Cultivating Stakeholders for Special Events: The Case of the Community Festival

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Cultivating Stakeholders for Special Events: The Case of the Community Festival

Abstract

Cultivating stakeholders is a critical part of event management. This application activity covers the following four-stage process for involving stakeholders in an event: identification of stakeholders, classifying stakeholders, assessing stakeholders, and maintaining stakeholders. A case study is provided for students to apply to cultivating stakeholders in an industry example.

Key Topics

Stakeholder management, identification of stakeholders, assessing stakeholders, classifying stakeholders

Target Audiences

Students enrolled in an event management course.

Pedagogy

This case study has been designed for use in an active learning pedagogy, such as team-based learning, case studies, peer teaching, debates, just-in-time teaching, and other active learning pedagogies.

Learning Outcomes

1. Describe the term stakeholder and stakeholder management.
2. Summarize the importance of having a stakeholder management plan.
3. Apply the four processes of stakeholder event management to identify, classify, assess, and maintain stakeholders.

Teaching Plan

<table>
<thead>
<tr>
<th>Element</th>
<th>Suggested Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Listen to Stakeholder Mini Lecture</td>
<td>15 minutes</td>
</tr>
<tr>
<td>2 Stakeholder Management Activity</td>
<td>30-40 minutes</td>
</tr>
<tr>
<td>3 Application Questions</td>
<td>15-20 minutes</td>
</tr>
<tr>
<td>4 Debriefing</td>
<td>15-20 minutes</td>
</tr>
</tbody>
</table>

Author

Dr. Eric D. Olson, Iowa State University

Funding

This project is supported by the Iowa State University Miller Open Education Mini-Grant.
Disclaimer

This case study is to be solely used for educational purposes and is based on both factual and fictional information.
Cultivating Stakeholders for Special Events: The Case of the Community Festival

A mini-lecture titled, “Stakeholder Development in Event Management” is available on Vimeo and should be used with this activity.

Website for mini-lecture: https://vimeo.com/hsodl/review/382457374/d1dc38e583.
Password: ISU_eventmanagement!

Transcript of mini-lecture:

Greetings, everyone! This will be a mini lecture for the stakeholder development and event management module, which is part of the event management open education resource project that has been supported by Iowa State University Miller Open Education Mini Grant. And here is going to be our objectives for this mini model. First we want to describe the term stakeholder as well as stakeholder management. And talk a little bit about why this concept or this idea of creating, establishing and working with a wide variety of different stakeholders is so important as part of the event management process. Our second learning outcome is to summarize the importance of having a stakeholder management plan in place. And last but not least, we will be able to apply the four stage process of stakeholder event management: identification, classification, assessment, and maintaining of stakeholders in event management.

And this a mini module is the lecture portion. It is actually to be used with the application activity as part of this project. So let's talk a little bit about some working definitions. A stakeholder is a person group or an organization that has some sort of a vested interest in the execution of an event, and it could be anyone such as the owners, the event attendees, people who never go to the actual event, local community groups. I think one way to think a little bit about the stakeholder is when an event actually occurs in a community who's actually impacted, who may be impacted by the increase of attendees, who may be increased by some of the by increased traffic, some of the noise pollution, some of the sustainability efforts. Who received some the economic benefits of actually having events and an actual destination.

Stakeholder management then is the process of identifying stakeholders, classifying stakeholders, assessing those stakeholders, and managing those stakeholders in a matter that's going to be appropriate for the stakeholders’ interests as well as the involvement in an actual of that. And I think the importance of establishing who the stakeholders actually are and cultivating the stakeholder a management plan is extremely important for communicating how an event would actually impact a various group in a community for involving stakeholders as a source of, you know, additional ideas and for the actual event creation. All those different reasons are very important for different stakeholders to have a good understanding who's going to be impacted by an actual of that.

All right. Let's talk a little bit about the process that an event manager should actually go when establishing a stakeholder plan. Step number one is identification of stakeholders
and in this stage, an event manager brainstorms the list of people as well as the groups that have some sort of a vested interest in the success of an actual event.

