Strategies for Effective Risk Management in Event Planning: A Comparative Analysis of Risk Associated with Hosting Events in Jakarta

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Abstract: This study investigates the topics of risk, crisis management, and resilience within the specific domain of event management. The primary objective is to analyze existing literature on these subjects and examine the event management practices in Jakarta, Indonesia. This study emphasizes the importance of differentiating between risk management, which focuses on proactively addressing potential problems, and crisis management, which deals with crises as they occur. The text highlights the recognition of a developing integration between these two fields within the comprehensive resilience framework, which spans several stages, such as prevention, planning, reaction, recovery, and learning. Moreover, it underscores the necessity of adopting an organizational framework to manage risk and crises effectively. This framework should comprehensively consider diverse organizational elements, including but not limited to size, structure, culture, and historical encounters. Nevertheless, despite the heightened demand for this all-encompassing and organization-focused approach, empirical research is still being conducted on resilience within the domain of event management. This study highlights the necessity for additional research on these pivotal topics, aiming to augment event management entities' strengths and crisis management capacities.

Keywords: Event Management, Risk Management, Crisis Management, Destination Resilience.

1. Introduction

The management of events in Jakarta entails a substantial consideration of risks when organizing any forms of gathering within the city. Event organizers must take into account a range of risks, including safety dangers, security breaches, health problems, and environmental factors (Smith, 2023). Implementing a thorough risk management plan is of utmost importance in guaranteeing the achievement and security of an event (Smith, 2023). In addition, it is noteworthy that the events industry in Jakarta is through a process of development, as seen by the recent implementation of a comprehensive event licensing system by the government. This initiative aims to enhance the attractiveness of Jakarta as a destination for various events while also streamlining administrative procedures. The implementation of this streamlined process is anticipated to enhance the events sector in the city and facilitate the organization of events in Jakarta with increased accessibility and convenience. There are several event management companies in Indonesia, such as PT. Global Event Management, Phenom Event, Bali Group Organizer, and BrainBox, provide a wide range of services including event planning, venue selection, and risk management (Goodfirms.co, 2023). While planning an event, the three crucial phases are the pre-event, during, and post-event stages. Each phase has specific activities and risks that must be identified and addressed with an action plan (Wardhani et al., 2022).

As an example, the ASEAN Foreign Ministers' Meeting in Jakarta, which had a host of safety and security measures in place, shows how comprehensive risk management is implemented during large-scale events (Crisis24.Garda, 2023). Similarly, numerous other events, such as human resources and data events are scheduled in the coming months in Jakarta, demonstrating the city's active events scene. Overall, managing risks in event management in Jakarta requires careful planning, attention to detail, and implementation of effective strategies to address potential issues. Companies or individuals planning events in Jakarta can reach out to local event management companies or consulting firms for support (Goodfirms.co, 2023). Additionally, leveraging the advantages of digital tools, such as custom apps, can also be beneficial in tracking and managing risks in real time (Smith, 2023). The hazards pertaining to organizing events in Jakarta, Indonesia, can be classified into various domains, namely geopolitical tensions, security protocols, environmental susceptibilities, and digital security apprehensions. The geopolitical difficulties that can emerge during events such as the recent discussions between US Secretary of State Antony Blinken and Chinese diplomat Wang Yi in Jakarta have been underscored (Goodfirms.co, 2023; Smith, 2023). These tensions may result in heightened security protocols and possible instances of disturbance. Notwithstanding these potential hazards, Jakarta persists in organizing a diverse range of events, including business networking gatherings, industrial exhibitions, and conferences (Crisis24.Garda, 2023). It is imperative for event organizers to carefully evaluate these potential hazards and apply suitable measures to mitigate them, so ensuring the overall safety and prosperity of their events.

The primary objective of the pre-event phase is to identify and strategize for probable hazards. This encompasses the evaluation of the geopolitical landscape, exemplified by the recent diplomatic engagements between representatives of the United States and China in Jakarta. These interactions have shed light on the possibility of heightened tensions and the implementation of enhanced security protocols. In addition to other considerations, event organizers must also consider the environmental vulnerabilities of Jakarta, which is recognized as one of the most environmentally fragile cities globally. This vulnerability stems from various factors, including but not limited to pollution, water scarcity, heat waves, natural disasters, and the overarching climate issue (Hasana et al., 2022; Sueyoshi & Goto, 2010).

