

7

Project Management and Financing

In this chapter you will cover:

- Project management within the events industry
- The project life cycle
- The event life cycle
- Project management tools and events
- Identifying sources of finance for events and festivals projects
- Fundraising strategies for events organisations

This chapter will investigate and explore the theories and practices that are associated with project management, as appropriate to the events management industry, and will also evaluate a range of techniques that are available for event managers in the context of organisational transformation and density. In addition, the chapter will look at the different sources of finance and the wide range of fundraising strategies available to event managers. This should enable event managers to understand, negotiate and make decisions regarding the financial opportunities that may be presented to them.

Project management within the events industry

Project management has been a cornerstone of all projects that have been implemented since the early days of major projects such as the construction of the Hoover Reservoir Dam and the Manhattan Project (Luecke, 2004). Today, project management is applied to all kinds of activities and even the events industry is discovering the benefits and realising the significance of project management. In recent decades expectations about the quality and efficiency of events have increased (GCB, 2009), and some discussion is needed as to which project management tools are most suitable to ensure the successful planning and control of events. It is questionable whether the importance of project management grows with the complexity of an event, or whether project management offers planning

and control tools which contribute to the success of any kind of event, no matter what size or scale. Undoubtedly, the more complicated and long-lasting the planning of an event is, the more essential it is to introduce methods guaranteeing its progress and success.

As several leading authors such as Getz (2018) emphasise, every event has to be completed by a specific date, and its budget is limited and closely linked to its quality and performance. Organising an event can thus definitely be characterised as a project. So, we now need to investigate to what extent the application of project management can contribute to more successful events. For event managers to be successful in managing an event they must approach it as a project. Therefore, it is important for event managers to ask for the event proposal from the client to see if the project is suitable for the company to undertake. The event proposal contains the main information in relation to project requirements and resources needed for it. The event proposal template, such as the one below, details the information to be provided by the client, such as the background of the event.

Event proposal template

1. Name of project
 2. Name of contact person
 3. Background to the project
 4. Goals and objectives
 5. Scope of the project
 6. Target audience
 7. Partners/supporters
 8. Risks and key assumptions
 9. Budget
 10. Time scale
 11. Event date
-

The event can be seen as an asset, the ultimate deliverable that has to be presented to the customer. The way of producing an event can therefore be defined as the management through which the progress and success of the ultimate deliverable (the event) has to be guaranteed.

The project life cycle

Project management approaches generally divide the project life cycle (PLC) into a number of phases, in order to support a project's progress and success. Figure 7.1 summarises the four fundamental framework phases of the product life cycle for an event.

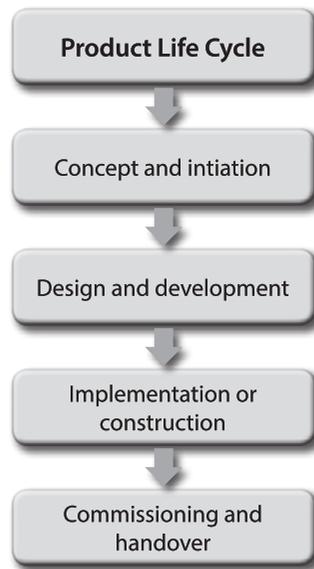


Figure 7.1: Fundamental framework of project management

To correctly apply these phases to the events industry it is necessary to define them briefly.

- **Concept and initiation:** The two most important things to be covered in the first phase are to establish 'a need or opportunity for the product, facility or service' and to conduct a feasibility study, to assess whether or not the project is realisable.
- **Design and development:** The second phase is concerned with very important tasks. Undoubtedly, failures in this phase will have very damaging impacts on a project as discrepancies in the planning process will affect a project's quality and time management.
- **Implementation or construction:** Effective management is very important here as monitoring and controlling will be undertaken throughout this phase. The reason for this is the interdependence between the parameters of time, budget and quality – any shortfall in one of these will very likely endanger the whole project.
- **Commissioning and handover:** The fourth and final phase '*confirms that the project has been implemented or built to the design*' and in the end terminates the project (Burke, 2006: 28). Luecke (2004) stresses that learning from experience is a very important activity of this phase. For the events industry, this phase offers a great opportunity to assess the ways things have been done in order to improve for future projects, as a lot of events take place annually or might at least repeat within a few years.

This short definition of the PLC reveals how dependent all these phases are on each other. Every end result of one phase determines the success and progress of the following. As events, just like any other project, are in most cases organised over a long period of time, it is best to divide their planning into several phases.

The event life cycle

The PLC of events is called the event life cycle (ELC) and is considered to have five phases (as shown in Figure 7.2).

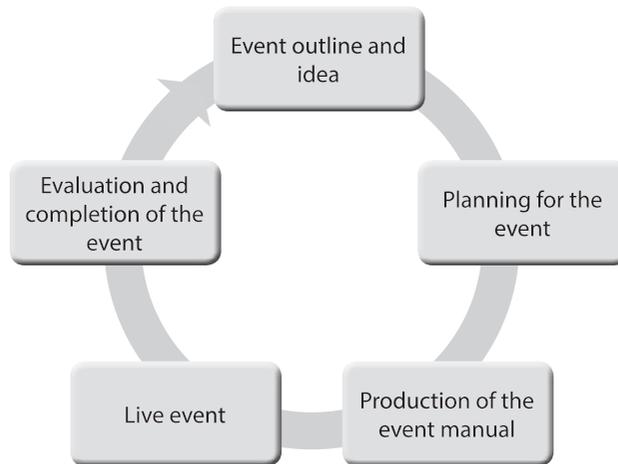


Figure 7.2: The event life cycle

The aim of the different phases is to provide clarity to the confusing tasks involved in events management. The most important action of the last phase is learning for the future. Understanding how the phases overlap and determine each other, in the opinion of authors like Goldblatt (2002), can only be improved by experience, since the basic framework of planning, leading, designing, marketing, controlling, budgeting, staging and evaluating an event does not necessarily depend on the type of event. Remember, every event is unique and therefore sets new standards.

- **Event outline and idea:** The outset phase is concerned with the presentation of the project's idea, for which objectives have to be set. This phase can include a feasibility study to determine whether the event is realisable or if the idea has to be rejected. The outset phase clearly offers decision-makers the opportunity to evaluate if any investment in a potential event should be undertaken or not.
- **Planning for the event:** This phase supports event organisers with clearly structured plans and schedules if developed and implemented in the right way. Better coordination means that any risks and dangers can be identified before they seriously affect the successful completion of an event. Well-conceived and detailed plans and schedules facilitate an event's planning, and as there is only one opportunity to get it right, the planning phase should provide events industry professionals with security and clarity to successfully plan, control and implement an event. Thus, it is at this stage where project management tools can be deployed to contribute to an event's success.
- **Production of event manual:** The implementation phase deals with the monitoring and controlling of all actions undertaken, and offers the opportunity to compare the initial objectives with reality. It is this phase that offers industry professionals the opportunity to intervene and adapt plans to the objectives, to ensure they do not steer off course and endanger an event's success.