Module code: BMTP5019
Lecturer: Deborah Jenkins

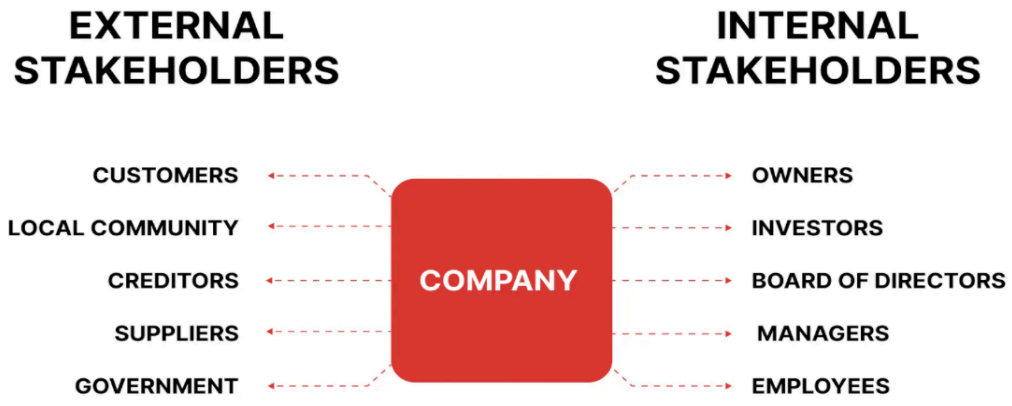
Student: Jake Pearson
Student ID: 2209723

Operations Management Plan: Swansea Arena
Jack Whitehall comedy show

Operations Management is a critical aspect of any business that deals with the execution and control of systems and processes to produce and distribute goods and services. Operations management covers a wide range of roles (Coursera 2023) including the management of good business practices, planning, procedures and the organization of everyday services. The systems also manage the core tourism, events and leisure operations including the F&B, hospitality and retail management of the business. Other key operation management responsibilities include the fundamental running of the venue, facilities and attractions, risk management and legal logistics, quality of services and operations, profit vs cost, HR and diverse functions.

Operations management dates back to 5000 BC to the ancient Sumerians who were (RESCO 2023) "already using some of the strategies companies leverage to this day for tracking inventory and managing payments and taxes. The Egyptians then took those same principles to build the pyramids". According to RESCO the real start of operational management progression began between 1960 and 1800 during the Industrial Revolution when companies began "Established practices for division of labour and interchangeable parts, which were key to efficient production". It was from this point a series of key historical landmarks were made dating up to this point in time.

Stakeholders



(Maria Z 2022)

Stakeholders are a crucial part of operations management (Jason. F 2023) because they have a significant influence on the success of an organization. Stakeholders are individuals or groups who have a vested interest in the outcome and day-to-day operations of the business, there are two key types of stakeholders, internal stakeholders including managers, investors, owners, the board of directors and the employees themselves, whilst external stakeholders include the customers, creditors, suppliers and even the government and local community.