I think a, you know, a couple of things or a couple of caveats regarding this step is where the event management team, they take out a blank piece of paper or write on an actual a board. Just brainstorming all the different people, all the different groups, all of the different organizations that could actually be impacted at this stage. I think the important thing is that the event team actually does a step in terms of identifying the, the various stakeholders. Uh, step number two is a classification of stakeholders. So we take all those great ideas that we did in step number one and we actually classify those stakeholders and we have some suggestions that are actually listed here. I think one of the ways to actually do this is to identify the various categories of these actual stakeholders such as owners, customers, suppliers, employees, industry folks, community groups, environmental groups, and the government groups.

Again, these are all tied back to the actual event. And let's talk a little bit about some of the different examples for each of these categories. For the owners, we have examples of board members of the organization, the owners of the actual event. Customers are going to be the event attendees. And I think a further analysis could even identify event attendees in a wide variety of different categories. Those event attendees who go to your event every single year. Those event attendees, perhaps it's their first time attending the actual event. The suppliers are going to be all the different vendors that are involved in the execution of the actual event. This could actually be everyone from caterers to food and beverage suppliers to a wide variety of other vendors, such as an electrician's who are setting up some of the electricity aspects of maybe perhaps a trade show.

It's essentially anyone that is actually brought into the event to set up to assist in the event execution employees. Of course, they're going to be those, those folks who are actually working for the event or for the actual event organization. I think under the employee aspect, I would also add a volunteers and potentially retirees of the actual event organization. Now when we talk a little bit about industry suppliers or stakeholders rather, we talked a little bit about some of the competitors because I think that could be another source of a stakeholder that could assist in the context of the development of the actual event plan as well as industry associations such as professional convention management association or other associations that are devoted to the event management industry. Community groups are going to be those groups of folks as well as organizations embedded in the actual community that could be impacted by the local residents, schools, universities, emergency response, NGOs as well as a wide variety of other educational groups that could be impacted by the actual events.

The environment tends to refer to those stakeholders that are involved in such as nature or nonhuman species are scientists. And the last but not least, government is another category that we often need to think a little bit about in terms of our stakeholder plan. This could be elected officials, some such as in the city in which the event is actually being produced, regulatory lawmakers and those folks that have some sort of a governmental interest. So in this stage we're taking all the different stakeholders that we
brainstormed in step number one and we're adding different categories. Now our third stage is our assessment of our actual stakeholders. And event managers can actually do this in a wide, a wide variety of different ways. I've actually highlighted two different dimensions in which stakeholders could actually be addressed. Power has to deal with the stakeholder who actually can actually make a decision in the context of an event decision.

And then importance. I think it can be defined as you know, someone or the person or the stakeholder, who actually needs to be informed in the context of a decision or an event, a concept. And I've kind of broken up each of those dimensions into three different categories, high, medium, low. So we identified those stakeholders from step number one and number two. And then we start placing these in the matrix on that's actually listed here.

This is a very handy tool because then I know immediately who I need to keep informed. Anytime there's a decision that actually needs to be made about the actual event. Now after we've completed this step we did, we now move on to step number four and step number four is all about the relationship management side of managing stakeholders and there are a variety of different ways to do this.

I think the biggest aspect is the event manager needs to establish this relationship of the different stakeholders before the event, during the event, and then after the event and here are a couple ideas in which an event manager can actually do so they can invite the stakeholder to be part of the planning process of the actual event. I think a great example of that is going to be involving some of the local emergency response teams to be part of the actual planning process. The event manager also needs to continue to communicate an update the planning process. And this could be as easy as sending emails, sending or making a phone calls with the different stakeholders going to the event or a stakeholder organization.

I think another important aspect, this is often done after the actual event, is the recognition of stakeholders. This could be maybe through an awards dinner or following up with the different stakeholders. And the last but not least, I think another step in this process of managing the stakeholders is evaluating the overall stakeholder plan. And this is a continuous process that begins the minute the event is actually done, involving those stakeholders, and communicating with those stakeholders for the successful next event.

