

Financial issues in event management practices: A Study with reference to unorganized event management practitioners in Salem district

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Abstract

The preparation of a budget is an essential part of event management. It is fundamentally important that Event practitioners are able to predict with reasonable accuracy whether the event will result in a profit, a loss or will break-even. The achieved by identifying and costing all probable expenditures and by totaling all expected revenues. The objective of the study is to know the personal details of unorganized event management practitioners and to study the company profile of the unorganized event management practitioner, finally to analyze the financial issues in event management practice. The primary research was done by using structured interview schedule using convenient sampling 85 practitioners of Salem district. The interview schedule contains questions to measure unorganized event management practitioner personal details and finance related issues in event management practice. Simple Percentage and T-test were used to analyze the data.

Keywords: mobile phones, college going students, academic performance

Introduction

Event management is the application of project management to the creation and development of festivals, events and conferences. Once upon a time Event management is about planning, organization and execution of a project/activity such as parties, weddings, product launches, conferences, etc. Today, it encompasses a wide range of profiles that offer thrilling opportunities to those with an eye for detail and a flair for organizing. Management of an event encompasses all activities involved in planning organizing, staffing, leading and evaluation of an event. In fact, all operational tasks for an event such as the ground work, viz. venue selection and stage design, arranging the infrastructural facilities required, liaison with artists/performers and networking with other activities such as advertising, PR, ticket sales, etc. fall under the purview of event management. Marketing Guru, Philip Kotler, defines events as occurrences designed communicate particular messages to target audiences. Suresh Pillai., managing director, Events Management, considers events as an additional media whereby two-way. Deepak gattani, Director, Uniapport Events, one of India's foremost events agencies defines events as something noteworthy which happens according to set plan involving networking of a multimedia package, thereby achieving the clients objectives and justifying their need for associating with events.

Statement of the problem

The preparation of a budget is an essential part of event management. It is fundamentally important that Event management practitioners are able to predict with reasonable accuracy whether the event will result in a profit, a loss or will break-even. This is achieved by identifying and costing all probable expenditures and by totaling all expected revenues.

So in this study the un-organized event management practitioners how does manage the finance related issues?

Objectives of the study

- To know the socio economic profile of unorganized event management practitioners.
- To study the company profile of the unorganized event management practices.
- To analyze the issues related to finance in unorganized event management practices.

Research Methodology

A convenient sampling technique was used to select the unorganized event management practitioner for the study. The study was concerned to 85 samples collected from different unorganized event management practitioner through interview schedule in Salem district. The data were collected from both primary and secondary data. Simple Percentage and T-test were used to analyze the data.

Issue related to finance

- Preparation of budget
- Receipt of Advance from parties
- Increasing Cost of material
- Bargaining Power customers
- Late Payment settlement by customers
- Unexpected losses from events
- Unexpected expenses when event activities
- Actual expense exceeds to the estimated budget.

Data analysis and interpretation

The Statistical tools are used for this study are Simple Percentage analysis, T- test to have effective result of research analysis.

Demographic Factors

Table 1

S. No.	Demographic Factors	Frequency	Percentage (%)	
1	Gender	Male	72	84.7
		Female	13	15.3
		Total	85	100.0
2	Age	Below 25 years	13	15.3
		25-35 years	32	37.6
		36-45 years	24	28.2
		Above 45 years	16	18.8
		Total	85	100.0
3	Marital Status	Married	59	69.4
		Unmarried	23	27.1
		Diverse	3	3.5
		Total	85	100.0
4	Educational Qualification	School level	25	29.4
		Under Graduate	9	10.6
		Post Graduate	36	42.4
		Others	15	17.6
		Total	85	100.0
5	Residential Status	Rural	36	42.4
		Semi Urban	31	36.5
		Urban	18	21.2
		Total	85	100.0
6	Occupation	Govt.Employee	3	3.5
		PrivateEmployee	6	7.1
		Business	67	78.8
		Others	9	10.6
		Total	85	100.0
7	Monthly Income	Below 10000	12	14.1
		10001-20000	29	34.1
		20001-30000	25	29.4
		30001 and above	19	22.4
		Total	85	100.0
8	Family Size	1-3	29	34.1
		4-6	24	28.2
		7-9	19	22.4
		10 and above	13	15.3
		Total	85	100.0
9	Religion	Hindu	73	85.9
		Muslim	6	7.1
		Christian	6	7.1
		Total	85	100.0

