

# 56<sup>th</sup> IFEA Annual Convention & Expo

**“What keeps you up at Night?”**

## An Introduction to Event Risk Management

Peter Ashwin  
Exelar Consulting



# Approach

- **Benchmark current risk management practices** within IFEA
  - What are we doing?
  - How are we doing it?
  - How can we improve ?
- **Introducing Risk Management**
- **Identifying the “Top 20 Risks”**
  - What are they?
  - What is Probability (likelihood) of occurrence?
  - What are the potential Consequences?

# Approach (cont)

- **Integrating Risk Management with Event Planning & Operational Preparedness**
  - How can we link risk management to Event planning and delivery?
- **Next Steps: IFEA and Risk Management**
  - What are our needs - Development of an IFEA “RM tool kit”
  - How do we implement RM best practices for our members?

*“Almost any human endeavor carries some risk, but some are much more risky than others”*



# Risk Management Framework & Definitions



# Risk Management Framework

## ISO 31000:2009 – Risk Management

*(Australian/New Zealand Standard AS/NZS 4360:2004)*

- Sets out principles, a framework and a process for the management of risk that are applicable to any type of organization in public or private sector.
- It does not mandate a "one size fits all" approach, but rather emphasizes the fact that the management of risk must be tailored to the specific needs and structure of the particular organization.

# Terminology

**Risk** is the 'effect of uncertainty on objectives'. In this definition, uncertainties include events (which may or not happen) and uncertainties caused by a lack of information or ambiguity.

**Risk Management** is the identification, assessment, and prioritization of [risks](#) followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of unfortunate events .....

**Probability** - the potential likelihood that a given risk will occur

**Consequence** - is the outcome of an event and has an effect on objectives.

# Benchmarking Current Risk Management Practices

- **What are you doing** in terms of Risk Management ?
  - *Do you have a plan?*
  - *If so, who or what drives the process?*
  - *What are the benefits?*
- **How are you doing it?**
  - *Who owns the process /plan?*
  - *How was it developed and how is it managed?*



# The Process: Identify, Analyse and Manage the Risk

## Identify

- What are the Risks?

## Analyse

- Assess the Probability and Consequence
- Identify the “triggers”?

## Manage

- Treat the Risk: **Avoid – Mitigate – Transfer - Accept**
- Close the loop – ensure risks & issues are “owned” and communicated

# What are our Top 20 Risks?



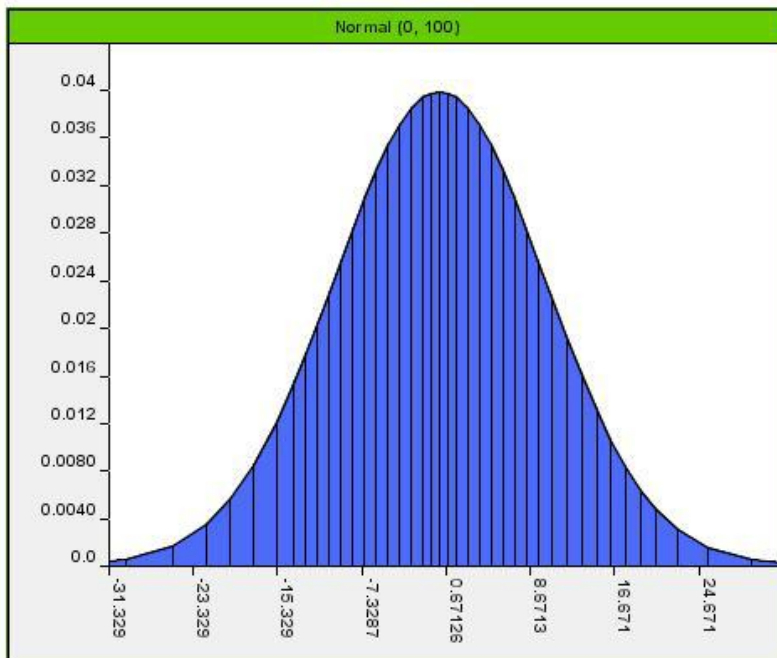
7 February 2011 DALLAS — The 400 ticket holders who were denied seats at the [Super Bowl](#) on Sunday when temporary bleachers erected at [Cowboys Stadium](#) were deemed unsafe. Eric Grubman, the N.F.L.'s EVP for business operations, *was called on to explain how roughly 1,250 people holding tickets for the game were displaced or turned away because sections of temporary bleachers were declared unsafe and unusable.*

