

EXPO 2015: UN CASO DI PROGRAM MANAGEMENT GLOBALE

**Analisi dei rischi collegati alla
realizzazione di grandi eventi,
in particolare a EXPO Milano 2015**

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Milano - 10 dicembre 2014

AGENDA

Risk Management

Goal

Large events: numbers

Risk management applied to public projects:

Risk management concepts

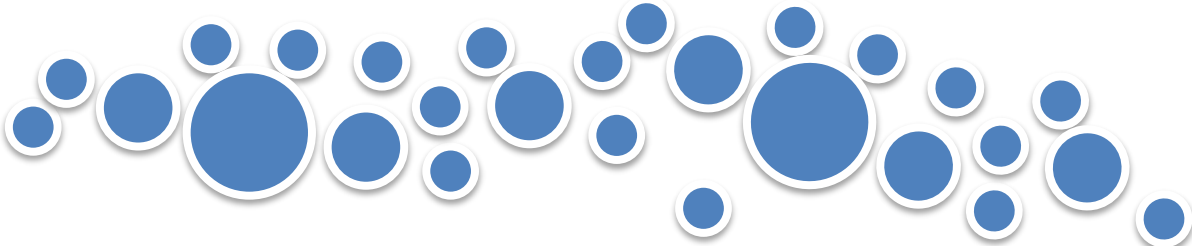
Main areas of risks

Alternative project management approaches

Risk management and monitoring

Key recommendations and conclusions

Why to develop risk management plan for City Operations?



To structure a Command, Control and Communication Centre, in order to involve all the responsible entities during Expo time.

To develop a risk analysis and set Policies and Procedures, and to ensure that all the involved entities are ready to face issues, incidents and crisis.

Test policies, through simulation and dry run



READINESS PLAN
& RISK
MANAGEMENT



Because during the event, anticipate an issue or react to a crisis is essential.



Definizione ed obiettivi del Risk Management

L'attività di risk management consiste nella sistematica identificazione di possibili rischi, nella loro analisi, nella definizione delle risposte e nel monitoraggio e controllo all'interno di un progetto, in modo da ridurre la possibilità che tali rischi accadano, limitandone l'impatto e preparando (e testando) le relative risposte operative:

1

Identificare i rischi

E' il processo che consente di determinare quali rischi possono influenzare il progetto e di documentarne le caratteristiche.

2

Eeguire l'analisi qualitativa e quantitativa dei rischi

E' il processo di analisi numerica dell'effetto dei rischi identificati, assegnazione delle priorità ai rischi per ulteriori analisi e la valutazione e la combinazione della probabilità di accadimento del rischio e del suo impatto

3

Pianificare le risposte ai rischi

E' il processo di sviluppo delle opzioni e delle azioni per potenziare le opportunità e ridurre le minacce agli obiettivi del progetto.

4

Monitorare e controllare i rischi

E' il processo di implementazione dei piani di risposta ai rischi, di tracciatura dei rischi identificati, di monitoraggio, e di identificazione dei nuovi rischi.

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The XX Olympic Winter Games: facts & figures

- 7 venue cities
- 3 Olympic Villages
- 7 Media Villages
- 14 competition venues
- 15 winter disciplines
- 84 medals events (1.026 medals awarded)
- 80 National Olympic Committees
- 2,573 athletes
- 2,704 trainers and NOCs members



The XX Olympic Winter Games: facts & figures

- 7 Media Villages
- 2.688 press, newswriters, photographers
- 6.720 TV and radio
- Almost 1.000 hours of live broadcasts
- 94 broadcasters present
- 400 television cameras
- 900 audio video stations
- 130 countries broadcasted the Games live
- 30.000 square metres: surface area of the International Broadcasting Centre



The XX Olympic Winter Games: facts & figures

Il Sistema Olimpico di Torino 2006



Transportation:

- 1,200 buses with 5,550 runs per day on average
- 2,700 cars
- 930,000 tot spectators transported



The XX Olympic Winter Games: facts & figures

Total number of tickets sold: 900,000 (+ 30,000 tickets for the training sessions at the Palavela).

The most successful events (except for the 2 Ceremonies) for number of tickets sold:

- Cross-Country 50 km: 14,000
- Men's Slalom: 11,108
- Men's Giant Slalom: 9,690

Tickets sold for the city events including the 2 Ceremonies): 571,011

Tickets sold for the mountain events: 328,220



The XX Olympic Winter Games: facts & figures

The Look of the Games

- 8,000 square metres of PVC to decorate the façade of the buildings;
- over 150 km of fabric used to cover barriers, railings and fences;
- more than 7,000 banners for outside and inside decorations, for a total surface of 22,000 sqm;
- 82 three-dimensional logos set up at particularly visible points (towers, ski jumps);
- over 28,000 posters for decorating interiors,
- 3,000 flags of Torino 2006.



The XX Olympic Winter Games: facts & figures

Food and Beverages:

- 400,000 meals served to the workforce
- over 100,000 meals provided to the athletes in the three Olympic Villages

Waste And Cleaning:

- 1,100 workers for cleaning and re-ordering the rooms
- 1,250 tonnes of waste collected and 12,500 waste containers used

Medical Services:

- 500 doctors, 850 nurses, 42 ambulances
- 5.000 medical tests at the Olympic Villages

Technology:

