Event Evaluation Instructor's Manual

8: Evaluating The Organisation (1)

Lecture 15

8.1 Introduction (p.83).

To evaluate all the management functions of the event or organisation is a daunting task, hence two chapters are required. Presumably this is the responsibility of senior managers, or owners, and they need to have either professional consultants or experienced internal evaluators looking at all aspects of effectiveness and efficiency that hopefully lead to sustainable success - however it is defined. The diagram (Fig. 8.1) is the starting point, and the main elements to be evaluated can easily be sub-divided.

Figure 8.1: A framework for evaluating the event organisation (p84)

8.2 Standards (p.84)

To evaluate an entire organisation and all its management functions you can start with a certification system like ISO, or the kind of standards the Event Compass embodies when an organisation asks experts how well are they doing. ISO does not tell you how to be successful or sustainable, only that there are procedures and documentation needed to be a "quality organization". Refer back to CIPP and the balanced scorecard, which more or less do the same thing - they are frameworks within which evaluation occurs.

For each of the ISO principles I provide a figure with suggested goals and KPIs. Note that most of these KPIs are more like objectives, and they still require actual metrics. For example metrics like a performance scale are needed on customer satisfaction. As an exercise, students can be asked to develop an evaluation project to examine how each Principle is being applied within an event or tourism organization.
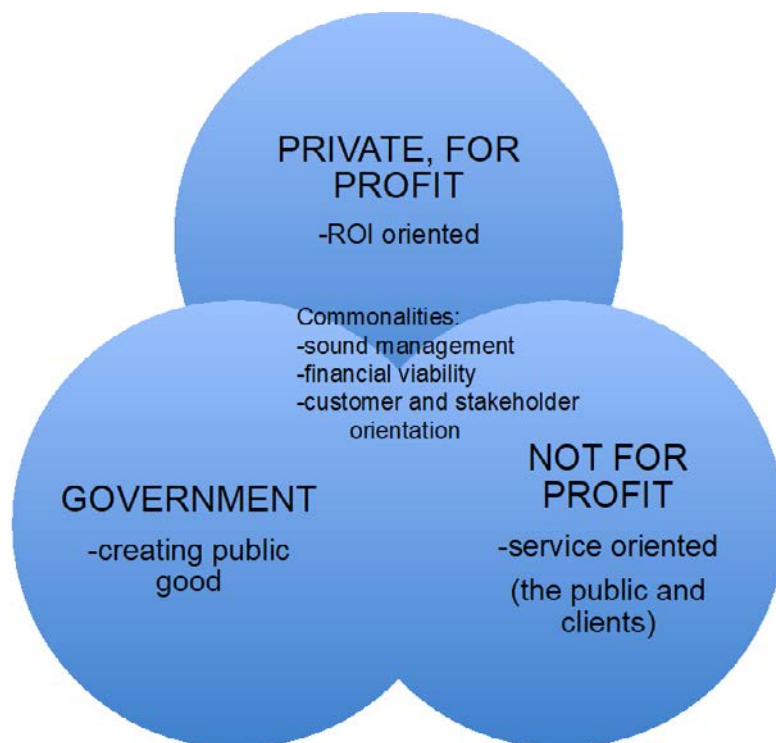
Exercise:

For each of the ISO principles there are suggested goals and KPIs, but no actual metrics and methods - students or teams can provide these. For example, for the "customer focus" principle I suggest this goal: "The guest/customer will always be the focus of our efforts" and these KPIs: Percentage of highly satisfied guests/customers; complaints reduced over time ; incidents affecting experiences (reduced, ameliorated; loyalty (more repeat visits); more and better word of mouth recommendations customers.

For each KPI, what is the method to obtain the data, and what would the actual measurement units be? Look ahead to *scale development* for some of the ideas.

Lecture 16

8.3 Ownership, mandate, governance & business model (p.88)

There are some important terms and concepts here, starting with how ownership and governance go together. Learners should understand how ownership affects mandate and goals, leading to different evaluation emphases. Discuss "business mode" and "business plan" as they are quite different. The event's business model should be focused on creating value, as in the strategy map discussed earlier.

The diagram below, not in the book, is a simple illustration of ownership types common in the events realm, with suggested individual and common perspectives that could define core element of the business model of an event portfolio (i.e., sound management; financial viability; customer and stakeholder orientation).

Exercise:

Find documentation (or go visit) an event in each of the three ownership types. Compare their mandates, visions, goals and operations to the extent possible. Identify commonalities.

Here is an additional reference for this type of comparison: Andersson, T., and Getz, D., 2009. "Tourism as a mixed industry: Differences between private, public and not-for-profit festivals". *Tourism Management*, **30** (6): 847-856.

