Different Modes of Operations of Sport Facilities: Identifying Factors for Success and for Failure

Hoekman, Remco

Mulier Institute and Radboud University r.hoekman@mulierinstituut.nl

Introduction and Aim

Much like other European countries, in the Netherlands responsibility for sport is largely delegated to the local level. Almost 90% of government spending on sport is accounted for by municipalities, with some 10% accounted for by the national government and 1% by the provincial authorities. By far the largest share (85-90%) of the municipal local sport budgets in the Netherlands is dedicated to the construction and operation of sport-for-all facilities. The Netherlands has a very dense sport infrastructure and consequently the presence of sport facilities explain little of the variation in sport participation. Only a high variety of sport-forall facilities in the proximity is found to be related to a higher likelihood of monthly sport participation, but not for weekly sport participation (Hoekman, Breedveld & Kraaykamp, 2017a). The municipal sport expenditures, however, do make a difference, with higher municipal sport expenditures being related to a smaller sport club participation gap between youth from higher and lower socio-economic strata (Hoekman, Breedveld & Kraaykamp, 2017b). This indicates that other aspects of local sport policy than the number of sport-for-all facilities within a municipality might be of importance to achieve the sport-for-all objective. So it may not be the construction of sport facilities, but instead the management and operation of these facilities that matter for sport-for-all. In this regard, Kung and Taylor (2010) showed that local authority in-house management of sport-for-all facilities resulted in higher customer satisfaction but worse financial performance compared with commercial contractors, arguably resulting in higher municipal sport expenditures. Consequently, a better insight in how differences in (public) management of sport-for-all facilities result in differences in the performance of these facilities (utilization, user satisfaction, financial performance, etc.) is called for. Especially, as in current times of austerity, developments in the sport sector and other perceptions on the role of the government in sport provision, municipalities explore possibilities to change the modes of operation of sport facilities. Municipalities aim to achieve a more efficient operation of sport facilities, opting to outsource aspects of sport facilities operation, for example, to private companies and to voluntary sport clubs. However, much is still unknown about the long-term outcomes of outsourcing sport facility operation. The aim of this explorative study, applying a long-term perspective, is to identify factors for success and failure related to different modes of operations and consequently promote better informed decisions on the facilitating role of local government.

Theoretical Background

The sport sector is characterized by a large variety in 'modes of provision' (Fine & Leopold, 1993). Some types of facilities are catered for by the market, some are run by voluntary sport clubs, while others are entirely operated by the government. In some cases similar types of facilities are provided by the public sector and by the private sector. In addition there are facilities where part of the operation is outsourced to non in-house operators, such as private companies or voluntary sport clubs. It is unclear what is under which conditions the most effective. While municipalities see potential in outsourcing the operation of sport facilities for more effective local sport policy, the current literature provide some reasons to be reticent on outsourcing sport facility operation. To illustrate, an evaluation of the Big Society agenda in the UK demonstrated that it is difficult to mobilize the private sector for the common good

(Civil Exchange, 2015), which questions the extent to which privatization of sport facilities contribute to the more socially-oriented goals of local sport policy in the Netherlands. However, Liu et al. (2009) showed that also public sport facilities demonstrate a consistent pattern of under-representation of the most disadvantaged socio-economic groups. Consequently, it is relevant to learn what modes of sport facility operation prove successful and under what conditions.

Research Design

For this study I conduct a literature review to identify general outcome measures as criteria to examine the degree of success or failure of different modes of operation for sport facilities. The literature review includes international literature, but has a strong focus on national literature, as sports systems, municipal support structures and policies can vary widely from country to country. Consequently, I investigate outcome measures of selected sport facilities with different modes of operations to identify the degree of success or failure. I will analyse their financial documents and occupation rates over a period of time and conduct semi-structured interviews with the sport facility managers. This enables me to provide an overview of the long-term outcomes of different modes of provision.

Findings and Implications

In the paper I will provide a review of different modes of provision and criteria to examine the degree of success or failure. Using a long-term perspective I will elaborate on my key findings and its implications to promote better informed decisions on the facilitating role of local governments.

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