

## Effects of the crisis on Spanish sports: support from the Spanish government

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### Introduction

Sport as many other sectors of activity in our country, has clearly suffered the effects of economic crisis. As they are nonprofit organizations, they are recognized by its social orientation and motivation to social changes. They are renowned for the promotion and development of the sport they represent. At the same time they try to encourage the sport practice according to rules and regulations.

Federations are essential for the management and progress of sports (Solar, 2015). Financial management is a key aspect for their continuity and future (Winand et al., 2012). The lack of resources may mean slow procedures and it can affect also to the main stakeholders: athletes and members of the federation.

### Overview of current situation

In spite of the importance of their actions resources allocated to federations are insufficient. In recent years the funds received haven't been enough to maintain a high standard in some cases, but Spanish federations have made a great effort to safeguarding the professional level. Despite the reduction in resources and given the adjustment programmes, our athletes shown significant results in terms of medals obtained in international competitions.

This highlights the big effort athletes make and how professional and competitive they are far beyond our borders. Therefore, sports federations must obtain the necessary means to develop and to promote the sport they represent.

Coupled with the positive results achieved in sports competitions, federations have improved their financial management and they have increased their own resources 7% over the previous year, which involves a total of 117,2 million euro, according to CSD. This is an improvement on previous levels of funding, which represents a new form of financing with advertising, television rights, sponsorship, federative fees, social programmes, events and other tournaments.

### Consequences for management and projected trends

Faced with this situation, there are two important lessons to be learned from the officers of the federations. First of all, the actual economic climate is challenging but they need to continue their efforts because difficult changes represent opportunities (Devine et al., 2010). Some of them are social impacts, as the emergence of new technologies, new communication and information systems, which represent much progress in life. We can also see changes in organizational culture, which may lead to decentralization or greater central control; it depends on the new background set.

Such developments affect many important aspects connected with the economic development of the area, which could entail changes in management. Officers should maintain a positive attitude to adapt to changes but also provides opportunities to them. In fact, the actual federative model requires a revision in order to improve the management on it. A suitable method to improve the management would be to operate with a strategic planning. This planning is oriented to the main goals and

provides greater efficiency in the use and distribution of resources. It also takes into account the budget situation and the resource allocation.

Secondly, it is essential to have the Government support. The State has to define a dynamic system of aids to ensure stability and continuity in the work of the federations. Promoting private initiative is a priority issue too. Encouraging measures have to be taken by the Government to establish and strengthen the support of the private sector. Sport has been identified as a driver of development and attraction of tourists in many cities. Thus is essential to boost the private presence in the sport sector as it is a valuable source.

Sport federations have a key role in the tourist sector, with many responsibilities in the international projection of the country or city they represent. That is why they maintain direct relations with stakeholders outside the sporting environment, such as state and political actors, sponsors, foundations and the media (Siegfried et al., 2015; Erturan-Ogut and Sahin, 2014).

Therefore, the funding of federations need to strike the right balance between public and private funds, in a way that ensures economic effectiveness and continuity.

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