1 Theoretical Perspectives of Crisis Management and Recovery for Events

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Introduction

The world is always subject to crises and many times significant developments or changes occur in the aftermath of a crisis. In this regard, any crisis can be viewed as a turning point or critical juncture, though typically characterized by ambiguity, volatility and grave worries about the future. A crisis can cause continuing existential and socio-economic impacts; however, it also provides opportunities for creativity and innovation by re-imagining and reconfiguring the strategic purpose of organizations. Crises are apposite circumstances for reflection on management approaches, decision-making and the overall stability and sustainability of any system within which individual organizations operate. Arguably, any crisis prompts change to systems and organizations analogous to its scale and extent of multifaceted impacts.

The recent COVID-19 pandemic is a case in point of a multifaceted crisis as it is not only a health emergency. It entirely disrupted the social world and its commerce bringing about serious repercussions to the everyday life of people. The event sector, being a mirror of society, has been affected dramatically. Compulsory closures and regulations regarding social distancing led to innumerable postponements or cancellations of planned events, from the Summer Olympic Games in Tokyo to the smallest of community celebrations. Professional and amateur sports alike postponed or cancelled their seasons. Businesses of all scales all along the supply chain, including the venues, entertainers, and suppliers of goods and services, suffered enormous economic losses.

It appears that the full recovery of the interdependent event, hospitality and tourism industries inevitably requires a thorough re-thinking of the current approaches to city event planning and to event tourism. The pandemic crisis showed vividly that the development of the event sector worldwide has neither been salubrious nor sustainable. This is mainly because it has been

expanding too rapidly, without regard for the health of whole event popula-tions or the feasibility of managing event portfolios for long-lasting resilience. In other words, growth has been unregulated and inconsiderate of its lifelong systemic consequences to the range of preexisting events. As a result, com-petition has been intense, to acquire the most prestigious events, to build the most attractive 'eventful cities', or to produce the most benefits from event tourism. Exorbitant costs and detrimental impacts are widely evident for mega and major events, while in many cities over-tourism and the pandemic generated debate about whether there have been too many events staged with ever-increasing investment of public money. The pandemic crisis has exacer-bated this erratic state of the event sector, clearly illustrating its unsustain-able growth and the need to consider events operating within broader service ecosystems.

Nevertheless, the literature lacks specific frameworks and models focused on events, determining requirements for effective crisis management and recovery, building resilience of event ecosystems and fostering their sustain-able growth and prosperity. The purpose of this chapter is to contextualize the distinctive parameters and exigencies of crisis management for events and thereby set the ground for generating specific theory and evidence-based practice on this highly complex organizational landscape.

Background: Understanding the concept of crisis for events

What is a crisis? What does it entail when it comes to events? To answer these questions, first we must clarify the difference between crises and disas-ters. In general, crises involve a disruption that physically affects a system as a whole and threatens its basic functions and existence (Pauchant & Mitroff, 1992). Disasters are circumstances that trigger a sudden unpredictable cata-strophic change over which stakeholders have little control (Scott & Laws, 2005). In the literature, the distinction is clear, relating a crisis to an internal organizational failure to act, while attributing a disaster due to an external event over which the organization has no control (Ritchie & Jiang, 2019). In addition, disasters are distinguished into natural (e.g., earthquakes, flood-ing, etc.) and human-made disasters (e.g., terrorist attacks, political or finan-cial crises). However, these distinctions in the practical context of events are blurred as a crisis and a disaster may overlap; event organizers often fail to act appropriately in ominous situations of the external environment who they have no control over. For example, the COVID-19 pandemic is both a natural (virus) and human-made (socio-economic) external disaster that caused event failures and terminations. Therefore, a crisis and a disaster should be defined in particular contexts and issue areas considering their causes.

It is heuristically useful to contrast and compare the types of crisis causes for planned events. A crisis in general has either an external cause or exists in the response to an incident or general societal/economic crisis such as the pandemic. As well, smoldering or invisible crises can occur within organizations due to culture and leadership weaknesses, malfeasance or incompetence. How people and organizations respond to an incident, such as an attack or injury, or respond to a general crisis like a pandemic, is as important as the cause. For instance, witness the poor response of some governments and some events to the COVID-19 pandemic that resulted in avoidable 'super spreaders' and deaths. Table 1.1 provides a comprehensive list of possible external and internal causes of crises, followed by a list of response crises. External causes include natural, human error, human malfeasance, economic and socio-cultural conditions. Internal causes comprise organizational culture conflict, weak or incompetent management, failure to act in time or appropriately, and system-wide chaos. The causes are often interrelated, affecting one another and thus increasing the complexity of crises and the severity of impacts.

Integral to the concept of crisis is the extent of risk faced by people and organizations. O'Toole, Luke, Semmons, Brown, and Tatrai (2020) have examined the full range of risks facing events noting that catastrophes or worst-case scenarios are not part of normal risk assessment and require a different level of contingency planning. This brings to the fore another important distinction between the terms 'incident' and 'crisis'. Literature on crisis communication and risk management operates within these two interrelated terms. An incident is an unintended occurrence that disrupts normal operations, and generally incidents at events and surrounding events are minor and predictable within normal risk management.

An incident is one-off and relatively manageable, whereas a crisis can best be defined as "*a specific, unexpected, and non-routine event or series of events that create high levels of uncertainty and threaten or are perceived to threaten an organization's high-priority goals*" (Seeger, Sellnow, & Ulmur, 1998, p. 233). It is marked by a "*sense of urgency, close observation by the media and interrupts normal business operations with a potential loss of revenues and credibility*" (Williams & Treadaway, 1992, p. 57). Parsons (1996) classifies three types of crises. These are: a) an immediate crisis with little or no warning, and the organization is unable to prepare; b) a slower-in-developing, emerging crisis in which the negative impacts can possibly be stopped or minimized by organizational actions; and c) a sustained crisis with a long-term time frame.