

Research on the Construction of Financing Risk Evaluation System for Performing Arts Projects

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Abstract:

China has developed rapidly in the field of entertainment projects, and most of the enterprises involved in related entertainment projects are small and medium-sized enterprises. Although most enterprises have excellent teams and innovation capabilities, the funding sources of small and medium-sized enterprises are unstable, lack high credibility, have weak ability to resist uncertain factors, and it is difficult to convert intangible assets into financial assets. These factors make it difficult for small and medium-sized enterprises to operate normally. From the current development situation, it can be seen that there are significant obstacles in innovation and development of Chinese performance projects, especially in related financing. The difficulties and risks in the innovation and development of performance projects are closely related to the financing process. Therefore, in order to propose relevant solutions for performance projects, a scientific and systematic financing risk assessment plan should be established.

Keywords:

“Song City’s Eternal Love” Performance Project, Project Financing, Fuzzy Analytic Hierarchy Process, Risk Evaluation

1. Introduction

China has developed rapidly in the field of entertainment projects, and most of the enterprises involved in related entertainment projects are small and micro enterprises. Although most enterprises have excellent teams and innovation capabilities, the funding sources of small and micro enterprises are unstable, lack high credibility, have weak ability to resist uncertain factors, and it is difficult to convert intangible assets into financial assets. These factors make it difficult for small and micro enterprises to operate normally. There are certain problems in expanding financing channels for performing arts projects. While attracting investment and introducing social capital, it also increases the related risks of introducing financing in performing arts projects [1]. In the financing process of performing arts projects, various uncertainties and randomness may occur. However, there are various risks and related

factors in financing performing arts projects. Therefore, it is necessary to establish a scientific and operable financing evaluation model, and propose corresponding risk measures on this premise, which can greatly ensure the orderly progress of related performing arts projects. At the same time, it also provides relevant decision-making methods for project investors.

2. Application Significance

The factors that generate risks are related to the suddenness and complexity of events. In the process of managing financing risks related to performing arts projects, an accurate risk assessment is very important. The final evaluation it produces can make objective decisions on the risks of performing arts projects. Conducting a risk assessment of financing is beneficial for understanding the correlation between events with relevant risks. In addition, it can also derive the final evaluation of the impact on the entertainment project, providing a favorable basis for decision-making related to the project. Due to the suddenness and complexity of financing risks, it is not possible to accurately define and quantify them. However, this lays the foundation for quantitative evaluation. Finally, effective risk assessment can provide significant protection for financing risks and also provide theoretical and practical research significance for risk assessment in project financing. After evaluating and analyzing the risks associated with financing for performing arts projects, it can be concluded that these projects are relatively small and dispersed, with a large number of stakeholders involved. These risks are likely to arise during the financing process, thus promoting the development of financing and implementation for the construction of performing arts projects. To ensure that the entertainment project can be completed in an orderly manner, it is necessary to raise the necessary funds for the project, and the most important thing is to conduct an accurate financing risk assessment. This article conducts relevant research on past literature cases, identifies various risk factors encountered during financing of performing arts projects, and systematically evaluates the financing risks of performing arts projects using methods such as expert interviews. Based on this, the entropy weight method is used to clarify the weights of various indicators, and relevant research models are used to demonstrate the factors that affect financing risks. Afterwards, starting from the theoretical level of research, the financing risk assessment involves various disciplinary theories and research, to some extent, filling the gap in risk assessment. From a practical perspective, it provides corresponding measures and decision-making basis for relevant personnel to evaluate financing risks [2].

3. Research Questions

The purpose of this paper is to construct a risk evaluation index system of performing arts project financing with financing risk index as the center.

The specific objectives of this study are as follows:

Complete the review of books and literature related to performing arts projects and financing risk assessment Review and summarize the research results to clarify the theoretical basis of the research project;

Exploring risk identification factors for performing arts project financing;

Select the risk index of performing arts project financing, construct the risk index system of performing arts project financing, and proceed The empirical research and

analysis of “Song City through the Ages” put forward the financing risk of performing arts projects and put forward prevention and control measures [4].