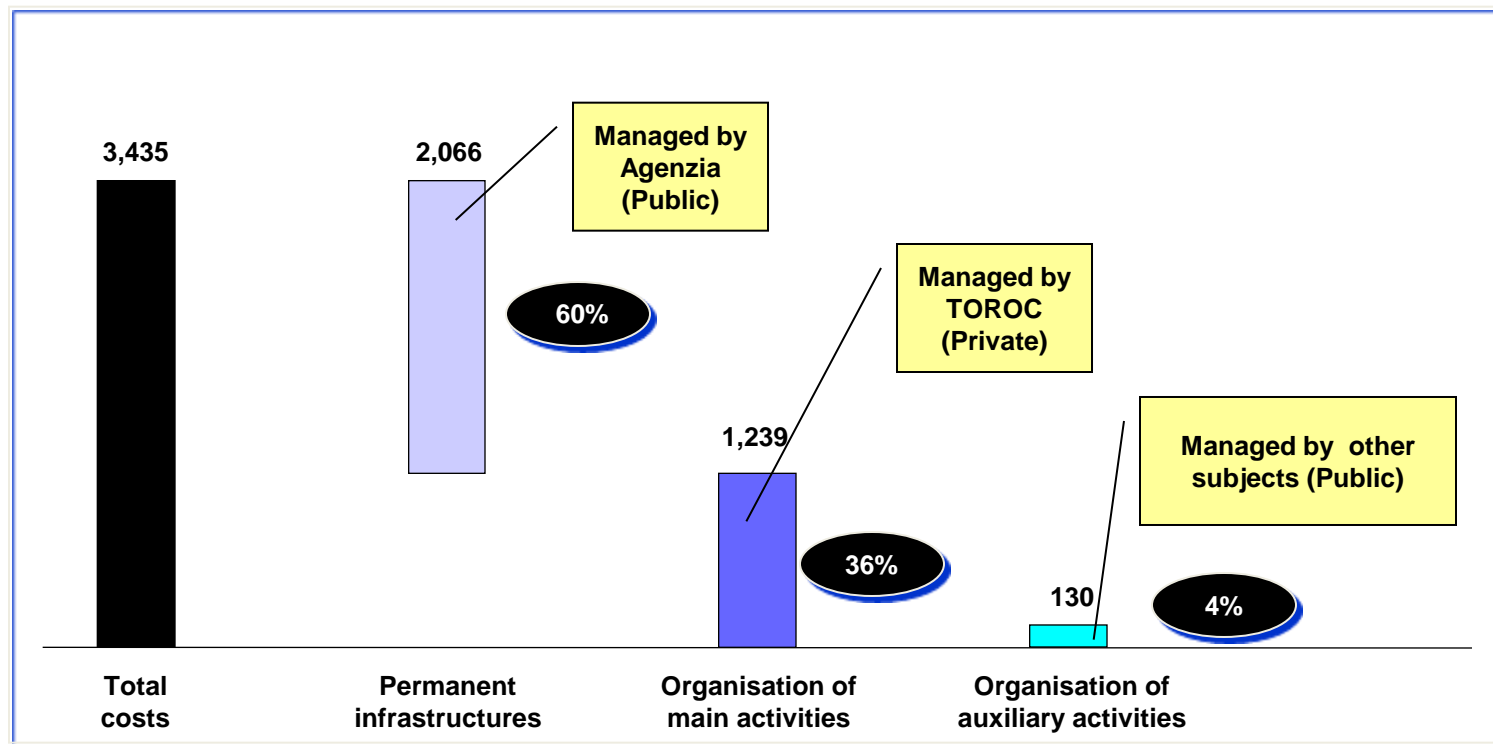
- 4,700 computers supplied, 579 photocopiers, 1,100 fax machines
- 90,000 badges for accreditation

Security:

- 1,740 TOROC personnel employed for security
- 202 x-ray machines and 463 metal detectors

The XX Olympic Winter Games: facts & figures

- Overall costs of the Games (€ m) -



64% of the overall costs of the Games have been funded by Public Bodies to cover the construction of permanent infrastructures and some auxiliary activities

The Milano 2015 World Expo: forecasted figures

- Opening period: **May 1st - October 31st 2015**
- **20-24 million estimated visitors**
- **Almost 10.000 volunteers involved**
- **7.000 events throughout the city**

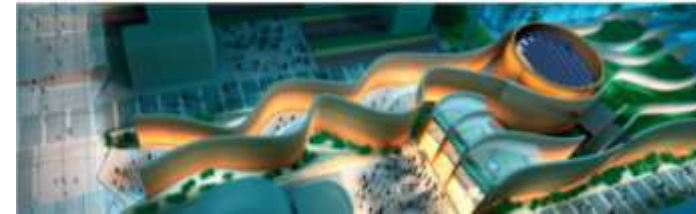


The Milano 2015 World Expo: forecasted figures

An area of 1 million sqm, including:

- 147 Official Participants
- 4 Thematic Pavilions with outdoor gardens
- Corporate pavilions
- A Best Practice area
- An Open Air Theatre for open-air events
- A Lake Arena
- 1 “Piazza” hosting the national celebrations
- Open space areas
- Parks and relax areas
- A wide range of commercial services (shops, bars, restaurants)