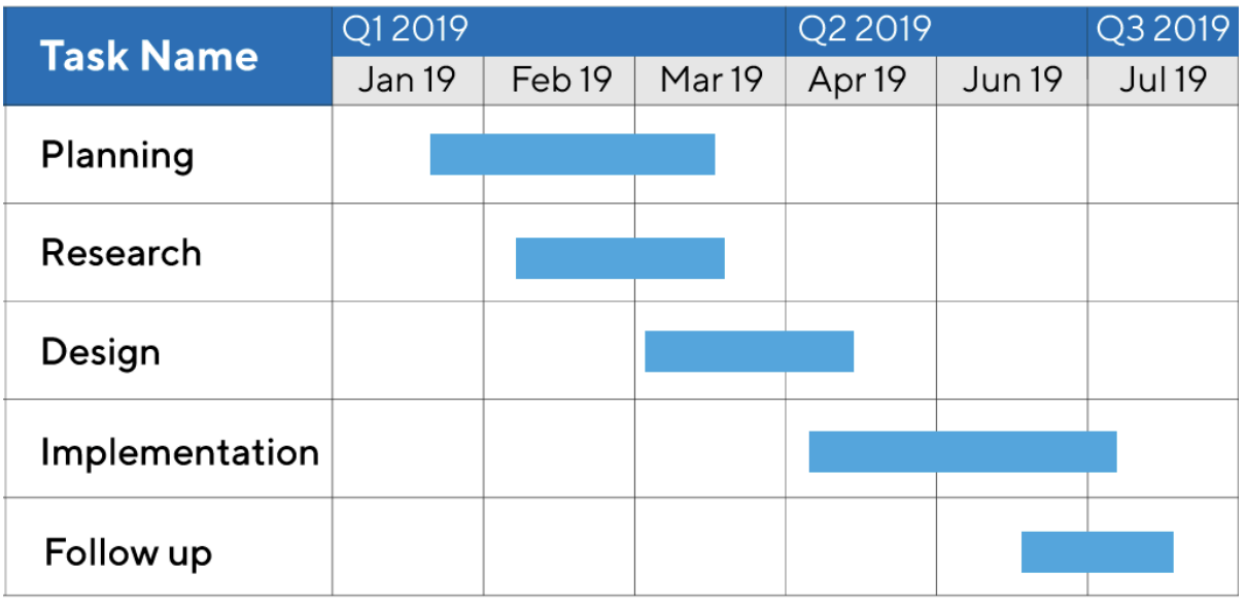
What makes a stakeholder so valuable is their aligning interests, whilst their personal interests might vary the connection they all share to the business and the benefits held by stakeholders are what align their goals and expectations to ensure smooth operations management take place. Another potential benefit of stakeholders is the often valuable insight and expertise relating to different aspects of the business, evolving them in the decision-making process can help and manage risk effectively whilst leading to innovative new ideas.

Stakeholders not only provide the resources financial and labour that run the day-to-day of the business but can also be key in reflecting a good public image and reputation, working with the right stakeholders can be extremely beneficial. In summary, stakeholders are vital in operations management as they bring incredible resources and diverse perspectives. By utilizing them in operations management a business can achieve great financial gain, manage risk effectively and create a healthy relationship with all stakeholders in business.

When looking into operation Management it is vital to understand the different types of procedures associated with the day-to-day runnings of any size venue big or small. Operations are primarily split into three key procedures NOP'S (Normal Operating Procedures), SOP'S (Standard Operating Procedures) and EOP'S (Emergency Operating Procedures) these three key terms are vital in running almost every evaluation of operations management. (Arthur V.hill 2004)

<u>Gantt Chart</u>

When looking at operations Management the planning process is key, Gantt charts as the example on the next page (Product Plan 2023) allow for teams or departments to map out their future goals and budgets through careful strategic planning through term-based activities. This chart was developed by Henry Gantt, an American mechanical engineer, and social scientist, designed the Gantt chart in the 1910s and it has been utilized in the planning and execution of the US interstate highway and the Hoover Dam development.



(Product Plan 2023)

Operational Management of Marketing

A vital Department in operations management is marketing (Chriss. E 2022), alongside all other key departments marketing adheres to the key fundamental principles of operations management. When looking at a business it is important to start with its recruitment and training procedures to accurately engage in evaluating productive workforce planning, other key management procedures include financial budget, revenue management and ROI Yield Management (Rehani. M 2004) which refers to the return on investment measured by a mathematical formula. Other key terms include EPOS which stands for "Electronic point of sale" according to Collins Dictionary (Collins 2023) and the key term KPI'S which stands for "Key Performance Indicators". They are measurable values that help organizations or individuals assess their progress towards specific goals or objectives.

When looking at the marketing department of operational management it is important to understand the wider responsibilities of Marketing including the legal aspects and legislation of dealing with and overcoming each task the department faces. The UK government (Gov UK 2024) requires all marketing and advertising to abide by an accurate description of the product, uphold legal and decent distribution of images and information, to be truthful and honest not misinforming the public and to be socially responsible.

Alongside legal requirements of operational management, all business's marketing departments should adhere to marketing health and safety requirements, policies and procedures and fundamental risk assessments.

