

## MARSH INSIGHTS: MARSH SPORTS FORUM NEWSLETTER

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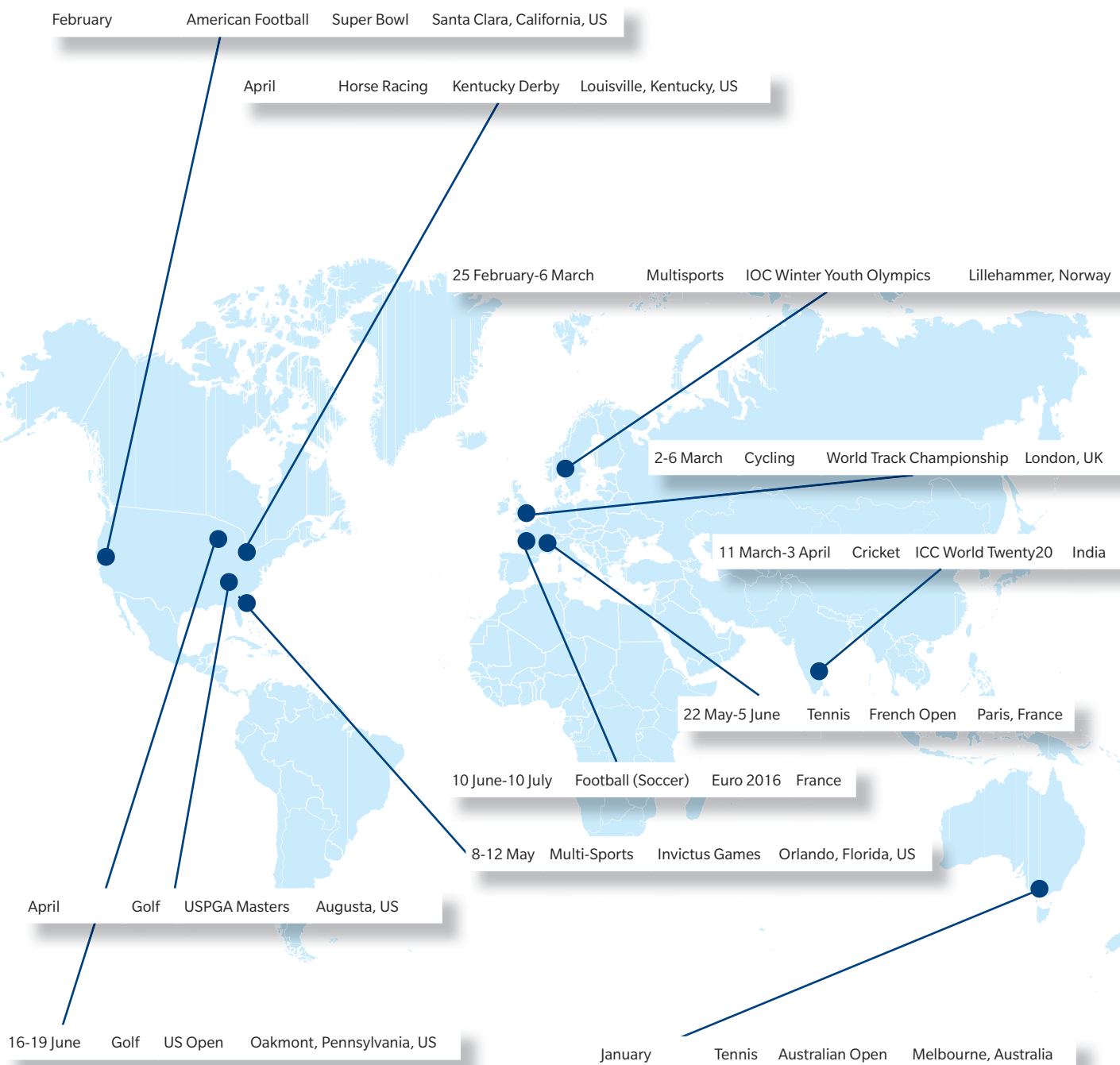
### INTRODUCTION

After a season that included the French Open, Wimbledon, UEFA Champions League, and the Rugby World Cup, the sports and events industry is now preparing for a busy winter agenda. Taking into account recent developments, the sixth edition of the UK *Sports Forum Newsletter* focuses on:

- The importance of governance and risk management.
- Crowd control: Best practice across the industry.
- Business continuity: What is it, how can it help sport and events organisations, and why stress testing is important.