Emirati Arabi Uniti



Francia



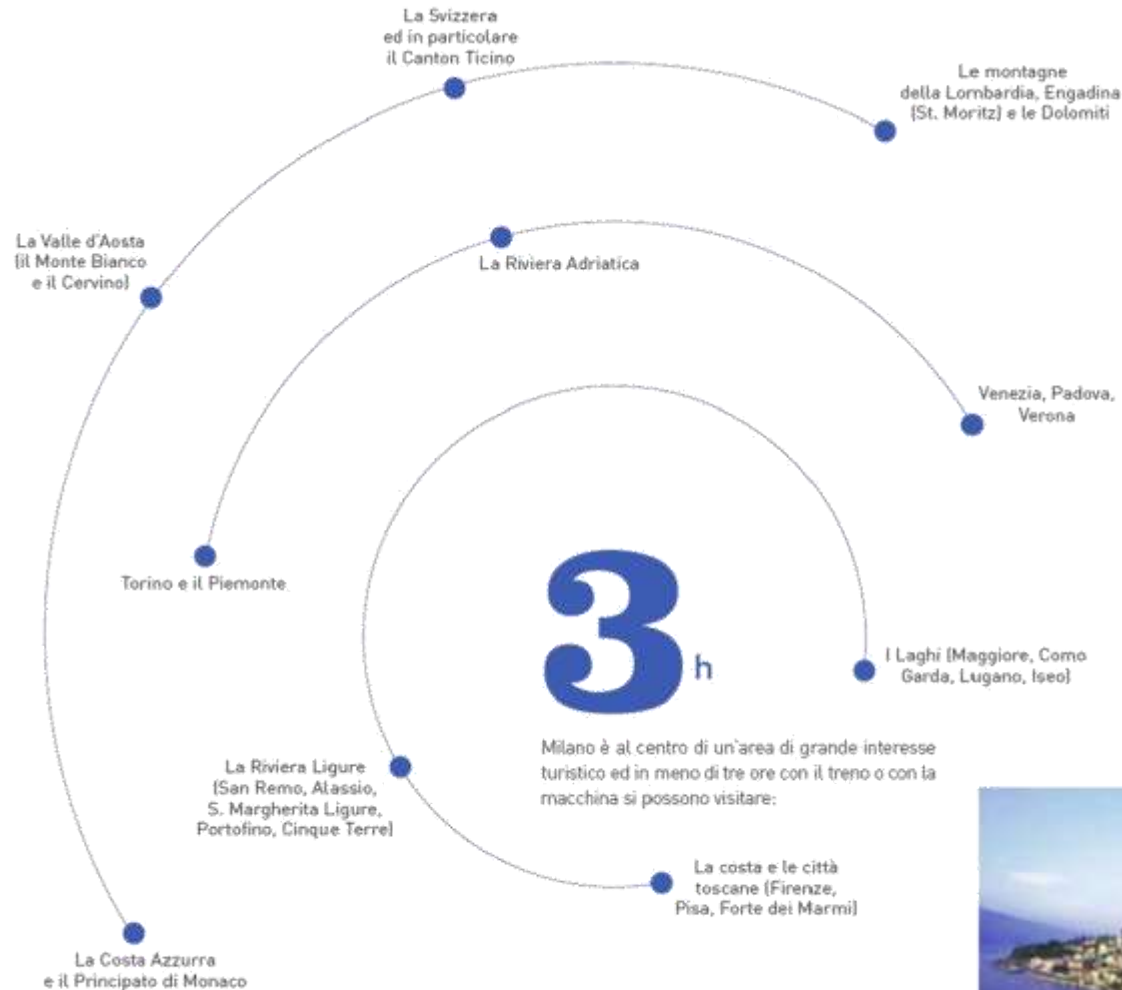
Giappone



The Milano 2015 World Expo: forecasted figures

A pole of tourism attraction

The city of Milan is central to an area attracting a high number of tourists during the six months' opening of the Expo (33 million in Northern Italy + 14 million in Switzerland).



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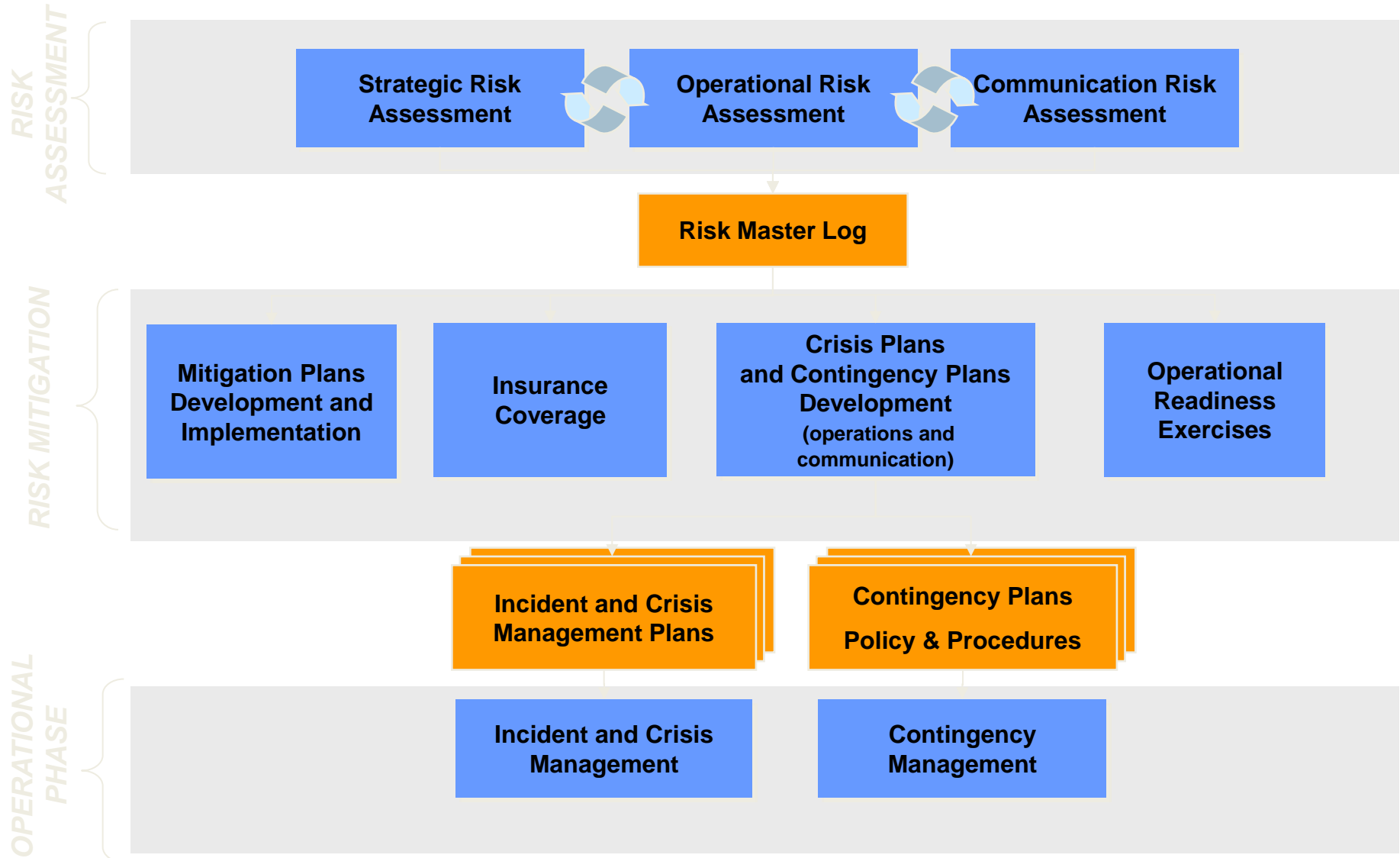
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Risk management concepts