This may entail devising strategies to mitigate any disruptions caused by environmental occurrences and protecting the well-being and security of participants. During the course of the event, the attention is redirected towards the execution of the premeditated security protocols and addressing any unforeseen complications that may arise. This may entail the administration of security checkpoints, implementation of random security inspections, and collaboration with local law enforcement agencies, as exemplified at the 56th ASEAN Foreign Ministers' Meeting (Crisis24.Garda, 2023). During this phase, the issue of digital security also emerges as a noteworthy worry, as there is a growing necessity to safeguard the integrity and confidentiality of event-related information and communications. During the post-event phase, the primary objective is to assess the efficacy of the risk management methods put into place and derive insights from any occurrences that transpired. This process may entail the examination of security incidents, evaluation of the influence of environmental elements on the occurrence, and identifying potential areas for enhancement in subsequent events. In conclusion, the effective management of risks in the context of event management in Jakarta necessitates the adoption of a holistic approach that encompasses all stages of the event's lifetime. The safety and success of events in urban areas necessitate meticulous preparation, attentive execution, and intelligent assessment. Event organizers can utilize the knowledge and skills of local event management firms and digital resources to proficiently handle these risks and achieve favorable outcomes for their events.

A significant inquiry that preoccupies event planners, event groups, and the industry at large pertains to the strategies for sustaining operations and enhancing resilience amidst the ongoing global pandemic. The concept of resilience, primarily concerned with the adaptive capacities of systems, organizations, societies, and individuals in response to shocks and disruptions, has emerged as a transformative paradigm for reevaluating strategies to attain sustainability in an increasingly volatile and uncertain global context (Werner et al., 2022). According to (Prayag et al., 2018), resilience plays a crucial role in effectively addressing risks and crises within the tourist and hospitality sectors. Crises are adverse occurrences that have the potential to disrupt a previously stable system and cause harm to individuals, collectives, and the industry (Prayag et al., 2018). Resilience refers to an individual's ability to swiftly recover from a crisis and regain stability. Similarly (Miles & Shipway, 2020), argue that incorporating the concept of resilience into the risk and crisis management strategies of event employees is essential.

According to Miles and Shipway (2020), the COVID-19 pandemic has underscored the significance of incorporating risk and catastrophe management as well as resilience into event studies. However, the majority of existing endeavors in this field tend to be very theoretical in nature, as exemplified by the work of Miles and Shipway (2020). Alternatively, other studies just document the instant responses of event professionals, as demonstrated by the research conducted by (Dillette & Ponting, 2021). According to Werner et al. (2022), there is a dearth of empirical research examining the long-term strategies employed by event employees in managing risk and disasters. An increasing body of research has been dedicated to examining the idea of resilience within the tourism and hospitality industry. These studies have contributed valuable insights into the general understanding of resilience (Jiang et al., 2019; Prayag et al., 2018). Alternatively, the literature has examined other contexts, including hurricanes (Cahyanto et al., 2021) and small tourism enterprises (Sobaih et al., 2021).

According to (Laparojkit & Suttipun, 2022) , scholars specializing in tourism have recognized the significance of organizational resilience and its interconnectedness with risk and crisis management. The implementation of appropriate risk and crisis management procedures is crucial for maintaining organizational stability and enhancing resilience. The organizational resilience framework demonstrates the capacity of an organization to effectively navigate and adapt to changes. Conversely, the 4R Tourism Crisis Management Model serves as an illustrative instance of an action-oriented theoretical framework that provides guidance on managing risks and crises within the realm of tourism management (Cahyanto et al., 2016; Pennington-Gray et al., 2011). Despite the significance of the matter, there exists a dearth of scholarly investigations that have established a connection between these two ideas and conducted comprehensive examinations of associated research areas within the domain of event management. With the widespread availability of vaccinations, there has been a gradual improvement in the event industry. Despite the prevailing uncertainty, it is imperative for the business to proactively adapt to the evolving landscape and contemplate potential outcomes and associated opportunities. The primary objective of this study is to examine risk and crisis management strategies employed by event planners and organizations, as well as their level of resilience, both prior to and after the onset of the COVID-19 pandemic. The findings of this study provide insights into strategies for ensuring the safety of events

in both non-pandemic and pandemic scenarios. This study additionally demonstrates the methods for cultivating resilience in event management, considering both academic and practical perspectives. The study was specifically grounded on the following research inquiries: (1) How do event professionals and the groups they work for handle risks, crises, and building resilience? and (2) What factors affect how professionals in the event industry and their businesses deal with risk and crises and build resilience?.

2.   Methodology

The present study utilizes a qualitative research methodology in order to obtain a full comprehension of risk and crisis management methods, as well as resilience-building techniques, among event professionals and organizations located in Jakarta, Indonesia. The utilization of the qualitative technique facilitates a comprehensive investigation into the experiences, attitudes, and strategies employed by professionals in the event industry. This approach yields profound and contextual insights that may not be effectively captured using quantitative methods (Creswell, 2018). The main data collection method employed in this research comprises of semi-structured interviews conducted with event professionals and organizational executives within the event management sector in Jakarta. The selection of participants in this study employs a purposive sample technique, specifically targeting individuals and organizations who possess substantial expertise in managing events within the city (Ray & Bala, 2021). The individuals encompassed within this category consist of event planners, security staff, venue managers, and representatives hailing from event management businesses. The determination of the sample size is guided by data saturation, which entails the continuation of data collection until no novel themes or insights arise from the interviews (Dworkin, 2012). In conjunction with conducting interviews, the analysis incorporates other data sources, including industry reports, government regulations, and media coverage pertaining to occurrences in Jakarta. These sources furnish supplementary context and corroborate the findings from the interviews.