Swansea arena

The Swansea Arena also known as the “Crowning jewel within the copr bay regeneration” (Swan 2024) is the most significant achievement within phase one of the Swansea city centre’s regenerative project. Operated by the Ambassador Theatre group the Swansea arena is host to over two hundred performances a year throughout its flexible multipurpose venue.

Throughout this paper will focus on one department and event in particular, the marketing department's operational management procedures of the Jack Whitehall comedy show on Monday the 5th of February (Arena 2 2024). Jack Whitehall is an award-winning actor and comedian described by Rotten Tomatoes as a “Comedian and TV host Jack Whitehall has become a fixture on British quiz shows and the stand-up circuit where he uses his sharp wit to riff on contemporary society” (Rotten 2023). Jack Whitehall has become a staple name in comedy selling out shows all over the UK, this paper will look at the operational management processes Swansea arenas marketing department is faced with.

Events Plan - Marketing

The objective of this event's plan is to effectively promote and market the sales of Jack whitehall’s live comedy event at swansea arena. Swansea arena is a large-scale venue with a capacity of 3500 people (Auditorium 2024). When looking at key target demographics jack whitehall’s live shows are recommended for aged 14 and above (Wembley 2019)

(Auditorium 2024)

As they consist of a moderately adult theme act unlike previous tours. When looking at reviews and show descriptions this show focuses primarily on his current stage in life looking at the everyday problems or hurdles he faces with descriptions quoting “It's about a foppish man-child's crack handed attempt at adulting!” (Comedy Guide 2023). As his show is more focused on the

development of this stage in his life, the target audience in question would relate closely to adults aged 25 to 40 who are currently going through this stage in life as it

After establishing the key objective which in this case is the sale of tickets and the basics of the target audience, time and date of the event and available marketing budget it is then time to plan out the content strategy (Adobe 2022). The key forms of marketing promotion include direct marketing through methods such as email, flyers and direct calls. The ambassador theatre group already has access to a wide range of personal data as agreed in their privacy and cooking policies which automatically sign new members to the company promotional mailing list (Cookies policy 2024) and as seen first hand the active use of flyers and promotional material as seen in this image.

The next key form of marketing is promotional marketing by tying the event with discount packages including items such as the FSG lounge experience customers can be drawn in through promotion offers (FSG lounge 2024). Another two key forms of marketing are the more classic approach, digital marketing through optimized search engines and social media marketing allowing the event to reach the widest possible audience (Indeed 2022) and personal selling which would be far too ineffective in this plan.

A less targeted approach is general marketing and public relations promoting the event to the mass audience to draw in any interested customers. When targeting a key demographic the use of sponsorships and promotions has the ability to both boost revenue and create great public relations through the attachment of reliable public brands

After creating the marketing plan and materials, it's important to establish good KPIs as a way of measuring the marketing of the event's success, allowing for future optimized improvement

<u>Operational policies and legal procedures</u>

When marketing events, comedy shows, music or theatre the UK advertising laws are present in any and all forms of promotion. Looking at BAER performance marketing (BAER 2021) the five key laws of marketing involve false advertising, copyright infringement, child privacy, SMS marketing and live streaming. When promoting any event product or service, UK laws prevent the use of false advertising and leave a company open to legal action and consumer restitution if

guidelines are not met, false advertising can be as small as misprinted dates. The biggest issue faced by marketing departments is the navigation of copyright law, when working with acts such as Jack Whitehall promotional material will primarily be provided by the performer's marketing team but all content must be vetted to prevent copyright infringement from slipping through (Gov 2014)

When looking at copyright a new issue faced by a lot of companies is the use of promotional live streaming, apps such as Instagram live and TikTok have the ability to market to a wide following audience at the push of a button (Pleaders 2021). This more modern marketing tool requires proper planning to prevent this misuse of images and digital content which could result in copyright issues.

A more outdated form of marketing is SMS marketing "The Telephone Consumer Protection Act (TCPA) went into effect in 1991 and has since been modified to include SMS/text messaging." (BAER 2021) which requires customers to show prior interest in the swansea arena before they can be targeted by SMS marketing. The final important policy and legal procedure of marketing is child privacy, all promotional or marketing material which is utilized through the collection of data must contain safeguards preventing the collection of information from individuals aged 13 and under without the authorisation of a parent or guardian.