4. Research Content

The research on financing risk evaluation of performing arts projects in this paper mainly includes the following parts:

(1) Review the literature on financing risk evaluation of performing arts projects, understand the research status and the research methods adopted, and make it clear that the research object is the performing arts project of Song Cheng through the Ages, and the research direction is the research on the financing risk evaluation system of performing arts projects;

(2) Will complete the financing risk factor identification research of performing arts projects.

(3) The risk indicators to be selected for the project will be clearly deduced and the risk evaluation index system will be established.

The main method of research

The main research methods of this paper are as follows: questionnaire is used in the risk assessment system, qualitative and quantitative correlation analysis of evaluation models is carried out, and the main reasons affecting the normal financing of the project are found out, so as to be more accurate in project evaluation. Other methods are:

The first method is literature research. The specific steps for consulting literatures related to the research are as follows: Using CNKI and other channels to search similar literatures with scientific proof such as financing projects. Before drafting, we should first make clear the research ideas of this paper and the purpose and significance of the research related topics, so as to lay a good foundation for the writing of the paper.

The second method is field research. In order to carry out an in-depth study on the financing risks of performing arts projects, the author spent one month on field research, conducted a detailed understanding of the specific conditions of performing arts projects, and selected and clarified the risk assessment indicators according to the actual conditions of the projects.

The third method is expert consultation. Detailed consulting services will be provided to relevant personnel, who will then assess whether the financing risk indicators of performing arts projects are reasonable. At the same time, the proportion of various factors affecting the financing risk of performing arts projects will be introduced according to the scores of relevant experts [5].

5. Research on Project Risk Management of Performing Arts Projects

The risks of performing arts projects are mainly divided into two types, and the sources of risks are from two different aspects. He organically combines the risks of performing arts projects with the life cycle of enterprises, and points out that there are certain differences in the risks corresponding to different life cycles. In terms of risk prevention and control of performing arts projects, risk response measures should be

formulated and optimized; Or use reasonable means to transfer the risk; It is also possible to share risks through cooperation with other enterprises, so as to effectively prevent and control risks. In the case that measures such as risk avoidance can not play a normal role, it can only be passive risk acceptance. The risk factors of performing arts projects are diversified, mainly including technical risks, so the probability of investment failure of performing arts projects is relatively large. They implemented a classification of risks for performing arts projects. It is mainly based on the relationship between risk and return, the scope of influence of risk and other dimensions to carry out the level division. They also put forward that scientific and effective management should be implemented for the risks of performing arts projects, and the most important thing is to do a good job in advance, reduce losses as much as possible in the event, and sum up experience after the event.

(1) Theoretical knowledge, research status and other relevant materials related to risk assessment research of performing arts projects; Research theories include priority financing theory, risk assessment theory; The research status mainly involves current performing arts The research status of the project and other contents.

(2) Project risk index: With the guidance of relevant literature, the risk index evaluation system is built through the factors and internal connections of different scholars on the financing risks of performing arts projects. With the help of data investigation, the identification of risk factors is mainly divided into three steps. They are: project asset value assessment risk, project credit risk, operating risk and cost risk. These four key factors and indicators are used as the research basis of financing risk evaluation system. The four first-level indicators are divided in detail to form a number of second-level indicators. The second-level indicators below the project asset value assessment risk are: the public's awareness of performing arts projects and the rise of other investment opportunities. Project credit risk mainly includes the lack of clarity of responsibility attribution, the punishment measures of project managers or the ambiguity of responsibility. Business risks include: weak profitability of performing arts projects, insufficient performing arts human resources, risks of performing arts facilities and equipment, lack of supervision of performing arts project management, and shortage of performing arts creative resources. Cost risks include: other high-yield bond investment opportunities, tax rate increases, bank savings interest rates, pricing risks, changes in national policies during the ownership of property rights and other secondary indicators.

6. Construction of Risk Evaluation System for Performing Arts Project Financing

6.1. Risk evaluation index system of performing arts project financing The risk evaluation index of

performing arts project financing was learned through interviews with experts, and the risk evaluation system of performing arts project financing was constructed based on the collected actual project data. The specific steps are as follows: First, according to the above analysis and research on the financing risks of performing arts projects; Secondly, combined with some characteristics of performing arts projects themselves, through expert interviews and discussions, the three-level risk evaluation index system of performing arts project financing is determined: the first layer is the target layer, which mainly involves the financing risk of performing arts projects; The second layer is the criterion layer, which mainly includes risks such as project credit

degree. The third layer is the index layer, which is usually defined by reference to the source of risk. Finally, based on the analysis results, the evaluation indicators of the financing risk of performing arts projects are selected.

