

2

Stakeholder Mismanagement

Learning from failure at two major music festivals

Steve Jones and Tim Kerr

Introduction

People are an integral part of any event, from the organisers and event partners, to the customers and local community. These affected individuals, groups or organizations can be defined as stakeholders; “any group or individual who can affect or is affected by the achievement of the organization’s purpose and objectives” (Freeman, 1984: 46). Increasingly, event and project management models are recognising stakeholder management as an integral part of effective event planning, requiring a strategic and systematic approach.

This chapter examines the cases of two similar-sized festivals in Sussex, UK; both of which launched shortly after the 2008 global recession and experienced significant problems in their first year caused by the mismanagement of stakeholders.

The Big Church Day Out (BCDO) has grown into the largest Christian music festival in the UK, attracting over 25,000 visitors each late May Bank Holiday weekend to Wiston Park in West Sussex. But this success was hard won; in year one, on 23rd May 2009, significant failures in the planning process seriously undermined the event experience. A lack of traffic management expertise within the organising body and insufficiently well-developed relationships with highway officials from the council and police led to gridlock on roads around the venue. Repairing reputational damage and rebuilding trust with regulators, attendees and the host community took time and money that the organization could ill afford.

Shakedown was a Brighton-based music festival on 17th September 2011 that brought some of the biggest names in electronic dance music to the South Coast, filling a distinct gap in a vibrant and growing market. However, the central event management team failed to develop the cross-functional communication and

reporting structures needed to leverage the market opportunity. This, coupled with an unstructured approach to Safety Advisory Group (SAG) relationship management in year one, led to a last-minute festival postponement. The impact of this was far-reaching and ultimately started a chain of events which led to the demise of the event five years later.

The events differ greatly in terms of their concepts, but both were adversely affected by factors that stemmed from shortcomings in stakeholder management during the planning and implementation phases of the event process, namely:

- i) a failure to identify and address the organisations' internal human capital needs, and
- ii) insufficiently well-developed external relationships with key officials.

This chapter will explore these case studies to identify key themes and best practice in stakeholder management for event companies. Strategies will be proposed for the effective management of both internal and external stakeholders who shape the design of the event. Stakeholder management theory will be evaluated and practically applied to both case studies to help highlight the causal relationship between stakeholders, the attendee experience, and the long-term sustainability of the event.

Examination of theoretical context

Much has been written about the linkages between events management and project management. In a survey of events management professionals (Perry *et al.*, 1996), 'project management' was the area of knowledge deemed most important as a requirement for event managers. Projects are not just about processes and tools; they are also about people, or stakeholders. The same is true in events management. The importance of being properly equipped to manage stakeholders effectively is highlighted through the case studies in this chapter.

The International Event Management Body of Knowledge (EMBOK) was developed by Silvers (2003), in a collaborative process based on a 1999 Masters paper by O'Toole, which explored the application of project management approaches to the events management process. EMBOK categorises this process into five phases: initiation, planning, implementation, event, and shutdown or closure. There are also five knowledge domains spanning these phases, with stakeholders and human resources falling under the area of 'administration'. O'Toole (2006) later proposed a variation on this model, which expanded the five domains out to ten. O'Toole separated stakeholders and human resources into discrete domains, in recognition of the significant, complex, and nuanced factors associated with the effective management of each of them. One of the characteristics of EMBOK's third phase, implementation, includes the reporting of work-in-progress to key event stakeholders. Bowdin *et al.* (2011) emphasises the importance of regular meetings to report on and evaluate the progress between stakeholders during