So the next step with this process is after listening to this mini lecture on stakeholder development will actually be the application activity where you actually will be able to apply the four stage process of stakeholder event management, identification of stakeholders, the classification of stakeholders, the assessment of stakeholders, and the maintaining of stakeholders. And the application activity actually utilizes a community based festival that you'll be able to apply the four stage process of stakeholder development.

This concludes this mini lecture on stakeholder development in event management.
After listening to the mini-lecture, students can complete the application activity.

**Stakeholder Development Activity**

Imagine the City Council of a mid-size city has hired you to execute an annual community-based festival that celebrates the community. Utilize the four-stage process for involving stakeholders in an event and complete the following: identify stakeholders, classify stakeholders, assess stakeholders, and maintain stakeholders through the context of the annual community-based festival.

First, let’s discuss the event…

1. What kind of festival is this?

2. When will the festival be held?

3. Where will the festival be held?
Next, let’s utilize the four-stage process for stakeholder management.

**Step 1. Identify Stakeholders**

In this step, the event management team should identify any person, group or organization with significant interest in executing an event. For your community-based event, brainstorm all the people and groups with a vested interest in your festival:

<table>
<thead>
<tr>
<th>Category</th>
<th>Your Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners</td>
<td></td>
</tr>
<tr>
<td>Customers</td>
<td></td>
</tr>
<tr>
<td>Suppliers</td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td></td>
</tr>
<tr>
<td>Industry</td>
<td></td>
</tr>
<tr>
<td>Community</td>
<td></td>
</tr>
<tr>
<td>Environment</td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td></td>
</tr>
</tbody>
</table>

**Step 2. Classify Stakeholders**

Next, classify the stakeholders identified in Step 1 based on the following categories:

**Step 3. Assess Stakeholders**

Next, assess the classified stakeholders listed in Step 2 and place the stakeholders onto the following matrix based on dimension of importance and power. Power is the degree that the stakeholder can make a decision about the event planning and execution. Importance is the degree that the stakeholder needs to be informed about decisions about event planning and execution.
Step 4. Manage Stakeholder Relationships

What are some ways that you can manage your identified stakeholders? How will you do implement this plan? What resources will you need in order to do implement the plan? What technology needs do you have to manage stakeholders? Will this be involved before, during, and/or after the event?
Application Activity Questions

1) A/an ________ is a person or group with some vested interest in executing an event.
   a) Asset
   b) Employee
   c) Stakeholder
   d) Shareholder

2) In this stage of the stakeholder process, an event manager lists identified stakeholders on a matrix of various dimensions.
   a) Identification
   b) Classification
   c) Assessment
   d) Cultivation

3) Event attendees of a community-based festival are most likely to have _____ power when assessing stakeholders.
   a) High
   b) Medium
   c) Low
   d) No

4) The local police in a community-based festival are most likely to have _____ power when assessing stakeholders.
   a) High
   b) Medium
   c) Low
   d) No

5) A caterer would be classified as which type of stakeholder?
   a) Owner
   b) Supplier
   c) Government
   d) Environment
# Application Activity Instructor Key

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
<th>Classroom Instruction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Question 1.</td>
<td>Answers: c</td>
<td>Discuss the term stakeholder.</td>
</tr>
<tr>
<td>Question 2.</td>
<td>Answer: b</td>
<td>In addition to power and importance, brainstorm other ways an event manager can classify stakeholders.</td>
</tr>
<tr>
<td>Question 3</td>
<td>Student answers will vary.</td>
<td>Discuss how an event attendee could have power at a community event. Discuss advantages and disadvantages of event attendees having power at an event.</td>
</tr>
<tr>
<td>Question 4</td>
<td>Answer: a</td>
<td>Brainstorm the ways an event manager could involve the local policy in the event planning process of a community event.</td>
</tr>
<tr>
<td>Question 5</td>
<td>Answer: b</td>
<td>Discuss why a caterer would not be an owner, government, or employee stakeholder.</td>
</tr>
</tbody>
</table>