From the above table, it is shows that Maximum 84.7% of the respondents are male and minimum 15.3% of the respondents are female. Hence, the researcher concluded that majority of the respondents are male. Maximum 37.6% of the respondents are belongs to the age group of 25-35 years and minimum 15.3% each of the respondents were under the category of below 25 years and above 45 years respectively. Maximum 69.4% of the respondents are married and minimum 3.5% of the respondents are Diverse. Hence, the researcher concluded that majority of the respondents are belongs to married people. Maximum 42.4% of the respondents are PG level educational qualification and minimum 10.6% of the respondents are

Under Graduate. Maximum 42.4% of the respondents are living in rural area and minimum 21.2% of the respondents are living in urban area. Maximum 78.8% of the respondent's occupations are Business and minimum 7.1% of the respondents are PrivateEmployee. Maximum 34.1% of the respondent's monthly incomes are earned Rs. 10001-20000 and minimum 14.1% of the respondents are Below Rs.10000. Maximum 34.1% of the respondent's family sizes are 1 to 3 and minimum 15.3% of the respondents are 10 and above. Maximum 85.9% of the respondent's Religion are Hindu and minimum 7.1% of the respondents Muslim and Christian respectively.

Company Profile

Table 2

S. No	Particulars	Frequency	Percentage (%)	
1	Company Type	Individual	70	82.4
		Partnership	15	17.6
		Total	85	100.0
2	Established Place	Rural	51	60.0
		Urban	22	25.9
		City	12	14.1
		Total	85	100.0
3	Level of Event Organizing	Taluk	45	52.9
		District	24	28.2
		State	16	18.8
4	Monthly Turnover	Total	85	100.0
		Below Rs.50,000	51	60.0
		Rs.50,001 to Rs.1,00,000	28	32.9
		Rs.1,00,001 toRs.1,50,000	6	7.1
5	Focused Event	Total	85	100.0
		Sports Event	3	3.5
		Educational Event	34	40.0
		Personal Event	38	44.7
		Political Event	10	11.8
6	Events Performed	Total	85	100.0
		Rural	51	60.0
		Urban	18	21.2
		City	16	18.8
7	Factor Influence	Total	85	100.0
		Family	51	60.0
		Relatives	6	7.1
		Own Interest	22	25.9
		Others	6	7.1
8	Investment on Business	Total	85	100.0
		Rs.1,00,000 to Rs.2,00,000	36	42.4
		Rs.2,00,000 to Rs.3,00,000	27	31.8
		Rs.3,00,000 to Rs.4,00,000	10	11.8
		Rs.4,00,000 to Rs.5,00,000	12	14.1
9	Administrative Employees	Total	85	100.0
		1 to 3	45	52.9
		4 to 6	12	14.1
		7 to 9	9	10.6
		9 and Above	19	22.4

Event management company and practitioner details

Table 3

S. No	Particulars	Frequency	Percentage (%)	
1	How long do you run event?	1-3 Years	35	41.2
		4-6 Years	12	14.1
		6-9 Years	13	15.3
		10 And Above	25	29.4
		Total	85	100.0
2	Source receiving order	Total	85	100.0
		Friends	55	64.7
		Relatives	12	14.1
		Media	9	10.6
		Advertisement	6	7.1
		E-mail	3	3.5
3	Events organize in a year	Total	85	100.0
		Minimum 5	43	50.6
		5 To 10	18	21.2
		16 To 20	9	10.6
		Above 25	15	17.6