# GLOBAL SPORTS EVENTS 2016





## THE IMPORTANCE OF GOVERNANCE AND RISK MANAGEMENT

Hindsight is an indulgence no longer afforded to sports and events organisations, as the recent corruption scandals touching the soccer world have underlined. Operating in an industry reliant on media attention, sports organisations require robust governance systems in order to protect their brands, operations, and ultimately their sustainable development.

Expectations of greater foresight and accountability in the way boards and senior executives recognise and manage risk continue to mount. Marsh advises clients in a variety of industries, including sports and events, with regards to establishing good governance and incorporating risk management into their corporate cultures.

In Marsh's experience, a sound system of risk oversight and management involves the establishment of a structured and embedded approach that supports the alignment of strategy, processes, people, technology, and knowledge. Its purpose is to evaluate and manage the uncertainties an organisation faces as it creates value. Therefore, an effective risk management system should equip an organisation with quality management information to enable risk-aware decisions to be made with more confidence.

Risk management should be fundamentally viewed by organisations as an approach to increase management effectiveness, thereby becoming a significant driver of value.

Embedding an effective system allows sports and events organisations to take risk management from being viewed as a corporate governance obligation to a comprehensive management approach that provides greater certainty in the achievement of organisational objectives.

The difficulty is that the theory can become more of an aspiration than a workable process. Experience tells us that organisations encounter numerous challenges and hurdles in their pursuit of measurable advancement in risk management.

In order to bridge the gap between holistic statements to tangible actions, we offer our interpretation and insight along with the following recommendations drawn from our experience:

1. Organisations should establish and disclose policies for risk management.
2. Organisations should design and implement their risk management and internal control systems and report on whether risks are being managed effectively.
3. The board should disclose whether it has received assurance that a sound system of risk management and internal control is operating effectively in all material respects in relation to the financial reporting of risks.
4. Organisations should establish policies for the oversight and management of business risks and disclose a summary of those policies.



## OUR SUGGESTIONS

For policies and procedures to be adhered to throughout an organisation, they need to be communicated and distributed strategically. Considerable thought and planning must be applied to the communication and distribution strategy in addition to the policy development itself.

For a risk management policy to be adopted throughout the entirety of an organisation, it must be:

**Recognisable** – employees, contractors, and other stakeholders need to recognise the policy and understand its intent. It must take into account the potential for all forms of risks to be applicable to the organisation, which will allow stakeholders to translate the policy's intent and requirements into the course of their work.

**Communicated** – a policy must be widely communicated to company stakeholders and reinforced by distribution through mediums such as the company website and intranet, document libraries, work areas, employment contracts, job descriptions, etc.

**Action-based** – clearly articulate expectations for all levels of staff in relation to risk management and how each element of the company's risk management approach is to be actioned and by whom.

**Committed to** – demonstrable commitment from the board and executives is required to manage the business in accordance with the organisation's risk appetite. Clear acknowledgement of accountability for the effective management of risk by senior management will initiate the transformation of a policy from a "do as we say" document to a "do as we do" principle.

For further information on governance and risk management and how it might add value to your sports organisation, please contact Richard N. Tolley at [richard.n.tolley@marsh.com](mailto:richard.n.tolley@marsh.com).



## CROWD CONTROL: BEST PRACTICES ACROSS THE INDUSTRY

Recent incidents have underlined the importance of crowd control during sports events. Below, we have included a few safety tips for sports and events organisations, based on our own experience:

### PLANNING

- Corporate management and security should develop a written programme outlining the requirements and guidelines of the company's crowd control programme. The programme should be communicated to all locations, and site-specific crowd-control plans should be developed and endorsed by local management, including security.
- The site-specific plan should include a staffing plan that designates a location for each employee and/or volunteer. Based on the size of the crowd expected, determine the number of employees required in various locations to ensure the safety of the event (for example, near the door entrance and throughout the venue).
- The site-specific plan should also include an emergency plan that addresses potential dangers facing workforce and volunteers, including overcrowding, crowd crushing, being struck by the crowd, violent acts, and fire. This plan should also address how the location should communicate with spectators/ participants and local authorities if there is an incident. Share this emergency plan with employees and all local public safety agencies.

- Ensure employees and volunteers are properly trained to manage the event and any potential emergencies. Designate an employee to communicate with customers and staff and contact local emergency responders, if necessary.
- Provide legible and visible signs that describe entrance locations, opening times, and other important information.