Consider that "governance" can mean more than "who are the owners or directors" in charge, it can refer to stakeholder relationships and participatory democracy. The paper featured on the Research Note (Whitford, M., Phi, G. & Dredge, D. (2014). Principles to practice: Indicators for measuring event governance performance. *Event Management* **18**, 387–403) provides detailed indicators pertaining to good governance for events.
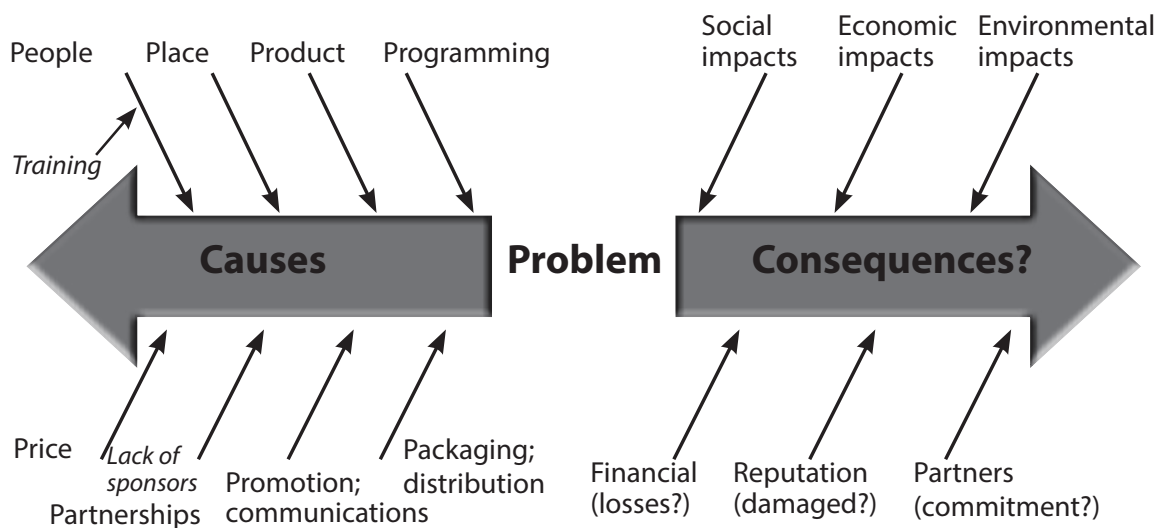
8.4 Administration (p.91)

This is an ambiguous term, because it could refer to all the management functions, or to the managers and decision makers. I use it more to describe the essential services provided to managers and decision makers.

8.5 Planning (p.91)

Main types of planning for events and tourism are described: project, strategic, business, marketing and communications, setting and site, and operations/logistics. The discussion leads to a model (**Figure 8.12:** Root-cause and impact forecasting combined) and Toolbox description of these useful evaluation tools.

Figure 8.12: Root-cause and impact forecasting combined

Exercise:

Use the root-cause and impact forecasting model to examine a problem's cause, and to predict what might happen if it remains unsolved. For example an event is losing money - what are the possible reasons? Search for root causes in all eight of the marketing-mix elements indicated on the diagram (left side). Is inadequate training the problem? How about lack of sponsors, and why does that occur? Now look ahead, what does this problem mean in terms of potential impacts? Bankruptcy? Loss of reputation or partners? More pollution or fewer benefits to the community? Another application: what might be the consequences of failing to set a limit on the number of people attending an open-air festival?

Questions

Q: How can an event or event-tourism organisation can be evaluated with regard to each of its management functions and its overall effectiveness and success?

A: A system like CIPP, balanced scorecard or the Event Compass has to be established. The Compass requires setting goals and KPIs for management functions as well as impact dimensions.

Q: What are the ISO principles for effective organisations?

A: pp. 85-88 list them. A bigger question would ask for related goals and KPIs, as suggested in the accompanying figures.

Q: How are ownership and mandate linked?

A: Describe the three main event ownership categories and what value perspectives or goals are associated with each of them. Mandate refers to what the event is charged with doing, its purpose or mission.

Q: What does governance have to do with event evaluation?

A: Mention both the normal ownership and decision-making meaning of the word governance, and the additional meaning of being inclusive of stakeholders. Principles of good governance shape evaluations and how they are used.

Q: What is an organisation's business model?

A: This refers to how organisations or events create value for stakeholders - whether customers in a for-profit context, or service for not-for-profit and government agencies. Value has to be created by provided services, goods or experiences that people want or need.

Q: How would you assess the adequacy of administrative services?

A: One method would be to ask managers and workers if their internal support needs are being met? Another would be to employ a systems approach to evaluating the organisation, starting with inputs and how they are distributed and used, plus consideration of efficiency and effectiveness. Another could be through comparisons and formal benchmarking with other organisations.

Q: For each of the main types of plan prepared by events, from strategic through site plans, state major evaluation challenges.

A: Fig. 8.11 has the goals and KPIs for types of plans. Add a comment on each about challenges facing evaluators of each type. For example, for site planning, how will evaluators determine if the flow of people is working as planned?

Essay-Style

Q: How would you evaluate the potential effectiveness and success of an event or a tourism organisation, based on its ownership, governance and compliance with standards? What do you think are the critical success factors?

A: Effectiveness refers to goal attainment, while success could have multiple meanings - the answer has to distinguish between these two concepts. Critical Success Factors will be different depending on ownership and context. Compliance with standards is the easiest approach, referring to ISO principles and requirements for documentation. Principles for good governance have been outlined, and the answer should discuss both internal decision-making and the roles of stakeholders. As to ownership, the three main types of event ownership will determine mandates and therefore what is success; all three types share a desire for sound management, financial viability and a customer orientation.

Q: Describe specific evaluation challenges and appropriate methods for each type of planning applicable to events and event tourism.

A: Again, the answer begins with Fig. 8.11 and related text. Essays should describe each type and refer to goals and KPIs, then discuss challenges associated with each, preferably giving examples. Finally, one or more appropriate methods have to be described. For example, site planning requires detailed design of pedestrian and vehicular flows to avoid conflicts, leading to the need for on-site monitoring and problem correction, and this requires checklists, direct observation, and the ability to immediately control the situation.

Q: Design a problem-solving process (with diagram) for a likely problem faced in events or event tourism. How will evaluation inform the ultimate decision?

A: The answer should start with any potential problem, then provide a diagram and explanation of root-cause analysis. The diagram can take different shapes, that is not the real issue. Answers have to explain why certain potential causes are being explored In the text the marketing mix was used, but that is only for certain types of problem), and what this analysis (or detective-work!) consists of. Once a probable cause has been identified, corrective action is needed. A really good answer could then add the forecasting component ("consequences) to examine what might happen if the problem is not fixed or if certain measures are taken. This is akin to sensitivity analysis in forecasting and also suggests "decision-tree" analysis.