- Situation -	- Tool to respond -	- Definition -	#	- Led by -
<p>Crisis An event that has occurred with a catastrophic impact on the Games, could possibly bring about the cancellation an Event or cancellation of the Games</p> <p>Major Incidents An event that has occurred with a significant negative impact on the Games</p>	<p>Incident and Crisis Management Plans</p>	<p>General process or specific plan to evaluate, manage and recover from any incident or crisis</p>	<p>~ 30</p>	<p>Top Management/ Main Operation Centre</p>
<p>Incidents An event that has occurred with potential impact on the Games</p>	<p>Contingency Plans</p>	<p>Response plan to attempt to prevent an incident escalating into a crisis and to ensure the critical operations continue with little interruption</p>	<p>~ 40</p>	<p>Venues/ Central Team</p>
<p>Exceptional Situations An event that has occurred with a limited impact on Games Operations</p>	<p>“Good Sense”</p>	<p>Minor incident managed with “good sense”; most of those responses will not be pre-planned</p>	<p>N.A.</p>	<p>Venues/ Facilities</p>
<p>Normal Operations (Standard and Non-Standard) Standard operations, plus operations which are not standard without negative impacts</p>	<p>Normal Procedures</p>	<p>Sequential steps to complete an activity or to implement a policy</p>	<p>~ 350</p>	<p>Venues/ Facilities</p>

Risk management concepts

The **Master Risk Log** identifies and classifies those risks with potential impact on the delivery of the event. It also outlines:

- the macro-area/s affected
- the impact on the event -
- the probability of each risk
- the body in charge of the resolution

ID rischio TOROC	DESCRIZIONE RISCHI OPERATIVI	PROBABILITA'	IMPATTO	VALUTAZIONE DI RISCHIO	MACRO AREA	CITTA' DI TORINO IMPATTATA? (si/no)	CITTA' DI TORINO COINVOLTA NELLA RISOLUZIONE? (si/no)	DA CONSIDERARE PER ESERCITAZIONI? (si/no)
TPT 01	Non disponibilità di equipaggiamento e attrezzature necessari (es. barriere)	2	3	6	Viabilità/Trasporti	si	si	no
TPT 24a	Inadeguata quantità e genere di veicoli per disabili e individui handicappati	3	3	9	Viabilità/Trasporti	si	si	si
TPT 36	Impossibilità di rimorchiare i veicoli nei tempi previsti (a causa di inadeguata quantità di veicoli da traino, specialmente per bus/camion)	2	5	10	Viabilità/Trasporti	si	si	si
TPT 13	Difficoltà di comunicazione con i conducenti di pulmann, navette e camion	2	5	10	Viabilità/Trasporti	si	si	si

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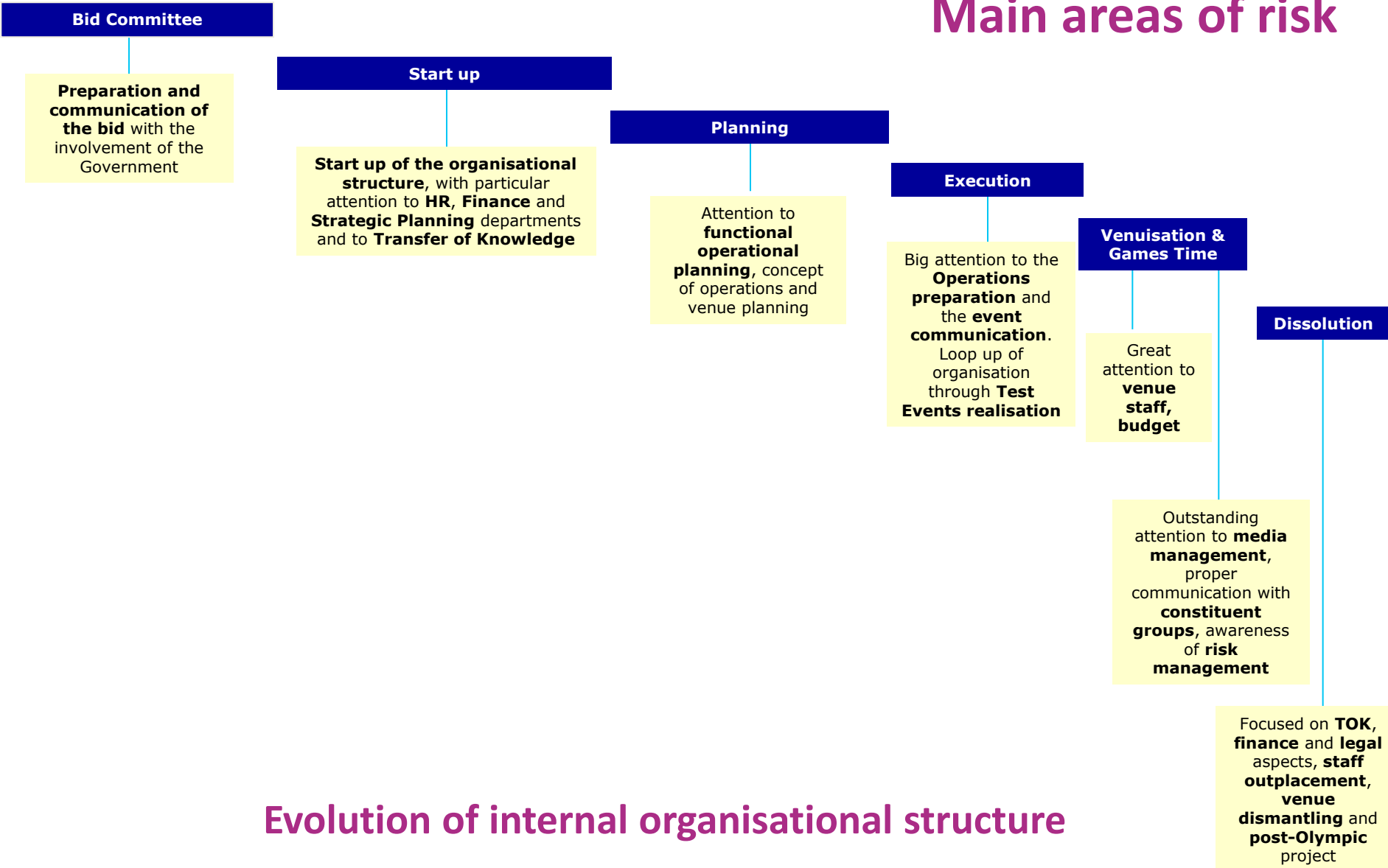
Main areas of risks

