2 Stakeholder Centric Approach

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Learning objectives

- To understand the importance of a stakeholder centric approach to event creation.

- To appreciate the various communicative media that promote stakeholder engagement.

- To comprehend the complexities of stakeholder mapping and the importance of locality.

Introduction

The extent to which event creators should dedicate time and careful thought to stakeholder relationships and engagement cannot be overstated. Events are co-produced by a collection of stakeholders, which includes those we immediately think about such as the host organisation who initiated the event, key funders, performers and attendees, but also less obvious stakeholders such as the communities that surround the event. Strategic event creators, as defined in the previous chapter, orchestrate, and more importantly facilitate, the event outcomes by interpreting the contributions, aims and/or concerns, of stakeholder groups and harnesses them to deliver the event and associated activity. Event creators who do this effectively enable truly co-produced events and outcomes, a process that cultivates relationships that endure. This is crucial as one event is a moment in time that very quickly becomes the precursor to future events and other activity. A valuable lasting legacy of an event is the 'orgware', as referred to by Richards and Palmer (2010, p.343), which are the relationships formed and their future potential.

This chapter introduces new ideas to achieve the stakeholder centric approach, introduced in Chapter 1, which lies at the heart of Strategic Event

Creation. It challenges many of the conventional views which can lead to a skewed and hierarchical view of stakeholders, and instead advocates a wider, more consultative, and importantly moral, perspective. It is argued that this approach provides the foundation for more sustainable event creation, economically, socially, and environmentally. It complements the interests of immediate stakeholders such as the key funders, organisers, and audience, with those of the wider community, and ensures that event creation reflects the interests and contribution of wider and often marginalised stakeholders.

The events sector is under increased pressure from a progressively more aware consumer base, the public, authorities and media to consider issues such as Corporate Social Responsibility (CSR), sustainability and the so called triple-bottom line. Consistent with the above paragraph, Pelham (2011) argues convincingly that the sector is adapting its business model in order to counter these changing demands by adopting business practices that seek to achieve a multitude of outcomes – a challenge that was highlighted within Chapter 1. A key part of this 'challenge' is that event creators are being held more accountable by a multitude of stakeholders (Smith, 2009). Indeed, if we wish to deliver events that can achieve strategic objectives then it is important that we seek positive stakeholder involvement, and also ascertain their viewpoints when evaluating whether these outcomes have been achieved (Getz, 2009; Elkington, 2004; Freeman, 1984). Getz (2009, p.65) stresses the importance of the stakeholder by stating that "the event's worth can only be ascertained, and the event deemed responsible and sustainable, if it meets the goals (or at least does not impede them) of all influential stakeholders". Therefore stakeholder approaches that promote wider engagement are integral to the future success of events.

The difficulty for many exisiting events, and in the approaches often advocated, is that too often stakeholder engagement is guided by a shorter term event-centric viewpoint rather than a longer term strategic view that also involves a sense of moral obligation. Traditional thinking places the event at the centre of the relationship between stakeholders, with different individuals seeking to influence the content of the event (Reid, 2011; Hede, 2007; Reid and Arcodia, 2002). This promotes a narrow focus upon immediately obvious stakeholders, and also a hierachical view of these with the implication being that many other parties are marginalised or perhaps ignored. In seeking an antidote to this, it is provocative to reflect on the question posed by Derry (2012, p.263), "Who or what should be at the hub of the stakeholder model?" The argument presented in the latter half of this chapter is that the event should be removed from the centre and replaced with the locality – the actual physical location of event delivery, but shaped within the context of values of those delivering the event and engaging with those who potentially could be affected. Although this is not intended

to indicate priority for the economic, social, and environmental wellbeing of the locality, by considering stakeholder mapping in this way it ensures that a wider range of stakeholders are considered, and consulted, which strengthens the possible outcomes the event can generate.