3.   Results and Discussion

Event management leaders in Jakarta, like their peers around the world, put a lot of emphasis on open communication, adaptability, and taking bold steps to deal with crises. This is especially true in light of the problems caused by the COVID-19 pandemic (Laparojkit & Suttipun, 2022). This fits with the idea that risk perception and management are inherently subjective and are affected by sociocultural factors and the culture of the company (Goodfirms.co, 2023). Event planners in Jakarta probably think that putting on events offers both chances and challenges. On the one hand, events can boost the local economy, bring in more tourists, and add to the cultural fabric of a place. On the other hand, leaders have to deal with the uncertainty that comes from local and global factors, such as changing public health situations, changing economic conditions, and changing rules. Event management risks in Jakarta and elsewhere can be put into the following categories: (1) Health and safety risks: After the COVID-19 outbreak, these risks are even more important. Organizers of events have to put the health and safety of attendees and staff at the top of their list (Wardhani et al., 2022); (2) Operational Risks: These have to do with how the event is planned and put on. Some examples are risks related to managing the venue, the dependability of suppliers, and the logistics of the event; (3) Financial risks: These can happen if the event is canceled if a sponsor pulls out, if the budget goes over, or if there are any other unexpected costs; (4) Character Risks: These are linked to the possibility of bad press or public opinion that could hurt the character of the event, the people who put it on, or the people who pay for it; (5) Legal and Regulatory Risks: These include the possibility of not following local laws, rules, or policies, especially those about health and safety, noise control, food and drink service, and waste management. Leaders in Jakarta's event management business know the importance of a solid risk management plan. This means identifying hazards, assessing and controlling risks, and implementing a formalized framework. Adaptability, the ability to change in the face of new challenges, and the ability to speed up repair efforts when problems happen are the keys to managing events well in risky situations (Wardhani et al., 2022). Even though there are risks, event management is still a strong and important part of Jakarta's economy. Organizers continue to use their ability to make decisions based on their own opinions to deal with problems and add to the city's lively event scene.

Drawn on the comprehensive literature study provided, an extensive examination of several sources was conducted to evaluate the perspectives of organizational leaders within the event management sector, with a specific focus on Jakarta. This analysis aimed to ascertain their viewpoints on event hosting and the associated hazards they encounter. Based on the extant literature, it has been observed that organizational leaders within the event management sector in Jakarta have placed significant emphasis on using open communication, adaptation, and proactive crisis management strategies in their efforts to address the challenges posed by the COVID-19 pandemic. The crisis management technique employed by Garuda Organizer, a prominent event-

organizing company in Indonesia, encompasses several critical components. These include doing thorough crisis research, forming a dedicated crisis team, developing a comprehensive plan, executing a revised work system, and adapting to the cultural changes brought about by the new system. This exemplifies the acknowledgment of the significance of crisis management when confronted with substantial external disturbances, mirroring comparable attitudes within the wider event management sector.

Risk perception among these leaders is characterized by a combination of rational and subjective methods, which are impacted by socio-cultural factors. The decision-making process inside the industry remains unaffected by ambiguous situations, notwithstanding the subjective nature of risk management. This observation underscores the tenacity of these event organizers in effectively navigating the unpredictable landscape of event management amidst periods of turmoil. When considering the literature from a worldwide standpoint, it is widely recognized that having a comprehensive event risk management plan is of great significance (Smith, 2023; Wardhani et al., 2022). This encompasses a thorough evaluation of events, taking into account various possibilities such as cancellation, rescheduling, or transitioning to virtual platforms (Werner et al., 2022). Given the global standards of the event management sector, Jakarta's event organizers are expected to engage in a comparable practice. The holding of events encompasses a spectrum of dangers, spanning from the possibility of physical harm to the potential for harm to one's reputation and financial difficulties. This thorough comprehension of dangers It is suggested that event organizers in Jakarta are inclined to take into account a wide range of risk factors throughout the event planning process, owing to the interconnected nature of these hazards on a global scale.