1. Severe Weather
2. Communications Failure
3. Terrorism
4. Lack of Planning & Integration
5. Ticket Sales
6. Missing persons - children / Senior Citizens
7. Loss of key Event Staff
8. EMS / medical
9. Crime
10. Public Disorder – alcohol
11. Economy
12. Infrastructure Failure
13. Health – Food & disease

14. Withdrawal of Title Sponsor
15. Overcrowding / crowd management
16. Accidents – Traffic
17. Animals (e.g. Horses & Parades)
18. Labor / Staff
19. Vendors “cutting corners”
20. Budget over run
21. Counterfeit tickets
22. Fire
23. Act of Terrorism
24. Criminal Incident
25. External Influences

# Calculating the Risk Rating

Risk = Probability (Likelihood) x Consequence (Impact)



BINOMDIST								$\hat{x}$ =C16/ABS(A16-B16)
	A	B	C	D	E	F	G	
4								
5								
6	Xlower	Xupper	p(x)	midpoint	m*p(x)	p(x)*x^2	density	
7	-100	-1	1.39E-05	-50.5	-7.02E-04	3.55E-02	1.40E-07	
8	-1	0	5.57E-05	-0.5	-2.79E-05	1.39E-05	5.57E-05	
9	0	1	0.001217	0.5	6.09E-04	3.04E-04	1.22E-03	
10	1	1.5625	0.003352	1.28125	4.29E-03	5.50E-03	5.96E-03	
11	1.5625	1.84375	0.006036	1.703125	1.03E-02	1.75E-02	2.15E-02	
12	1.84375	1.984375	0.007557	1.914063	1.45E-02	2.77E-02	5.37E-02	
13	1.984375	2.125	0.014305	2.054688	2.94E-02	6.04E-02	1.02E-01	
14	2.125	2.265625	0.025505	2.195313	5.60E-02	1.23E-01	1.81E-01	
15	2.265625	2.40625	0.041875	2.335938	9.78E-02	2.28E-01	2.98E-01	
16	2.40625	2.546875	0.062771	2.476563	1.55E-01	3.85E-01	=C16/ABS(A16	
17	2.546875	2.6875	0.085438	2.617188	2.24E-01	5.85E-01	ABS(num	
18	2.6875	2.828125	0.10558	2.757813	2.91E-01	8.03E-01	7.51E-01	
19	2.828125	2.96875	0.11851	2.898438	3.43E-01	9.96E-01	8.43E-01	
20	2.96875	3.109375	0.12108	3.039063	3.68E-01	1.12E+00	8.61E-01	

# Probability (Likelihood) Metrics

Value & Keyword		Frequency Description
1	<b>Rare</b>	The event has never occurred
2	<b>Unlikely</b>	The event could occur at some time or may only be evident in unusual circumstances - once in the last five (5) years.
3	<b>Possible</b>	It is possible for the event to occur, the event has occurred at least one in the last two (2) years .
4	<b>Likely</b>	The event will likely occur in most circumstances on at least one day during the Event.
5	<b>Almost Certain</b>	The event <u>is expected</u> to occur, based on historical incident data or information provided by other external agencies or stakeholders.

# Consequence Metrics

Value & Keyword		Image & Reputation "Brand"	Financial & Legal	Organizing Committee (OC) / Staff & Sponsors	Production	Attendees
1	Minimal	No media interest	No financial or legal impact	Negligible effects	Negligible effects	Minimal impact or service disruption to program
2	Minor	Contained internally Very little media interest		Normal administrative difficulties Additional tasking of staff / Production Crew maybe required	Delays to program up to 30 mins maybe experienced	Limited impact or service disruption to program
3	Major	Known externally, short term impact on public memory Local newspaper coverage		Delay in accomplishing Event objectives Increased demands on staff / Production Crew to perform their functions	Program is affected, delays up to 2hrs or postponement of session	Attendee dissatisfaction – social media outputs Some program disruption / delays
4	<b>Significant</b>	Considerable local, state & national media attention (print & TV) Medium term impact on public memory	Legal & insurance implications	Cannot meet Production Schedule objectives Insufficient staff to manage the situation. Negative impact on key Sponsors	Significant program disruption resulting in cancellation of one or more Event sessions Serious injury/s may have occurred	Significant program disruption Attendee complaints on social media
5	Catastrophic	International media attention, long term impact on public memory, TV news headlines Significant damage to the Organizing Committee "brand"	Significant Legal and or insurance implications	Event irretrievably terminated; majority of objectives will not be met. Resignation / termination of OC key management staff Loss of Sponsorship	External agencies required to respond to a major security or public incident  Cancellation of Event program	Major service disruption, significant attendee dissatisfaction, legal action

