
Rugby World Cup 2011 — the game of risk management

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The management of large-scale sporting and conference events presents evolving subsets of risk. As events become bigger, managing these risks becomes more complex. The interdependencies between stakeholders mean that an issue affecting one can have an impact on others or, indeed, the success or reputation of the larger event. The 2011 Rugby World Cup in New Zealand provides a number of examples of this. Overall, it was an incredibly successful event, but it was not without some noteworthy issues that threatened the reputations of organisers, sponsors, hosts, teams and the game itself.

In this article, I will take a look at the execution of the 2011 Rugby World Cup and the complexities of such events, and provide you with a few tips for planning and managing risks for your next big event.

The world loves high-profile sporting events. Major events with a world focus provide the host nation with a range of opportunities to raise their international profile in both sport and business. It promotes social and community development and, if managed with viable intention, a lasting legacy to ensure long-term economic benefits. A successful event can lead to sustainable increases in tourism, increased foreign investment, job increases during development and hosting phases, and a strengthened sporting culture.

Of course, with every opportunity comes risk, and managing risk becomes a critical priority to ensure a successful event. The route for managing risk with large and complex events is continuous, potentially evolving and becoming more complex as the event progresses from the initial idea to execution and beyond.

Often referred to as mega events, tournaments such as the Rugby World Cup are conducted on an exceptional scale and scope, requiring long-term resource and operations commitment. Organisational and technical failures represent the potential for high risk or catastrophic consequences as well as increased security threat level based on crowd numbers and global profile.

Pre-bid risk assessment

The first risk and opportunities assessment should be done well before any decisions to bid are made. Weighing up the pros and cons, contextualising, identifying, analysing and assessing the risks of hosting and managing the event early can aid responses to any opposition and inform your decision to bid.

Mega events will have specific processes and guidelines to inform applicants on their requirements for bid feasibility, bid preparation and supporting comprehensive business plans and budgets. Your major event bid should include a governance structure and framework for managing risk as well as a full risk assessment and management plan. During the time between submission of the bid, approval and pre-event planning, continuous hazard identification and monitoring of identified and emerging risks should occur.

It is imperative to identify stakeholders and engage with them prior to deciding to bid. Their involvement early in the process can help to mitigate any issues as they arise. Remember, everyone's reputation is at risk should something go awry.

Diagram 1 shows that any one incident occurring at an event can affect one or all stakeholders.

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Diagram 1: Stakeholder impacts

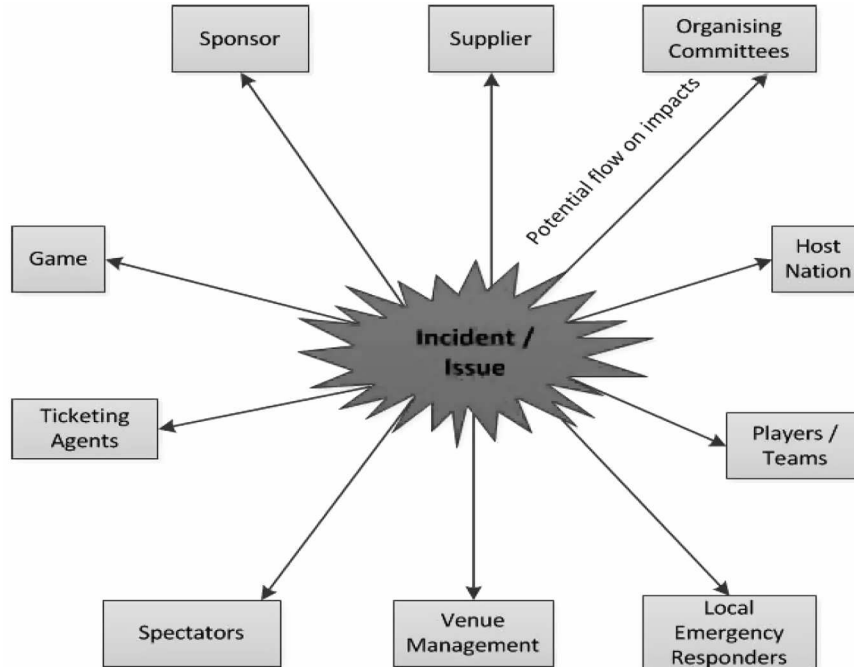


Diagram 2 represents the flow of interdependencies and shows how an incident affecting one supplier can impact directly on other stakeholders.

Diagram 2: Interdependencies



Risk assessment at each stage of the bid and execution process should consider the following as a minimum:

- Public safety
- Security
- Events and programs
- Sponsorship management
- Staff
- Volunteer management
- Equipment
- Facilities/venues
- Financial administration and monitoring budget management

- Operational management
- Ethical accountability
- Health and safety
- Legal/insurance
- Procurement
- Lasting legacy
- Strong governance and delivery structures
- Delivering against an immovable timeframe.

Some figures from the 2011 Rugby World Cup

The 2011 Rugby World Cup in New Zealand was a mega sporting event with a global audience. Twenty countries participated in 48 matches across 12 venues

and teams were hosted in 24 towns and cities across both the North and South Islands. New Zealand hosted over 100,000 international visitors, and games were broadcast to an audience of over 4 billion people across the globe.