Emergency plan (Deborah, J 2023)

Swansea Arena has a strong commitment to safeguarding with airport-level security checkpoints when entering any event (Safety & security 2024). When planning an event of this nature it is important to use the purple book as a guide to evaluate safety and effectively risk assess an event. The purple book as explained in the course lecture and resources "Events safety guide purple book" (Deborah, J 2023) teaches the origin of the book "In 1993, HSE, in conjunction with the Home Office and the Scottish Office, published The guide to health, safety and welfare at pop concerts and other similar events. The publication was well received and was adopted as the standard for planning and managing health and safety at these events." The purple book covers all aspects of event management as seen by the content list on the right-hand side.

Foreword *v*

Introduction *1*

1 Planning and management *3*
2 Venue and site design *12*
3 Fire safety *21*
4 Major incident planning (emergency planning) *32*
5 Communication *37*
6 Crowd management 46
7 Transport management *54*
8 Structures 59
9 Barriers 67
10 Electrical installations and lighting *71*
11 Food, drink and water *76*
12 Merchandising and special licensing *81*
13 Amusements, attractions and promotional displays *84*
14 Sanitary facilities *88*
15 Waste management *93*
16 Sound: noise and vibration *98*
17 Special effects, fireworks and pyrotechnics *103*
18 Camping *123*
19 Facilities for people with special needs *119*
20 Medical, ambulance and first-aid management *122*
21 Information and welfare *135*
22 Children *140*
23 Performers *145*
24 TV and media *147*
25 Stadium music events *151*
26 Arena events *159*
27 Large events *163*
28 Small events *167*
29 Classical music events *170*
30 Unfenced or unticketed events, including radio roadshows *173*
31 All-night music events *177*
32 Unlicensed events *182*
33 Health and safety responsibilities *184*

When looking at the emergency plan from a marketing department's perspective it is vital to develop the right action plan and team for each event. The correct time, date and instructions on arrival are vital in the planning and execution of both transport and crowd management as the potential disruption caused can result in serious health and safety risks this has happened in other events and concerts which have resulted in deaths and serious injury such as been seen in 2018 in Italy when an event in a nightclub resulted in the deaths of 12 people (BBC 2018). One key method adopted by the Swansea arena to combat this issue is the zig-zag method (Osana, S 2017) which describes this form of queuing as an effective deterrent against crowd management and stampedes. A key marketing-related perspective is fire safety and the way in which Swansea Arena not only informs guests of seat placement but also optimum evacuation routes when receiving their tickets. These exits and informational material are also key in policies and procedures of emergency planning and major incidents.

Talent selection- HR

The Swansea arena hosts a wide range of roles from casual food and beverage assistants, to venue technicians, marketing assistants and much more. Some venues in Swansea rely on third-party employee sourcing websites such as the Grand Theatre Swansea who use Indeed to source their employees (Indeed 2024). The Swansea arena being operated through the Ambassador Theater Group handles all job advertisements and hiring in-house through the ATG website (ATG 2024).

The Ambassador Theater Group is one of the most highly regarded names in live entertainment, with more than thirty years of experience (CDI 2024). One of the reasons the Ambassador Theater Group is so well regarded is their strong CSR programs (UNIDO 2023) and the pillars they support including one of which is community, diversity and inclusion. The Ambassador Theatre group employs an entire team of staff that are committed to challenging the way ATG and the wider industry support staff from varied backgrounds and ensure the treatment and process of hiring is both ethical and socially responsible (CDI 2024) and they do this by utilizing an IDEA (Inclusion, Diversity, Equality and Access) committee.

Workforce Planning

When looking at workforce planning it is important to view it as a strategic process that involves assessing an organization's needs in the workplace. Looking both in terms of quality and quantity, whilst also assessing what strategies are effectively meeting those needs, this ensures that people with the correct skill set are available at the right time. (Ajay. K 2022)

When looking at good effective workforce planning there are multiple key benefits it brings to an organization including the ability to anticipate future needs by identifying and analyzing a businesses goals, allowing for organizations to proactively prepare for alterations in the market affecting supply and demand. When looking at workforce planning a company is not only able to look for external factors affecting their goals but also internal factors such as skills gaps both currently affecting their work force and those posing future issues.