# Risk Rating Matrix "Heat Map"

<b>Probability</b>	Almost Certain (5)	5	10	15	20	25
	Likely (4)	4	8	12	16	20
	Possible (3)	3	6	9	12	16
	Unlikely (2)	2	4	6	8	10
	Rare (1)	1	2	3	4	5
	Immediate action and weekly review	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
	Urgent action and monthly review					
	Timely action and quarterly review	<b>Impact on Organization</b>				
	General action and yearly review					

# Key Issues around Risk Management

- **Failure to identify risk** - the risk was unforeseen
- **Failure to manage risk** - the risk was identified, but not managed appropriately
- **Failure in the execution of the risk response (mitigation)** – controls to mitigate the risk failed



# Linking it Together

## Risk Management & Event Planning



# Risk Management & Event Planning

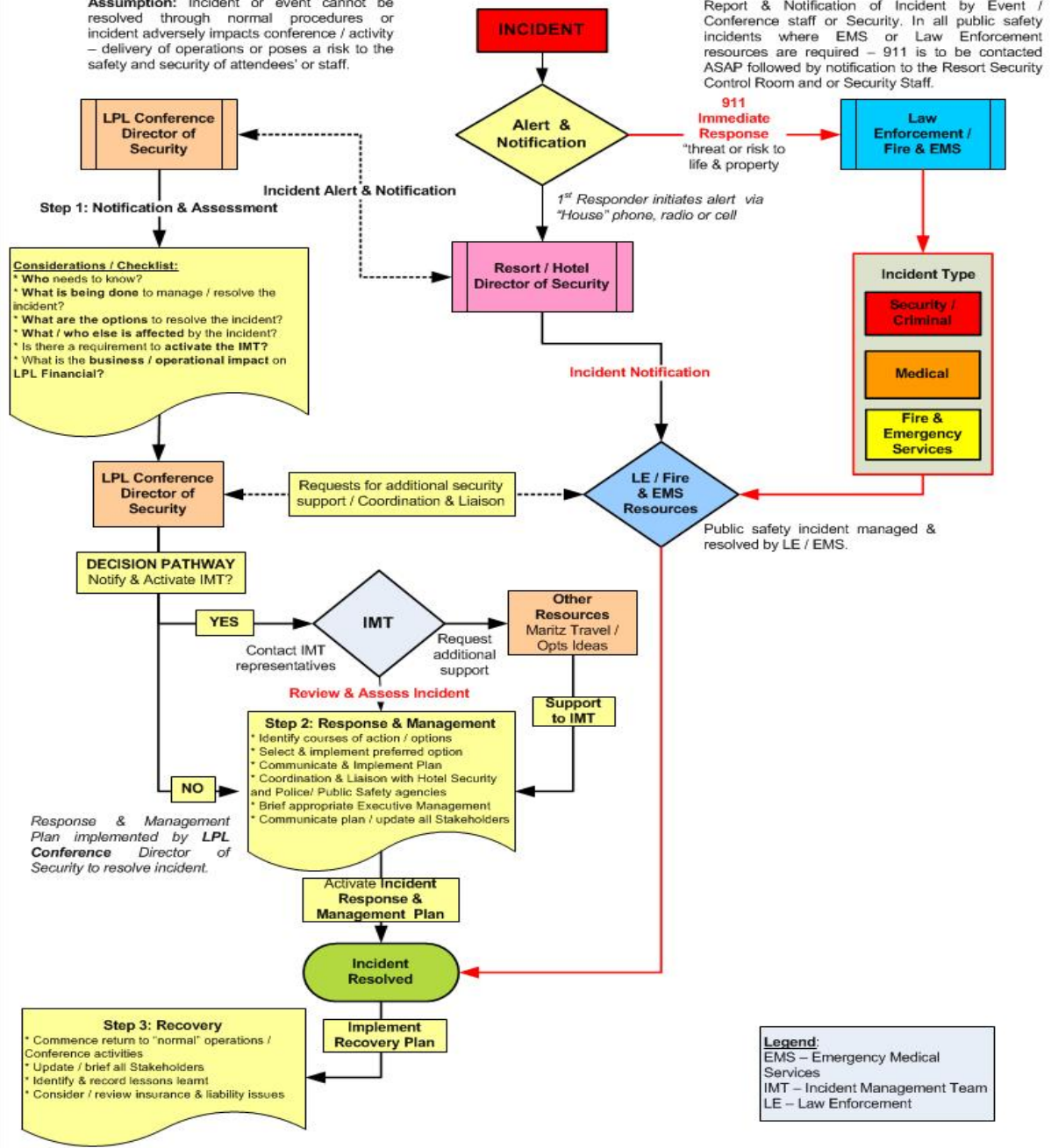
How can we utilize Risk Management into Event Planning and Preparedness?