### PRE-EVENT SETUP

- Set up barricades or rope lines for crowd management well in advance of guests arriving at the venue, making sure that the barricades provide sufficient space and are suitably secure.
- Designate employees to explain approach and entrance procedures to the arriving public and direct them to lines or entrances.
- Make sure outside personnel have radios or some other way to communicate with personnel inside the venue and emergency responders.
- Communicate updated information to guests waiting in line.
- Shortly before opening, remind waiting crowds of the entrance process (that is, limiting entry to small groups, redemption of numbered tickets, etc.).

## DURING THE EVENT (APPLICABLE TO INDOOR VENUES)

- Make sure all employees and crowd control personnel are aware that the doors are about to open.
- Use a public address system or bullhorns to manage the attendees as they enter and communicate information or problems.
- Position security or crowd managers to the sides of entering (or exiting) public — not in the centre of their path.
- Provide crowd and entry management measures at all entrances, including the ones not being used. If possible, use more than one entrance.
- Provide a safe entrance for people with disabilities.

## EMERGENCY SITUATIONS

- Do not restrict egress, and do not block or lock exit doors.
- Remain calm and provide guests and/or employees with assistance as needed.
- Know in advance whom to call for emergency medical response.
- Keep first aid kits and automated external defibrillators (AEDs) available, and have on-site personnel trained in using AEDs and doing CPR.
- In the event of an emergency, instruct employees, to follow instructions from authorised first responders.





# BUSINESS CONTINUITY: WHAT IS IT, HOW CAN IT HELP SPORT AND EVENTS ORGANISATIONS, AND WHY STRESS TESTING IS IMPORTANT

Business continuity management (BCM) is all about creating assurances, so it helps when you can depend on your advisers to provide assurances of their own. When your organisation works with Marsh Risk Consulting to develop your business continuity management programme, you can be sure of solutions that prepare you for the unknown, at the same time as being fit for purpose for your organisation, its needs, and the sophistication of its current plans and programmes.

## INTEGRATED RISK AND IMPACT ANALYSIS

Understanding your business risks is an integral component of a business impact analysis. In addition to more traditional disruptive risks, (for example, natural weather events, explosions, or fires), it is important to consider emerging risks and other non-traditional concerns, such as pandemic and cyber, that can disrupt your business operations.

Marsh can help you to identify these critical issues and the functions that are essential to the ongoing survival of your business. We help you assess the potential impact of various scenarios so that you can understand the degree of potential loss that may occur and develop strategic continuity and resiliency plans based on business-relevant data.

## BUSINESS CONTINUITY PLANS, CAPABILITIES, AND PROGRAMME CREATION AND INTEGRATION

While plans are an essential documentation of your intended process to respond to disruptive events and continue critical business operations through to a return to normal, it is an organisation's response and implementation capabilities that matter most. Marsh can evaluate your organisation's state of readiness – your current business continuity or other response plans and processes – for real world viability.

Our team will assess existing plans against realistic disruptive events and focus on how the continuity process aligns and integrates with your other response plans such as emergency response and crisis management, to name a few. We can also assist you with testing and exercising the viability of your existing plans and capabilities.

Vital to this effort is building a culture of resiliency across the organisation. Our consultants can help you develop business continuity training and awareness programmes designed to promote this culture. They can also help you integrate business continuity programme management into your organisation's overall preparedness and/or risk management programme to enable ongoing programme viability and readiness.

## ENHANCING PREPAREDNESS STRATEGIES AND CAPABILITIES

Marsh's business continuity risk management solutions are part of our range of preparedness offerings, which includes crisis management, emergency response, reputational risk management, supply chain risk management, and more.

Marsh can support efforts to develop, manage, and maintain an overall preparedness programme that addresses your organisation's specific needs and circumstances. The plans and processes we help you build enable you to address an array of events or issues – human, environmental, political, physical, financial, legal, or regulatory – that can threaten the safety of your workforce, your continued operations, and the reputation of your organisation.

## BUSINESS CONTINUITY DISRUPTION RESPONSE

Business continuity disruption can affect your operations at any time, anywhere in the world, and an immediate response is often required in order to support your senior leaders and the board in implementing swift decisions. The main aspects to be taken into consideration when it comes to crisis management are minimising impacts, protecting your reputation, and, ultimately, safeguarding your business. The key steps to securing the situation are organising your response, developing a strategy to manage the surrounding issues, and deploying the right resources in order to help with the recovery.

## FOSTERING DIALOGUE: THE MARSH SPORTS AND EVENTS COMMUNITY

Within Marsh's global Sports and Events Practice we serve a multitude of clients around the world. In order to learn about best practice and find out more about our activities and customised risk and insurance solutions, join our Marsh Sports Forum on LinkedIn.

Join our LinkedIn group [here](#).

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