Ticket sales achieved 87% of all available tickets for the entire event with revenue from tickets in excess of \$268.5 million prior to the final two games being played. Following the event, MasterCard estimates that the country is due to deliver \$750 million in direct economic benefit and \$2 billion in long-term economic benefits (www.rugbyworldcup.com).

It was a phenomenal event that appeared to the spectator well managed for the most part. There was good attendance, locals got behind the matches and the teams with great enthusiasm, and ticket sales picked up once the event was underway despite difficult economic circumstances. Most venues were easily accessible by foot. Existing venues were used so the risk of “white elephant” facilities was minimised. Rather than building new facilities, some existing stadiums received upgrades or incorporated temporary stands to accommodate larger numbers.

Social and community benefits from hosting the event

The event was able to raise awareness of the devastation in Christchurch and achieved significant funds for the Christchurch recovery. Hosting the Rugby World Cup following tough economic times and an emotionally difficult year promoted cohesiveness, lifted the spirits of locals (with a home team win) and strengthened an already thriving sporting culture.

The successful execution of the tournament advanced the profile of both Rugby and New Zealand around the world and achieved all ticketing, sponsorship and broadcast targets.

Planning and logistical problems with the event

The event was not without its challenges, though, and there were major problems with public transport in Auckland. This particularly revolved around trains and public information associated with getting to and from games. Some people missed kick-off due to trains being immobilised, while others missed the whole game. In some of the smaller towns, public transport appeared to be non-existent.

On the first night of the tournament, crowd numbers in the Auckland fan zone areas were grossly underestimated due to a lack of sufficient planning. This caused major crowd control issues around the Britomart Station and Queens Wharf areas. Political infighting between

national and local governments as to who should best manage the events in Auckland was largely publicised, further adding to the embarrassment of first night hiccups.

Security at all venues appeared quite lax, with many people being able to bring contraband items into the stadiums with ease. Crowd compliance and luck rather than careful execution of security measures saved major embarrassment or security concerns.

IRB and team issues

Policy stoushes between the International Rugby Board (IRB) and teams concerning financial consequences of participating in a World Cup, funding distributions and commercial rules were highly publicised in the media throughout the tournament. Concerns about the management of team draws, in particular short turnaround times between games for tier two teams and fines against teams, received a lot of media attention. Additionally, the suitability and skill level of umpires was largely criticised. Both of these issues threatened to impact not only on IRB's reputation, but on the game itself and ongoing investment from high-profile countries. Further, it had the potential to threaten the future success of both this and subsequent tournaments.

Behaviour, both on and off the field, such as team incidents including ball changes, illegal field advances, and drunken revelry threatened to impact the integrity of the game, reputation of affected teams, the Rugby Football Union and Rugby World Cup Ltd.

Crowd behaviour challenges

There were also a large number of behavioural issues that threatened the host nation reputation, including unsporting behaviour from locals (in minority rather than the majority) towards international visitors. Such behaviour included: verbal abuse, spitting, barging and shoving. This was not just media hype, it occurred frequently targeting primarily Australian and English fans. The potential impacts of this behaviour could have included diminished future tourism prospects and reputation of local cities and towns.

New Zealand now has the opportunity to learn from this event and take full advantage of the opportunities it brings.

Lessons to be learned from the event

Auckland will definitely need to rethink its waterfront management strategies and invest in its public transport system. While this reveller appreciated the exercise, a crowd of thousands should not be expected to walk over four kilometres to a venue — walking being the primary and most reliable option of getting there.

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Venue security/contractor management needs a really good shake up and should be addressed prior to any further events. The reputation of the IRB and political issues that arose during the tournament will hopefully be addressed prior to the next world cup in 2015.

Tips to help address threats when planning an event

Although the Rugby World Cup 2011 was a mega-event which posed great complexities in its execution, the same methodologies of risk management planning can be applied to events of all sizes. Below are some ideas that will help organisations to ensure their planning addresses, and is able to manage, the full range of threats that could present. To effectively manage risks for your next event make sure your planning includes the following:

- Set clear objectives against which risks are identified — this will enable you to effectively manage those risks directly related to achieving your objectives.
- Ensure threat, risk and security issues are recorded in a risk register — a clear record of the risks, their control measures and their rating provides monitoring capability and a central record.
- Identify, assess and mitigate all risks — this helps you to identify opportunities, minimise consequences and can stop the bad stuff from happening.
- Prepare threat and risk management plans for key issues and manage their implementation to completion. Ensure an overarching crisis management plan is in place — this confirms clear roles and responsibilities enabling teams and stakeholders to know exactly what to do to manage incidents and crises.

- Ensure appropriate teams are created and trained to manage and monitor issues — the right people in appropriate roles ensures streamlined capabilities and performance.
- Involve key stakeholders in risk, threat response and crisis planning — this ensures that everyone understands what can go wrong, the expectations for their performance and how to manage crises. Test and review plans. Following rehearsals implement any learnings — the plan is no good unless it works.
- Be critically aware of any interdependencies and have contingencies in place — flow on effects of a crisis affecting one stakeholder can have crippling effects on others.
- Actively collaborate and communicate with stakeholders and have a robust stakeholder management plan — know who can influence, who can help and who can hinder; and
- Continuously monitor and report on identified and emerging risks — stay on top of the game.



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Samantha Ford helps organisations build proficiency and internal capabilities to prevent, prepare for, respond to and recover from crises.