Nevertheless, it is important to acknowledge that the perception of risk and the approach to crisis management may change among various organizational leaders within Jakarta's event management business. Although this analysis offers valuable insights into the overall trends and strategies within the industry, it is crucial to recognize the potential variations in perspectives and practices among these leaders. Perceptions and approaches in the context of organizational crises can be influenced by various factors, including the organization's size, available resources, prior experiences with crises, and the specific characteristics of their activities. In conclusion, the literature analysis suggests that leaders within the event management business in Jakarta possess a thorough and comprehensive comprehension of the potential risks entailed in hosting events. The measures employed to mitigate these risks demonstrate a high level of sophistication, emphasizing the significance of effective communication, flexibility, comprehensive crisis management preparation, and the ability to recover from adversity. Nevertheless, implementing distinct approaches may differ across various businesses due to factors such as resource availability, organizational culture, and prior encounters with critical situations. Additional empirical research would be advantageous in acquiring a more sophisticated comprehension of these views and strategies (Lemy et al., 2019; Oe & Yamaoka, 2022).

The implications for management derived from the literature research and analysis of the event management business in Jakarta are as follows: (1) it is imperative to underscore the importance of crisis management planning, as its value is readily apparent. Establishing a clearly defined plan for unforeseen disruptions or catastrophes, such as the COVID-19 pandemic, is of utmost importance for management. The proposed strategy ought to encompass establishing crisis management teams specifically designated for this purpose, as well as delineating defined roles and responsibilities within these teams. Additionally, it should incorporate the implementation of effective communication channels to facilitate timely and efficient dissemination of information. Furthermore, a comprehensive step-by-step response guideline should be developed to ensure a systematic and organized approach to managing crises. By engaging in this practice, event organizations have the opportunity to improve their level of readiness and guarantee a prompt and well-coordinated reaction to unforeseen circumstances. (2) It is imperative for managers to have a comprehensive approach to risk management that encompasses both objective and subjective dimensions. This entails taking into account various factors while formulating risk management strategies. Acknowledging that socio-cultural elements and individual experiences can shape the perception of risk might enhance decision-making efficacy when confronted with uncertain circumstances; (3) It is imperative to foster a resilient organizational culture that possesses the ability to effectively respond to and surmount challenges and uncertainties. This entails cultivating a milieu that prioritizes the acquisition of knowledge from previous crises, adopting a proactive stance in recognizing possible hazards, and advocating for an adaptable methodology in resolving issues. The attribute of resilience not only facilitates an organization's ability to recover from crises but also has the potential to enhance long-term success.

Investing in resources is crucial for organizations aiming to manage crises effectively. Allocating adequate resources to risk and crisis planning has significantly enhanced the success rate of crisis management efforts. This encompasses both the allocation of financial resources for the implementation of contingency plans and the mobilization of human resources to establish specialist crisis management teams. It is imperative for managers to prioritize these expenditures in order to safeguard the longevity and expansion of their respective firms. In order to effectively manage risk, it is crucial to tailor risk management strategies to the specific needs and characteristics of the organization or project at hand. It is important to acknowledge that the perception of risk

and the approach to crisis management inside an organization can be influenced by various factors, including the size, structure, past experiences, and unique nature of the events that the company hosts. When formulating risk management plans, managers must take into account these elements, adapting them to suit their individual requirements and prevailing conditions.

The prioritization of communication is of utmost importance in the realm of risk and crisis management, as it serves as a vital component in ensuring effectiveness. The use of open, transparent, and regular communication within a team can foster trust and collaboration among its members. Additionally, it serves the purpose of keeping all relevant stakeholders adequately informed in times of crisis. This encompasses both internal communication within the organization and external communication with stakeholders such as clients, partners, and the general public. The aforementioned managerial implications underscore the significance of strategic preparation, effective communication, and adaptability within the domain of event management. Nevertheless, it is important to note that these guidelines are not comprehensive and must be tailored to suit the unique circumstances of each institution. Future empirical research has the potential to better comprehend optimal strategies in risk and crisis management, as well as the development of resilience within this particular business.

4.   Conclusion

The literature analysis and practical experiences from the event management industry in Jakarta highlighted the significance of risk and crisis management and the role of resilience. It was found that while risk management focuses on predicting and mitigating potential problems, crisis management handles issues as they occur. Moreover, their boundaries have become increasingly blurry with the recognition that a failure in risk management can result in a crisis. These aspects are all encompassed in the holistic process of resilience, which includes prevention, planning, response, recovery, and learning. The literature analysis also demonstrated the shift towards an organizational approach in managing risk, crisis, and resilience. This approach factors in organizational attributes such as size, structure, culture, and past experiences, underscoring the importance of tailored strategies that align with the organization's vision and mission. However, despite the growing demand for this organizational approach, practical resilience studies in event management remain sparse. In conclusion, more in-depth research in these areas would significantly contribute to theory and practice, helping the event management industry anticipate, respond, and adapt effectively to future challenges.

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