Alternative project management approaches

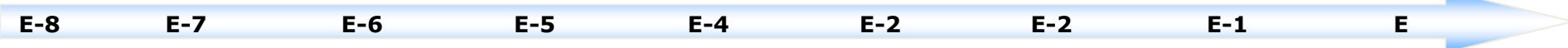
Risk management and monitoring

Key recommendations and conclusions

Main areas of risk



Evolution of internal organisational structure



Main areas of risk

Political/social

	<u>Start date</u>	<u>Area</u>	<u>Area of Risks</u>
1	E - 5	- Strategic governance: incorrect definition of the governing bodies and tools -	Political/ Social
2	E - 4	- Difficulties in building consensus among the population: - Scarce Stakeholders involvement	Political/ Social
3	E - 3	- Interaction with external authorities and agencies to plan and implement joint activities (City Operations)	Political/ Social
4	E - 2	- Negative media campaigns - Scarce enthusiasm and awareness v/s the Event	Political/ Social
5	E - 1	- Difficult relationships with Trade Unions	Political/ Social
6	E	- Boycotting campaigns - Local authorities unable to complete a facility - Diplomatic crisis due to inappropriate protocol services/ unexpected visit of a dignitary	Political/ Social

Main areas of risk

Financial/economic

	<u>Start date</u>	<u>Area</u>	<u>Area of Risks</u>
1	E - 5	- Uncertain public financial sources	Financial/ Economic
2	E - 4	- Difficulties in the start up of marketing activities (sponsors, lincensing)	Financial/ Economic
3	E - 3	- Budget out of control - Exchange rate risk - Incorrect estimation of the VIK	Financial/ Economic
4	E - 2	- Delays in the construction phase of the facilities for staging the event, causing a heavy impact on budget	Financial/ Economic
5	E - 1	- Failure of the ticketing campaign - Legal conflicts with main clients or suppliers, with a heavy impact on budget	Financial/ Economic
6	E	- Ambush marketing campaigns - Unforeseen events with an impact on budget contingency -	Financial/ Economic

Risks on an organisation timescale

Main areas of risk

Environment

	<u>Start date</u>	<u>Area</u>	<u>Area of Risks</u>
1	E - 5	- Strategic Environmental Assessment demonstrating that the event is not or scarcely sustainable	Environment
2	E - 4	- Major problems in the reclamation process of derelict areas or in the early construction phase - Scarce Environmental Stakeholders involvement	Environment
3	E - 3		Environment
4	E - 2	- Negative media campaigns - Scarce enthusiasm and awareness v/s the Event	Environment
5	E - 1	- Major environmental problems with sponsors or other comemrcial partners	Environment
6	E	- Boycotting campaigns from environmental associations - Major environmental incident - Interruption of water/electricity/gas supply	Environment

Main areas of risk

Administrative / procedures

	<u>Start date</u>	<u>Area</u>	<u>Area of Risks</u>
1	E - 5	<ul style="list-style-type: none"> - Delays due to tender procedures - Delays in the national legislation process to finance the event 	Administr./ Procedures
2	E - 4		Administr./ Procedures
3	E - 3	<ul style="list-style-type: none"> - Delays in adapting local regulations - Difficult relations with the companies in charge of construction - Inadequate Procurement policies & procedures 	Administr./ Procedures
4	E - 2	<ul style="list-style-type: none"> - Need for appropriate EU legislation 	Administr./ Procedures
5	E - 1	<ul style="list-style-type: none"> - Court of Auditors or other controlling agencies highlighting major administrative problems 	Administr./ Procedures
6	E	<ul style="list-style-type: none"> - Delays in delivering final authorisations to use the facilities - Hygiene controls - Commercial authorisations denied 	Administr./ Procedures

Main areas of risk

Internal Organisation

	<u>Start date</u>	<u>Area</u>	<u>Area of Risks</u>
1	E - 5	<ul style="list-style-type: none"> - Too fast or too slow recruitment procedures - “Political” pressures during the recruitment phases 	Internal organisation
2	E - 4	<ul style="list-style-type: none"> - Inadequate organisation of the “Observer programme” at previous editions of the event 	Internal organisation
3	E - 3	<ul style="list-style-type: none"> - Scandals involving the staff (corruption, etc.) 	Internal organisation
4	E - 2	<ul style="list-style-type: none"> - Scarce enthusiasm v/s the volunteers’ programme - Change in Top Management 	Internal organisation
5	E - 1	<ul style="list-style-type: none"> - Inadequate Retention policies v/s the staff - Problems during the “venuisation” process 	Internal organisation
6	E	<ul style="list-style-type: none"> - Strikes - Conflicts with Trade Unions - No-show or insufficient number of volunteers 	Internal organisation

Main areas of risk

Event Management

	<u>Start date</u>	<u>Area</u>	<u>Area of Risks</u>
1	E - 5		Event management
2	E - 4	- Bad organisation of official events (presentations in the General Assemblies, enquiry missions, etc.)	Event management
3	E - 3	- Security problems during the construction phase	Event management
4	E - 2	- Poor communication & promotion campaigns	Event management
5	E - 1	- Delays or bad organisation of "test events" - Poor ticketing management	Event management
6	E	- Delays in competitions - Bad queue management at "mag&bag" - Inadequate training of staff/volunteers (transport)- - Scarce presence of public - Inadequate W&C - Complains on the F&B and catering services - Poor services to "client constituencies" (media, athletes)	Event management

Main areas of risk

Unpredictable events

	<u>Start date</u>	<u>Area</u>	<u>Area of Risks</u>
1	E - 5	- Unexpected natural disaster affecting the construction plan	Unpredict. events
2	E - 4	- Cancellation of the event for political problems	Unpredict. events
3	E - 3	- Technology: hacker attack - Security: violation of the construction sites	Unpredict. events
4	E - 2		Unpredict. events
5	E - 1		Unpredict. events
6	E	- Security: terrorism threats (Conventional, NBC...) - Medical services: risks of epidemics or maxi-emergencies (intoxication) - Transports: main roads accidents/meteo condition	Unpredict. events