6.2. Risk importance evaluation of performing arts projects

The so-called weight is actually a measure to define the relative importance of risk factors. If there are differences in the weight value, the evaluation results will be different. The weight value will have a decisive impact on the evaluation results, so it is very important to know the weight value. A kind of subjectivity is strong. A large number of quantitative and qualitative indicators are used in the construction of the risk index system of performing arts project financing, so it is difficult to fully quantify the importance of each indicator. At this time, in the risk assessment, people's subjective judgment based on experience plays a very important role, and only supplemented by correct subjective judgment can quantitative risk evaluation be achieved.

6.3. Songcheng's business model

First of all, Songcheng often relies on popular tourist destinations to build scenic spots, because tourism performance does not have the characteristics of attracting tourists independently, so it can seize the opportunity of potential tourists; Then, Songcheng and travel agencies cooperate and exchange, in order to divide income, through travel agencies to tap the real passenger flow; Finally, Songcheng market-oriented to create tourists willing to see the "Song city Love through the ages" performance works, with the product to obtain high-quality reputation and evaluation, so as to attract more passenger flow. This kind of theme park that deeply integrates culture and tourism is clearly different from the traditional performing arts and tourism enterprises.

(1) Project management process

The project management process is roughly divided into ten stages, including project feasibility report, management strategy during schedule implementation, risk analysis and control, project schedule control, project promotion and operation. At present, many project management processes complete the exit of the project from the beginning of the project to the end of the whole life cycle, and do not incorporate the late promotion operation management and project feedback into the project process management. Cultural and tourism performing arts projects need to combine the knowledge system of project process management and project operation process of performing arts projects. Different scholars have different ways of division, and the corresponding project process management is also different.

(2) Standardized module management of the project

Project modular management is to break down the project module into sub-task packages, and sub-projects for level, hierarchical system management, the entire project management mode is a pyramid, project management standardization is the basis of enterprise scale expansion and management standardization. Hangzhou "Songcheng Eternal Love" project is a standard management module with process as the core.

6.4. Response to project asset value assessment risks

In order to better reduce the risk of project asset value assessment, the deductive project financing activities begin You can start from the following two aspects:

(1) Use self-raised funds for long-term stable investment

At present, the financing objects of China's existing performing arts projects are mainly cultural media companies, and the whole cultural performing arts industry is in a drastic and volatile form in terms of policy implementation, coupled with the great changes in bank interest rates. In order to better reduce the impact of investment risks, investors should use their own funds to carry out performance project financing. Moreover, it takes a long time to recover the benefits of investment activities in performing arts projects. Investors should consider from a long-term perspective and manage performing arts project companies with scientific operation and management methods to prevent the company from breaking funds due to excessive economic returns and affecting the long-term development of the company.

(2) Establish an early warning system for project financing risks

The establishment of an early warning system for the financing risk of performing arts projects can estimate the occurrence probability of financing risks and understand the specific situation of financing risks. During the establishment of the project financing risk early warning system, the primary task is to clarify the target of financing risk early warning, and the establishment of the system will not eliminate all risk factors. It's a reminder. In addition, when performing arts projects establish financial risk early warning system construction, it is not static, but should be supplemented and complete according to the changes of social development trend and environment.

7. Conclusions

In recent years, we can learn from the contents of the No. 1 Central document that the state vigorously develops performing arts projects, and the development of performing arts projects cannot be separated from the support of funds. At this time, the government began to allocate funds to support the development of performing arts projects. In the process of specific development, there are many internal deficiencies in the construction of the performing arts project financing system, and it is necessary to strengthen investment attraction efforts to attract idle funds in society. However, it is undeniable that there will be more risks in the process of project construction. In this case, there will be greater risks for performing arts projects, which will affect the project financing. Therefore, it is necessary to establish and improve a set of sound financing risk evaluation system, and the whole system should have strong implementation.

Conflicts of Interest

The author declares that there is no conflict of interest regarding the publication of this article.

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