also incorporated into each committee's planning.
- **Monitoring and inspections** – Continual monitoring of health and safety procedures is essential to ensure effectiveness. Inspections of the event site should take place before (during ocular visit) and during the event, and when the attendees have left the event venue premises. These inspections should be performed by the event organizers and their contractors.
- **Emergency services** – This health and safety element depends entirely on the type, scale, and complexity of the event. For larger and more complex events, it will be necessary to seek their advice, assistance, and cooperation. Each service usually has its own planning and special projects department which deals with events. If appropriate to the type of event, the following agencies may be invited to take part as the health and safety subgroup (in a class setup, as the subgroup of safety and security/general services committee):
 - *Police* – They may advise on many safety aspects such as audience numbers, crowd control, emergency procedures, communications, traffic management, and emergency service access. Their presence at a live event will depend on the nature of the entertainment, the scale of the event, and the level of security or supervision.
 - *Fire brigade* – They may advise on occupant capacity, potential fire hazards, firefighting equipment, equipment locations, emergency access, means of escape, signage, lighting, rendezvous points, pyrotechnic elements, bonfires, and other emergency procedures.
 - *Medical services* – Depending on the type and scale of the event, the organizers may require the assistance of the local health board or First Aid organization. Medical provision must be available for everyone working on, performing at, competing in, or attending the event. Factors that will influence what provision is required include the event's type, audience size, venue, program elements, history, and other hazards (identified in risk assessment).
- **Welfare services** – The easier it is for people to attend the event, the better the overall experience they will have. Always keep the audience in mind and their potential needs, because a happy, stress-free attendee is likely to come back to future events. Some services to consider are:
 - *Drinking water* – This should be supplied at all types of events, particularly at those held outdoors. Depending on the existing venue services, the event organizer may have access to mains (utility distribution) drinking water. If not, water can be supplied from water containers that are fit-for-purpose or bottled water made available. Pay particular attention to areas of potential congestion such as the front of stage areas at an all-standing event.
 - *Baby change* – This facility is necessary if the event is family-oriented. This provides parents or guardians a place to change babies' diapers and clothes. Event organizers must ensure the place is secured with suitable furniture, supplies, waste disposal, and washing facilities. Providing a private area for mothers should they wish to breastfeed their babies may also be considered.

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- *Lost persons or property* – If the event anticipates children as attendees, it is crucial to provide an area where they can go or be taken to should they become separated from their parents or guardian. Ensure that the facility is staffed at all times by more than one (1) suitably qualified events staff.
Agree on a plan or policy in advance of the event that addresses the process of receiving and caring for children, and lost articles or objects.
 - *Meeting points* – If the event covers a large area or if there is the potential for people to become separated from their group, provide one (1) or more well-signposted meeting points. Remember to number these meeting points for identification and to avoid confusion.
 - *Information points* – Depending on the complexity, length, and type of event, it may be wise to have a point or points of information. Those staffing these positions should be knowledgeable about the event, the venue, parking and transport arrangements, etc. and must also be kept informed of any program changes that the public needs to know about.
 - *Cloakroom facilities* – Ensure that the area is suitably stocked, secured, and staffed throughout the event. Cloakroom refers to a facility for temporary safekeeping purposes in a venue. Agree on a policy and procedure on receiving bags, luggage, and other accessories. Ensure that patrons are aware if items are left at their own risk.
 - **Traffic and transport management** – Good traffic and transport management are key issues for events. Poor planning can lead to unnecessary disruption for those involved in or attending the event as well as the usual day-to-day traffic going to and around the venue or location. As appropriate, include the local authority, police, and transport providers at the earliest stage possible to help the event organization make arrangements. For large-scale events, it may be necessary to form a transport management subgroup (in a class setup, a subgroup of safety and security/general services committee) to consider all issues concerning this element and formulate effective plans for transport, traffic, and parking. Consider the following:
 - Event type, audience size, and profile;
 - Anticipated number of vehicles (attendee, committee, contractors, sponsors, performers, etc.);
 - Existing transport links and the potential for enhancement;
 - Existing parking opportunities for cars, buses, and other vehicles;
 - Transport routes for vehicles, buses, trains, underground;
 - Drop off and pickup locations for buses, taxis, etc.;
 - Existing signage and the potential requirement for temporary signage;
 - The requirement for coning and parking suspensions (Allow parking in places one wouldn't normally be allowed or reserve a parking space. These can also be used to free up space on the road to help with traffic and safety of the event);
 - Temporary traffic regulation orders such as road closures and rerouting (The local authority can advise on requirements, notification, and timescales);
 - Staffing – who will marshal the traffic, who will staff the car parks, etc.;
 - Pedestrians entering and leaving the venue/congestion issues;
 - Emergency access for firefighters, ambulances, etc.; and
 - Traffic movement on site.
 - **Security and surveillance** – The size and nature of the event will influence the type and amount of security and surveillance measures required. *(This will be discussed further in the laboratory exercise.)*