Workforce planning also helps identify top talent throughout an organization helping identify critical positions allowing organizations the insight of understanding the value of these individuals (CIPD 2023). When done effectively, good workforce planning can optimize cost through staffing levels, reducing unnecessary expense to an organization and by understanding risks can develop contingency plans to ensure critical roles are filled during busy periods.

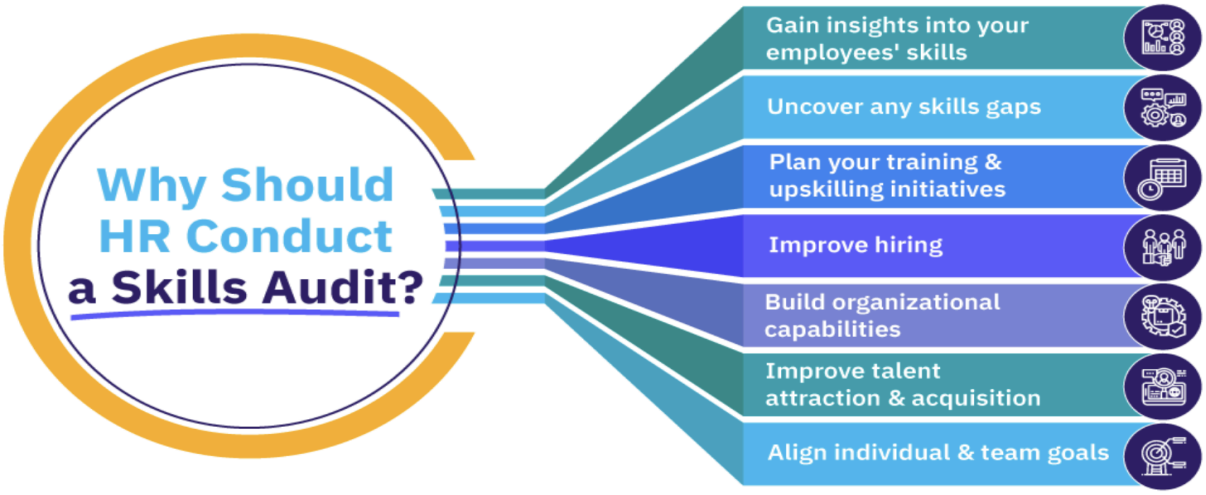
Workforce planning is a vital attribute for any organization looking to stay competitive, adapt to changing market conditions and ensure they have the correct goals. When the workforce is aligned with the organization's objectives it not only improves productivity but helps improve long term success.

(CIPD 2023)

When looking at workforce planning at swansea arena the opening year came with some unexpecting issues, the original predicted line up of events set to take place at swansea arena predicted one hundred events to take place within the first year of opening (Nation 2023) but demand well exceeded expectations despite the rising costs of tours and the productions. Whilst nearly 141 events took place the first year of opening (Nation 2023), with such high demand marketing departments dealt with a range of problems through stage issues and acts and performers pulling out of performances (Robert. D 2023) resulted in a whole extra work load for marketing departments to rearrange and distribute new materials.

A great example of this workplace planning is the rearrangement of jack whitehall at swansea arena (ENTS 2023), originally scheduled for december 20th 2023 the event was rearranged for the 5th february 2024. When looking at this through workforce planning, it is important to first understand the industry of events and the fact that there is a wide range of causes and cancellations. After understanding the organization's environment it is important to evaluate the current workforce and their flexibility for events, which is why the swansea arena relies primarily on a casual workforce (ATG 2024). When looking to the future workforce needs and gaps in the workforce logistics such as SCEM can be utilized “SCEM attempts to identify, as early as possible, the resulting deviations between the plan and its execution across the multitude of processes and actors in the supply chain to trigger corrective actions according to predefined rules.” (otto, 2003). This workforce planning meant swansea arena already had the procedures in place to inform the public of all changes through internal and third party ticket sales and though identifying shortages had the appropriate workforce available to amend any and all promotional material.