		Total	85	100.0
4	Which type of events organizing?	Sports Event	6	7.1
		Educational Event	22	25.9
		Personal Event	41	48.2
		Political Event	16	18.8
		Total	85	100.0
5	Where do you like to organize?	Own House	51	60.0
		Corporate Office	9	10.6
		Tourist Place	3	3.5
		Community Hall	7	8.2
		Star Hotels	9	10.6
		Other Place	6	7.1
		Total	85	100.0
6	Expecting to create events	Rs.10,000 to Rs.1,00,000	41	48.2
		Rs.1,00,001 to Rs.3,00,000	25	29.4
		Rs.3,00,001 to Rs.5,00,000	10	11.8
		Rs.5,00,001 to Rs.7,00,000	6	7.1
		Above Rs.10,00,000	3	3.5
Total	85	100.0		

Opinion about the issues related to finance

Table 4: One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Preparation of budget	85	4.3294	1.1689	.12679
Receipt of Advance from parties	85	2.7529	1.3265	.14388
Increasing Cost of material	85	3.3529	1.3066	.14172
Bargaining Power customers	85	2.3294	1.3574	.14723
Late Payment settlement by customers	85	2.3176	1.1772	.12769
Unexpected losses from events	85	2.9647	1.2095	.13119
Unexpected expenses when event activities	85	3.1882	.8236	.08934
Actual expense exceeds to the estimated budget	85	2.8235	1.2926	.14020

From the above table it is found that mean values of eight variables of issues related to finance from 2.31 to 4.32 with consistent standard deviation more than 1 expect from seventh

variable (0.823). The significance of the mean values of the variables are explained in the table below.

Table 5: One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Preparation of budget	10.485	84	.000	1.32941	1.0773	1.5815
Receipt of Advance from parties	1.717	84	.090	-.24706	-.5332	.0391
Increasing Cost of material	2.490	84	.015	.35294	.0711	.6348
Bargaining Power customers	4.555	84	.000	-.67059	.9634	-.3778
Late Payment settlement by customers	5.344	84	.000	-.68235	-.9363	-.4284
Unexpected losses from events	.269	84	.789	-.03529	-.2962	.2256
Unexpected expenses when event activities	2.107	84	.038	.18824	.0106	.3659
Actual expense exceeds to the estimated budget	1.259	84	.212	-.17647	-.4553	.1023

The t test values of eight variables 10.485, 1.717, 2.490, 4.555, 5.344, .269, 2.107 and 1.259 are statistically significant at 5 percent level of significance. This shows that the event management practitioners in salem district have strong agreement that preparation of budget (10.485), increasing cost of material (2.490) and unexpected expenses when event activities (2.107) and also the financial issues have some negative agreement that receipt of advance from parties (1.717), bargaining power customers (4.555), last payment settlement by customers (5.344), unexpected losses from events (0.269) and actual expense exceeds to the estimated budget (1.259).

Suggestions

- The event management practioners need to focus on forecasting the cost of event.
- The unorganized event management practitioner can prepare an event budget based on the previous experience.
- The unorganized event management practitioner should consider to event stakeholder while preparing budget.

Conclusion

Event management business is such a wonderful business. It is must for each and every individual, family and company to conduct events without any interruption and problems. It

reduces the work load and depression to the beneficiaries. This study has been carried out in order to know the financial issues in unorganized event management practitioners in Salem district. Compare to the all the event activities financial planning is essential one because financial is the heart of the event. The unorganized event management practitioner have some issues like preparation of budget, receipt of advance from parties, increasing cost of material, bargaining power customer, late payment settlement by customer, unexpected expenses. This kind of issues handle specifically by prepare planning is the unorganized event management practitioners handle this issues properly or adopt some system dissimilarly they are becoming to organized event management practitioners in Salem.

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