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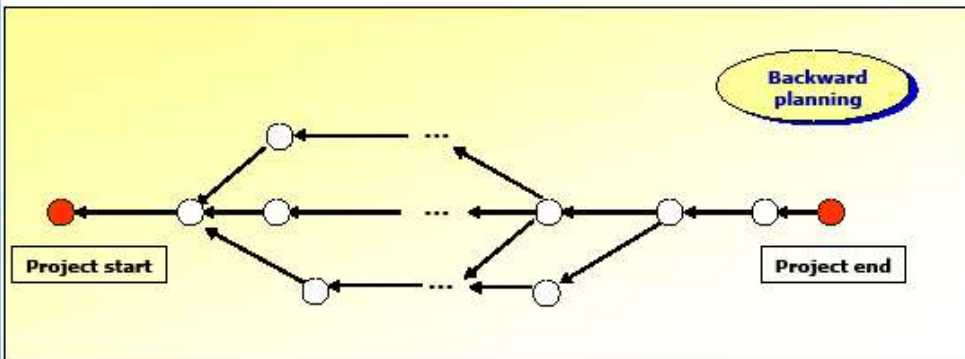
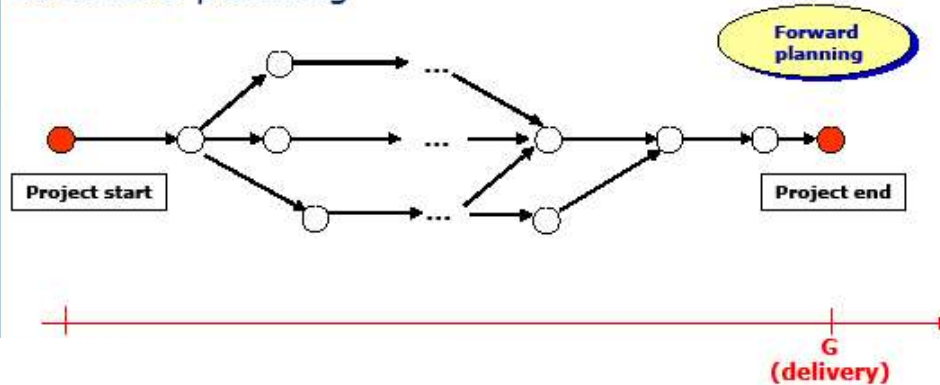
Risk management and monitoring

Key recommendations and conclusions

Alternative project management approaches

Alternative Project Management approach

Backward planning



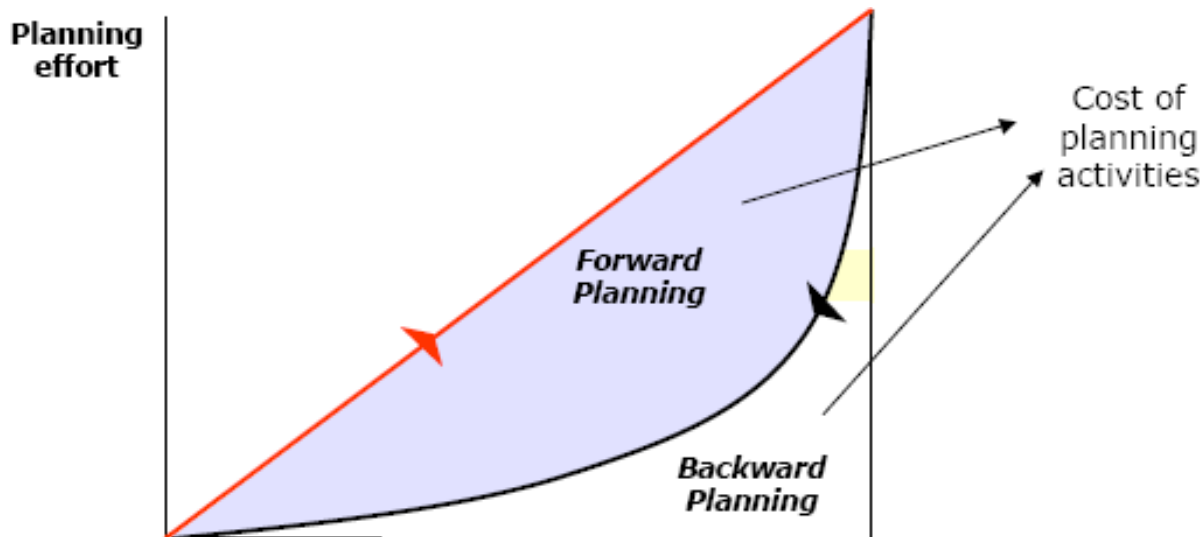
The organisation of a large event requires good project management skills in order to carefully monitor the time schedule versus the final submission deadline. Given the peculiar kind of deliverable, the most commonly used **Project Management strategy is “Backward planning”**.

Starting from the delivery date of the event, the whole functional GANTT chart identified the milestones, focusing in particular on the critical activities for the strict delivery timing or the complexity

Alternative project management approaches

- PROS:**
- 1) More suitable for events that cannot be postponed
 - 2) Major control on the final delivery date
 - 3) Easier identification of critical activities
 - 4) Higher accuracy in planning activities

- CONS:**
- 1) Deep knowledge of similar projects is required
 - 2) Need of the whole plan to activate new items
 - 3) Deep and common planning culture is requested