Why a stakeholder centric approach is needed

Stakeholder engagement is often viewed as being important to legitimise the event we create. Therefore we need to ask, as event creators, who is it we are legitimising the event for? There is universal acceptance that stakeholders can be seen as those individuals, groups and organisations that are connected to the event and can be affected by or affect the successful outcome of the event - these are defined as legitimate stakeholders (Freeman, 1984). Freeman's view of the stakeholder, applied to an event context, is that they can influence the event creator's ability to achieve specific objectives, and through effective engagement with these stakeholders the event creator can facilitate benefits for all parties. This is significant, from a stakeholder engagement perspective, because single events are increasingly being used to meet a diversity of goals, and therefore touch a growing number of stakeholders, which is evidenced through the discussion in Part Two of this book, and also in Chapter 11. It is easy to see how certain stakeholders within this grouping can become marginalised; often this includes those that comprise the locality. For example, McKercher et al. (2006) found that many so-called tourist attractions actually attracted very few international tourists. Local visitors, in fact, made up the majority of attendees. By prioritising tourists as a primary stakeholder group and making the design decisions about the attraction on that basis, the experience of local visitors is diminished as they do not receive such a positive contextual experience. In many other cases the stakeholder groups that comprise the locality, for example residents, businesses, authorities, and interest groups, who could become advocates and positive contributors to the event, are neglected.

Engaging with a broader range of stakeholders presents the event creator with an opportunity, to not only achieve strategic objectives, but also to minimise adverse impacts. These direct relationships, but also the interplay of these with other stakeholders, have a much greater propensity to leverage positive economic, social, cultural, and environmental impacts for the totality of stakeholders. Consider a community market like that at Sharrowvale in Sheffield (see http://sharrowvalecommunityassociation.co.uk/market) that connects with charities, local groups, and the media, who have a shared interest in creating a socially inclusive event that engages with the different ethnic minorities that live and work in the community. This four way collaboration achieves outcomes beyond the immediate scope of the

event but of considerable legacy and place benefit for all. Conversely, if we don't engage with stakeholders in a meaningful way then the gap between their expectations and ambitions and the actual outcomes of an event will only widen (Friedman, et al., 2004). This neglecting of interests limits the achievements of the current event, but also reduces the potential for future collaboration and therefore the sustainability of events going forward (Larson, 2004).

If stakeholders can be engaged in a fashion that seeks to create a consensus between the host organisation and the stakeholders, then events have the potential to operate in a more stakeholder centric manner and avoid what is called a 'democratic deficit' (Noland and Philips, 2010; Green and Houlihan, 2006). This happens when wider stakeholder involvement is limited, or eliminated, and the event becomes exclusively about the key power interests, for example, governmental departments, key funding agencies, commercial sponsorship or private interests. The Hong Kong Government engaged in a communication process that allowed the event creators of the bid to host to 2023 Asian Games to ascertain the needs and wants of the stakeholders concerned, and engage in participatory practices that were not simply tokenistic in nature – see the case study below. Arnstein (1969) would recognize this as an opportunity for the stakeholders to move up the 'participatory ladder' and create a more engaging approach to the decision making process, to ensure better representation of stakeholder values. Through this approach the event creators in Hong Kong could create greater satisfaction when they engage stakeholders in the future as their views and opinions have actually influenced decisions rather than just being listened to and then ignored.

Case study: The Hong Kong 2023 Asian Games Bid

On the 14th January 2011 the finance committee of Hong Kong's legislative council voted overwhelmingly not to finance or support a proposed bid to host the 2023 Asian Games. This decision was made even though Hong Kong had successfully hosted the East Asia Games in 2009, which featured over 260 events and 2,000 athletes in over 20 sports. The proposed bid failed because the council took their commitment to stakeholder consultation very seriously and acted on their views. Whilst the East Asian Games reaped benefits at an economic, social and cultural level the Hong Kong government felt that these benefits could be replicated and enhanced through hosting the much larger Asian Games. This major event would see over 40 countries/regions competing, with an estimated 11,000 athletes competing. Officials felt the event could have significant economic and tourism impact, estimating that over 300,000 spectators would attend the event.