
11 Agility in the Events Sector: A Case Study of a Business Event in Finland

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Introduction

The events industry was estimated at \$1,100 billion in 2018 and was expected to grow to reach \$2,330 billion by 2026 (Allied Market Research, n.d.). Year 2020, however, turned out to be perhaps the most transformative year in the industry in the last decades. Numerous events, from smaller family occasions, like weddings, to major events of the likes of the Wimbledon tennis tournament, the UEFA EURO 2020, Glastonbury Festival and the Cannes Film festival, had to be cancelled due to the Covid-19 pandemic. The combined economic impact is not yet known but will be a loss in the hundreds of billions of US dollars (Gössling, Scott, & Hall, 2021). This shows the vulnerability of the events industry to major crises.

Despite the negative impacts of crises on events, there is a paucity of research that explores organizational responses under unusual, unprecedented or critical circumstances in the events sector. This chapter applies the concept of agility in event organization within volatile, uncertain, complex, and ambiguous, so-called VUCA, environment (Bennett & Lemoine, 2014) that dominated year 2020 due to the unfolding pandemic. The agile approach is often seen as a stream of new ideas leading to elegantly simple solutions. It requires a high energy level of the team involved due to the tight constraints and deadlines. The authors introduce a case study of a business festival organized in Turku (Finland) and discuss the decision-making process, stakeholder involvement, introduction of a new *modus operandi*, and the new event format that was chosen.

2020: A crisis or a VUCA situation?

It is generally accepted, and has been discussed in previous chapters in this volume, that crisis is an unexpected and unpredictable event, characterized by lack of control and need for action; it can cause significant negative results, including instability of organizational processes and, potentially, threaten an organization's viability and survival (e.g., Pauchant & Mitroff, 1992; Pearson & Mitroff, 1993; Seeger, Sellnow, & Ulmur, 1998; Selbst (1978) in Faulkner 2001; Williams & Treadaway, 1992). Related terms – disaster, incident, problem, event – also feature in the literature, and some authors would argue that what differentiates 'crisis' is the extent to which management structures cope, or do not cope, with a situation and the level of control over the changes (Faulkner, 2001).

Crisis management can be conceived of as an art more than a science, because it relies on human beings, their actions, an array of emotions and skill set (Vanvactor, 2015). The way organizations, their managers and leaders respond to crises, disasters and incidents are, therefore, critical (Saleh, 2016; Useem, Cook, & Sutton, 2005). It has been suggested that creative thinking can be helpful, particularly in two ways (Pearson & Sommer, 2011):

- ◆ *Novelty*, a decision that is unconventional or unique as compared to previous decisions, and
- ◆ *Value*, a decision that is acceptable and effective.

If either is missing, then creativity cannot be deemed useful. Thinking creatively, in unconventional ways can be valuable when the purpose is clear and shared within an organization or a team, and there is the desire to achieve that purpose.

It has been argued that three conditions contribute to higher levels of creative thought (Paul & Elder, 2012, p. 14):

- ◆ A minimal level of innate intellectual capacity;
- ◆ An environment that stimulates the development of that capacity;
- ◆ A positive response and inner motivation on the part of the person.

Leaders of event organizations can foster creative thinking by creating a favorable environment within the team; one that would unlock the potential of each team member and use their inner motivation to discover a range of opportunities and possible actions.

Scholars have suggested various stages for a crisis lifecycle: from pre-crisis through to 'emergency' to recovery. Contrary to some natural disasters and previous epidemics, such as the severe acute respiratory syndrome (SARS) outbreak in 2003 and the Middle East Respiratory Syndrome (MERS) outbreak in 2015, Covid-19 has proved to have a significantly longer-term effect

on the events industry, affecting, in one way or another, all scheduled business, cultural and sporting events. Due to the geographical spread and time span of this pandemic, it may be reasonable to suggest that starting from February 2020 the events sector operated within a VUCA environment. This is especially valid considering that many events were eventually organized in a virtual format, which testifies to the ability of the sector to adjust to the external environment and proceed with the core business – events.

The VUCA abbreviation stands for volatile, uncertain, complex, and ambiguous environment. It comes into the business world from a military one where “*confusion is part of the game*” (Johansen & Euchner, 2013, p. 10). Key characteristics of such environment have been summarized by Bennett and Lemoine (2014):

- ◆ *Volatility*: The change is unstable and unpredictable, and may be of unknown duration, but it is not necessarily hard to understand; knowledge about it is often available.
- ◆ *Uncertainty*: The situation’s basic cause and effect are known. Change is possible but not a given; the scope of its effects is unknown.
- ◆ *Complexity*: The situation has many interconnected parts and variables. Some information is available or can be predicted, but the volume or nature of it can be overwhelming to process.
- ◆ *Ambiguity*: A lack of knowledge; causal relationships are completely unclear. No precedents exist.

Throughout year 2020, event organizers had to deal with numerous questions pertinent to all four components:

Volatility – the events sector faced an unstable situation. Although the information about the Covid-19 virus was available to some extent, it was still unclear how long the pandemic would last for and how the situation would be unfolding in each country. Changes could happen quickly and affect various regions, cities or countries. It was clear that the change was likely; however, its magnitude across locations could vary.

Uncertainty – there was a lack of knowledge about the impact of the pandemic on the motivation of event attendees, their behaviors and attitudes towards events in general, as well as about the wider regulations that might be introduced by the Government at any stage. Will there be any changes in guidance or regulations by the scheduled event’s date? If a new format was introduced, would the usual audience attend? Would that new format be able to maintain the event’s identity, interest and commitment from stakeholders?

Complexity – the complexity of organizing an event during the pandemic. This includes the changes in the ways an event organization used to work previously during preparation and delivery. Several levels of complexity could