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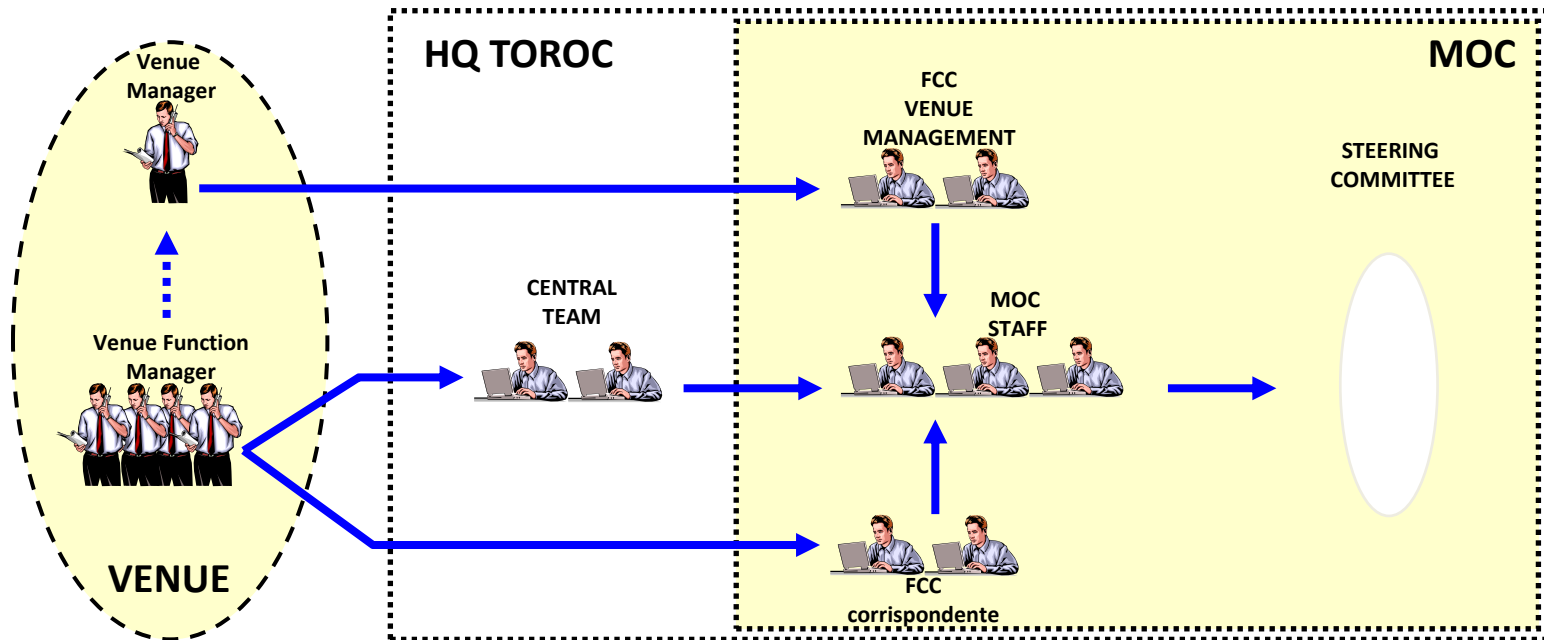
Risk management and monitoring

The escalation process

Issues have to be escalated to the Top Management whenever they present:

- A significant impact on operations
- Impact on the Image of the Games
- Involvement of a member of a Client Group
- A significant potential impact on finance.

Torino 2006 example



The escalation process

Centralisation of the activities



<i>Organisation level</i>	<i>TOROC reference</i>	<i>External authorities involment</i>	<i>Type</i>	<i>Communic. channel</i>	<i>Procedure to be defined</i>
Top Level	President CEO COO	Questore Prefetto	Crisis or not fixed incident	Telephone Meeting	-
Coordination Centres	MOC GSCC	Security Command Centers	Incident or issue not fixed at venue level	Telephone Meeting	Recording of the intervention request and of the following closure
Venue	Venue Security Manager Venue Control Room Supervisor	Venue Commander Venue Public Safety Command Centre	Issue that could be fixed with human/technical resources in the operational perimeter of Venue Team	Telephone Radio Meeting	Recording of the intervention request and of the following closure
On field	Sector Commander Team Leader Volunteers	FF.OO.	Common problems, little emergencies	Directly people to people	-

Torino 2006 example

Risk management and monitoring

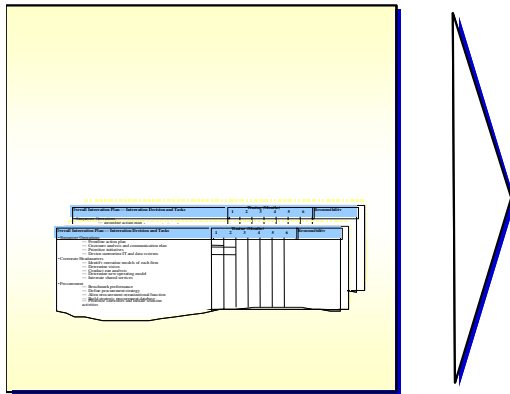
Level of warnings during the planning and implementation phases

Recovery actions, according to a risk escalation principle, might consist in:

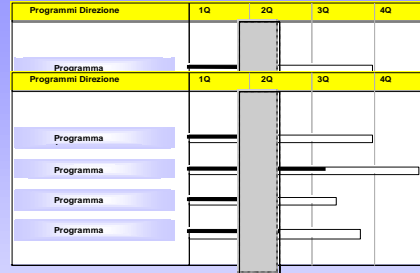
- **Reinforcing the team** working on particular areas (low-medium);
- **Daily meetings** to monitor the advancement of the job, and establish recovery plans (medium);
- **Updating the whole GANTT and postpone other deliverables**, affected by a delay (medium-high);
- **Escalation to the Top Management** in case of consistent delays, or poor quality of the job produced, so that they could take political initiatives versus the responsible entity (high);
- **Reducing the scope of the work and/or the analysis provided** on certain areas, when the final delivery risked to be jeopardized (very high)



Risk management and monitoring



Progress Status Report



Report regarding:

- Activities on track / late
- Main outcomes achieved
- Types and quality of the associated deliverables
- % of completion of the activities

Critical Issues Log

Status (Aperto / Chiuso)	Criticità (Rosso, Giallo, Verde)	Direzione	Criticità	Descrizione Criticità	Azioni da intraprendere	Risultati conseguiti	Responsabile Azione	Entro la data	Data Impatto
	Red circle								
	Yellow circle								
	Green circle								

Report regarding:

- Evaluation of critical issues
- Definition of recovery plan and responsibility

The Milano Expo 2015 example

Risk management and monitoring

Key milestones from previous Exhibitions (benchmark)