- How does the Risk Management Plan inform planning?
- Preparedness: Reducing the Risk
  - Contingency Plans
  - Tabletop Exercises (TTX)
  - Event Simulations

## INCIDENT RESPONSE & MANAGEMENT PLAN

**Assumption:** Incident or event cannot be resolved through normal procedures or incident adversely impacts conference / activity – delivery of operations or poses a risk to the safety and security of attendees' or staff.

Report & Notification of Incident by Event / Conference staff or Security. In all public safety incidents where EMS or Law Enforcement resources are required – 911 is to be contacted ASAP followed by notification to the Resort Security Control Room and or Security Staff.



# Event Incident Matrix

<p><b>Routine</b> Everyday events with low Consequence</p>	<p><b>Non-Routine</b> Possible Moderate Consequence</p>	<p><b>Exceptional Events</b> Unlikely but with Major / Catastrophic Consequences</p>
<ul style="list-style-type: none"> <li>• Attendee’s attempting to access Restricted areas (non malicious acts) <b>without</b> correct credentials</li> <li>• Service corridor doors being “propped” open – allowing access from the Concourse</li> <li>•Attendee’s / Staff <b>without / lost</b> Credentials / tickets</li> <li>• No show of Volunteer staff</li> <li>•Lost Child</li> </ul>	<ul style="list-style-type: none"> <li>• Theft of attractive items</li> <li>• Vandalism</li> <li>•Unauthorized attempt (with intent) to access special events</li> <li>• Technology outage</li> <li>•Severe Weather (could also be Exceptional)</li> <li>•Transportation delays or disruptions</li> <li>•Drunk &amp; Disorderly behaviour</li> <li>•Disruption to Keynote Speaker / Head Line Talent</li> </ul>	<ul style="list-style-type: none"> <li>• Severe Weather</li> <li>• Temporary structure failure – stage / temporary seating</li> <li>•Food poisoning</li> <li>• Mass Casualty Medical incident</li> <li>• Credible bomb threat or ‘suspect device” found</li> <li>• Fire / Hazmat Incident</li> <li>•Active Shooter</li> <li>•Transportation system accident (serious injuries / fatality)</li> </ul>

# Tabletop Exercises (TTX) *“Preparing your Team”*



# The What & Why - TTX

- A facilitated discussion exercise where participants discuss **‘what if and what would I do’** within the context of a “credible” scenario.
- Designed to assist the Event Team to **confirm understanding** of plans, policies & procedures.
- Identify **“what’s missing”**



# The Outcomes.....

- **Education & training** – individual & team
- **Foster team building** – relationships & confidence
- **Enhance knowledge** of Event operations (plans, policies & procedures)
- **Identify gaps in planning** – practice, validate & evaluate
- **Cross functional / stakeholder integration-** information sharing & communication flows

# Tabletop Exercises (TTX)

## Preparing your Team

- Day 2, at 10.45am during the men's QF 3, the Sport Manager is notified that there is a medical emergency on the FOP.
- Two (2) athletes have been severely injured & the MED trauma team is responding.





# Responding to an Incident



- **Who** needs to be **notified & how?**
- What is the **potential impact of this incident** on the delivery of the Event?
- **What** needs to be **done & when?**
- What other **information do I need to know** to make a **decision** / execute a plan of action?
- Is the Event Team **empowered** to **resolve** the issue? Does it need to be **escalated** ?
- Who's responsible to **manage the incident** until resolution (**recovery**)?

# IFEA Risk Management “Tool Kit”

- Development of an IFEA “RM tool kit .
- Identify what are our needs within the Industry?
- How do we implement RM best practices for our members?



Just in case you thought  
this would never happen.....



*Closing Ceremony, Torino 2006 Winter Olympic Games*



[peter.ashwin@exelarconsulting.com](mailto:peter.ashwin@exelarconsulting.com)

(208) 284-8738

Boise, Idaho