<u>Skills audit and training plan- HR</u>



(Monika. M 2023)

The role of HR (Human Resources) is wide and broad but one of the most important tasks is the fundamental and essential task of a skills audit. To conduct a skills audit of a marketing team you first start by defining the purpose of the skills audit looking at either evaluating the strengths of your marketing team or planning future training needs (Monika. M 2023).

After establishing the purpose of the skills audit, the next step is to identify key roles and responsibilities make a list of each job role and identify a skills checklist for each role, looking at both technical skills (e.g. social media marketing and events planning) and more basic skills such as communication and problem solving.

Once HR has identified the desired roles and skills, it is important to gather feedback through interviews, performance evaluations and even surveys to obtain a good understanding of an employee and even gather feedback from supervisors and managers to efficiently audit skills

Once all the information is gathered the next step for HR is to assess both skills and competency analyzing the information and prioritizing areas of improvement based on the assessment and prioritizing skills that require the most improvement.

The final aspect of a skills audit is to develop an action plan to address the skills gap throughout the department, this could involve training programs, workshops, and direct working with HR, external experts and training professionals. After training is complete it is vital HR monitor progress through regular review. It is this regular review which allows HR to evaluate their own effectiveness later on.

Events budgeting and financial evaluation

The first stage in establishing the event budget is looking at potential sales with a low end of £38.78 and a high end of £127.42 the average ticket price would be £83.10 (ATG tickets 2024) and knowing the event has a sales capacity of 3500 (Auditorium 2024) which means the potential average ticket sales earnings £290,850 not including bar sales and merchandise which would be handled by jack whitehall promotional team.

Establishing the potential ticket sales of the event at £290,850 and combining that with average bar sales of £5 per person the potential revenue generated could estimate £308,250 from this event. According to (CTI 2024) the cost of jack whitehall ranges between $75,000 Usd and $149,999 Usd or £59,013.34 and £118,025.90 as of 28th January 2024. When looking at both scales we can estimate an average cost of £88,519.62. After the cost of Jack Whitehall himself it leaves an overall operational budget of £202, 331.

The roles and costs associated with running this event include the operational cost of swansea arena (E.g Gas, electricity, taxes and general costs) other employment costs such as the events management team who run each department, the security staff and stewards who keep the event running safely and smoothly on the day, the bag checkers whose job is to safeguard the public, technical crew who insure the smooth running of all lighting and equipment alongside the acts own technical team, the marketing and promotional team who will have worked for months prior to the event getting it organized, the cleaning and maintenance team which makes the performance possible and the the hospitality and Food services team who provide the food and refreshments for all attendees.

Financial Forecasting

When looking at an event with so many potential variables the best way to evaluate a financial forecast is the Moving average method (Harvard 2022) "Moving average involves taking the average—or weighted average—of previous periods to forecast the future. This method involves more closely examining a business's high or low demands, so it's often beneficial for short-term forecasting. For example, you can use it to forecast next month's sales by averaging the previous quarter".

When looking at building costs and day to day running of swansea arena a good method of evaluation through moving averages is to look at previous events, Jack whitehall sold out swansea arena back in 2023 (The O2 2023). On average the O2 arena costs an average of £350,000 (Quora 2023) per day, whilst it holds a capacity of 15,000 people (O2 2024). When comparing the two arenas, Swansea arena holds a total of 3500 which gives an estimated average cost of operations and day to day running being £61,250. Using these moving averages the estimated net profit of this event Net profit is £141,081.

KPI's and Yield management

KPIs or Key performance indicators are the measurable values used by an organization to determine how effectively they have achieved key goals and objectives (Mia K 2023). When looking at KPIs of the marketing department of Swansea Arena the most efficient method to measure goals is ticket sales, if Jack Whitehall is a sold out show the marketing department is achieving their goals and objectives.

Yield management refers to the inventory and pricing strategies of a business. Primarily used for hospitality and service based industries (Martijn B 2024) with a main objective of maximizing revenue by setting the optimum price. A great way to evaluate yield management from a marketing perspective is to research other venues prices and evaluate the limits which can be reached without losing demand.

Both KPI’s and yield management play vital roles in the organizations journey to improve performance. KPI’s provide measurable benchmarks to evaluate success and yield management helps maximize profits through data driven research.