## 12 Crisis Management and Recovery for Events: Issues and Directions

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## Introduction

The landscape of the event sector is dramatically changing as a result of the COVID-19 pandemic crisis. The crisis has accelerated structural change and aggravated the instability of what has traditionally been a highly volatile, disruptive and erratic sector. Crises are becoming the new normal. The probability of the advent of further crises should be considered and carefully evaluated by the event industry and the entire visitor economy sector. It is critical for event organizers and host communities to learn how to cooperate and manage their events under conditions of constant or episodic crises and turbulence. A holistic mindset in crisis management needs to be developed to create tools and strategies for enabling the effective adaptability, recovery, and resilience of events.

In this concluding chapter, we outline the pillars of a holistic crisis management perspective that makes use of complex adaptive systems, event portfolio and resilience theories. We encapsulate major issues in the crisis management of events and put forward an integrative framework that brings together crucial elements and processes. Finally, we discuss key trends and transformations of the sector, and in this context, suggest directions for future research.

## Stages in crisis management

As indicated by both case studies and industry insights in the volume, the crisis caused by the COVID-19 pandemic has considerably increased the risks for event organizations concerning, for instance, their adherence to stricter

safety and health regulations, dealing with financial losses and finding alternative revenue sources, managing effectively the workforce, communicating with stakeholders, as well as creatively readjusting event programming and delivery formats.

The evidence presented in the chapters reveals interesting aspects of the pandemic-related reactions that likely can be applied in many other situations including new crises. It is possible to highlight at least six stages of crisis management, including: awareness; acknowledgement or denial; anger and bargaining; leadership and decision-making; reaction and planning; and, finally, innovation, creativity and resilience. The stages might be overlapping and selectively applicable, depending on circumstances.

Awareness. At the beginning of the COVID-19 pandemic in 2020 there were many signs of an emerging global crisis, but the need for timely information, advice and decisive action from authorities was not met in most countries. This resulted in a period of confusion, mixed opinions and late responses within the visitor economy sector. Ineffective leadership and a lack of decision-making raise the question of responsibility in any given crisis situation, and how vital information is best shared.

Acknowledgment or denial. Many practitioners in the affected sectors were not at first willing to accept that a crisis loomed or that they had to change their business operations to adapt to new realities. Others acknowledged that the pandemic was going to have a profound impact and started to plan adequate response. What explains these differences – was it a matter of politics, culture or misinformation?

Anger and bargaining. Within a new and uncertain environment, organizations often engage in negotiation and bargaining. Faced with imposed restrictions, new costs and uncertainty, many organizations and businesses had little choice but to push back or react irrationally, which can be expected in a time of crisis. In events, anger and bargaining were related to the fact that many jurisdictions provided financial support, but not to every organization and not necessarily enough to meet needs. As well, some events were permitted, but with no audience or limited numbers; other events have occurred within so called 'bubbles' (another term to enter the vernacular in 2020) generating concerns about equity or the wisdom of allowing any events. As evidence demonstrates, a crisis response is not always rational; politics are inevitably part of the process, and equity is not always assured.

Leadership and decision-making. Many countries, cities and organizations that should have been able to respond to the pandemic in a timely manner, both to minimize impacts and prepare effective recovery, did not. In many cases this can be attributed to a lack of leadership, or to inefficiently dispersed leadership and decision making. There will always be a need for decisive leadership

in a crisis, and who or what provides it is a matter of perceived legitimacy, the use of power, and a sense of urgency. A prerequisite is that leaders, and those stakeholders with power to affect change, must accept that a crisis exists, and that action has to be taken. The role of industry and professional associations is important here, as collective planning (see the IFEA and Cotter interviews) can be quicker and more effective. A number of contributors to this book have emphasized the need for 'hope' and particularly optimism. Undoubtedly, it is a big part of resilience and may be found in key leaders or within networks.

Reaction and planning. Determining the best response to a crisis is not always easy. Incidents can be handled through contingency plans and rehearsed responses, but there were no 'best practices' available to cope with the pandemic. Consideration of risks versus rewards had to be made when it came to decisions about postponements, cancellations, or modified formats. Virtual events and hybrid events had to be carefully planned and the outcomes evaluated before decisions could be made concerning the future. Uncertainty about the length and overall impacts of the pandemic has increased risks. New costs had to be considered, as well as the likelihood of reduced financial support from governments and corporations.

Innovation, creativity and resilience. Creative thinking and innovation have been evident in the event sector. The ability to think outside the box and adapt to new realities has been shown to be a vital leadership and management skill. It can also be a matter of fostering collective capacity among stakeholders and networks. This capacity can be facilitated within event portfolios. Specific areas of innovation that have been identified within the events sector include the design and presentation of new types of virtual and hybrid events, the use of technology, and new systems for increased health and safety management, communications strategies and media tactics to maintain relationships with audiences and other key stakeholders, and in generating revenue. Many events will have to 'go back to basics' when it comes to future operations, especially in terms of reduced costs and selective programming, and a greater emphasis on the generation of value for their community, sponsors and funders. When we consider the new paradigm of strategic planning, being the emphasis on systems and networks for creating value, it is certain that the pandemic has accelerated the process by which events collaborate and cities or destinations place their emphasis on managed portfolios of events for value creation and resiliency.