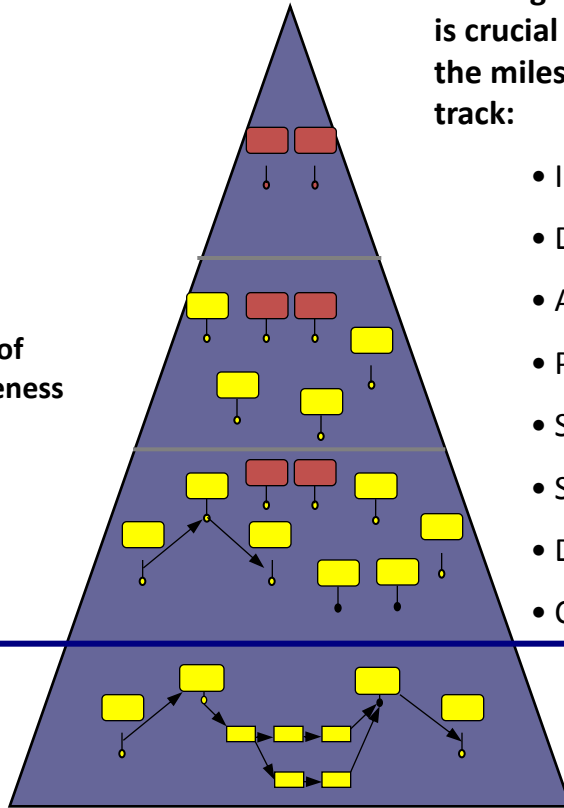
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Level of completeness

+

Expo 2015 Masterplan



Starting from the analysis of the previous Registered Exhibitions, it is crucial to establish immediately a Master Schedule, integrating the milestones to achieve in order to keep the overall project on track:

- Inspection visits scheduled by BIE
- Delivery of particular projects
- Approval of legislative measures
- Promotional and communication events
- Start/completion of infrastructures design phase
- Start of infrastructure works
- Delivery of pavilions to participating Countries
- Completion of infrastructure works

The Milano Expo 2015 example



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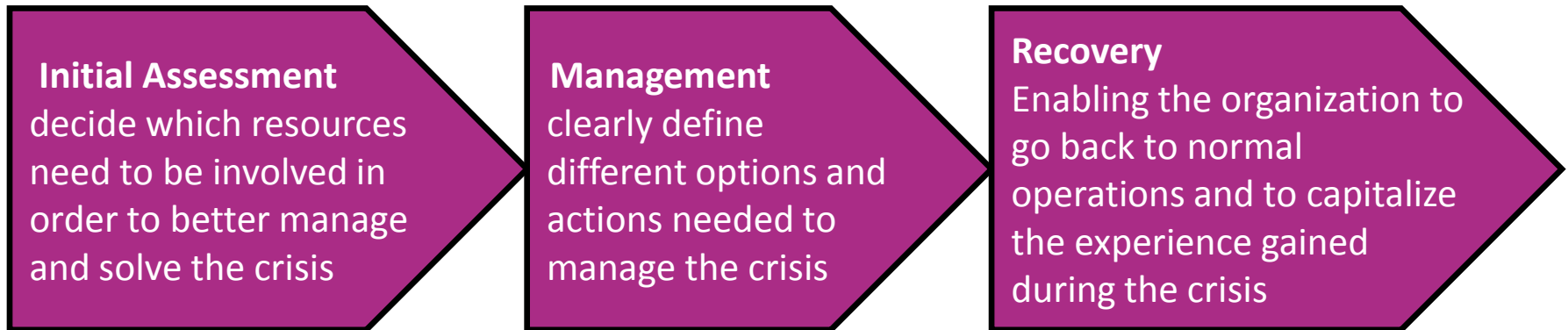
Key recommendations and conclusions

Key recommendations and conclusion

In case of crisis situation an **Incident and Crisis Management Plan (ICMP)** should be developed, in order to:

- activate a **dedicated Task Force** to manage crisis situation; this task force will be the Incident/Crisis Management Team
- assign the other staff will go on with the **normal operation**.
- clearly establish **who is responsible for activating the Task Force** with a dedicated Incident/Crisis Management Team.

The ICMP has three phases:



Key recommendations and conclusion

Challenges/Issues	Success factors
Understanding the real impact of the issues	<ul style="list-style-type: none">• No panic• Listen to different versions about what is happening• Help people on venue/functional activity to give the right importance to issues, on a global scale
Identify and assign the “owner” of each issue	<ul style="list-style-type: none">• Create collaborative approach with Functions• Have a tool to formalize the assignment (e.g. TRIS system)
Too much focus on issue resolution rather than communication	<ul style="list-style-type: none">• Having a predefined schedule of contacts with major stakeholders, to be “forced” to communicate• Use checklist

Key recommendations and conclusion

Challenges/Issues	Success factors
Be quick in decision making	<ul style="list-style-type: none"> • Identify the decision makers for each issues (Top Management, Main Operation Centre Director, Venue Manager) • Present a clear analysis of the issue to decision makers, with alternatives, pro's and con's
Communicate decisions taken centrally to people on the field (venues, functions)	<ul style="list-style-type: none"> • Use a reporting system • Use the Functions as a channel • Ask the Management desk to call venue managers
Quality of information	<ul style="list-style-type: none"> • Having one specialist as a referent point for each of the major open issues • Carefully manage the transition between shifts

Key recommendations and conclusion

Backward planning is a recommended methodology for events/deliveries with a final deadline that cannot be postponed, such as a bidding process to host a large event



A deep and common planning culture is requested to all the actors involved. A clear awareness of inter-dependencies among deliverable is requested



An accurate monitoring system to detect promptly and evaluate any delay/critical issue is necessary to adjust the planning methodology and adopt recovery solutions



The communication strategy must be structured on the basis of the planning objectives and accompany “hand in hand” any crisis management

Key recommendations and conclusion

Periodic information to all the stakeholders involved is useful to share responsibilities and gather consensus on the recovery plans proposed, when needed



Public project such as the World Expo or the Olympic Games need to carefully consider the legacy of the event (tangible and “soft” legacy)



Long-term social and environmental sustainability need to be taken into account from the beginning: good relations with Trade Unions and Environmental Associations



Consensus-building among the population is a key factor for the final success of the project. Post-event reuse of the facilities and of the site must give to local population a clear picture of the permanent legacy for the hosting region and fully explain how staging the event can be beneficial to the future development plans



**How to manage what happens live,
during one of the most visible situation
in the World?**

**Don't try to hide it.
Find a solution and smile**



Clive Rose/Getty Images

Q&A