Managing Olympic Sport Organisations

Jean Camy
Leigh Robinson
Editors

Dick Palmer
Special Advisor

Edited under the leadership of the
International Olympic Committee, Olympic Solidarity

Human Kinetics
# Contents

Foreword vii  
Contributors ix  
Contributing Organisations x  
Reviewers xi  
Introduction xiii  

## Chapter 1 Organising an Olympic Sport Organisation  
Leigh Robinson • Andreu Camps Povill • Ian Henry • Luc Vandeputte • Mark Clark

### Section 1.1 Operating Environment of Olympic Sport Organisations  
Illustration 1.1 Operating Environment: Trinidad and Tobago Olympic Committee  

### Section 1.2 Nature of Olympic Sport Organisations  
Illustration 1.2 Structural Change in an NOC: The Case of the British Olympic Association  

### Section 1.3 Governance of Organisations  
Illustration 1.3 Governance of the Estonian Olympic Committee  

### Section 1.4 Information Management and Information Technology  
Illustration 1.4 Information Management in the Oceania National Olympic Committees Continental Association  

### Section 1.5 Management of Change  
Illustration 1.5 Changing the Governance of South African Sport  
CASE STUDY 1 The Nature of the Olympic Council of Malaysia

## Chapter 2 Managing Strategically  
Emmanuel Bayle • Joan Duncan • Jean-Loup Chappelet • Nicos Kartakoullis

### Section 2.1 Preparing for the Strategic Process  
Illustration 2.1 Preparing for Strategic Planning: New Zealand Olympic Committee Inc.  

### Section 2.2 Diagnosis of the OSO Environment  
Illustration 2.2 Environmental Diagnosis for the Cyprus National Olympic Committee  

### Section 2.3 Vision, Values, Mission and Strategic Objectives  
Illustration 2.3 Vision, Values, Mission and Strategic Objectives of the Papua New Guinea Olympic Committee: Strategic Plan, 2006-09  

### Section 2.4 Action Plans  
Illustration 2.4 Swaziland Olympic and Commonwealth Games Association National Strategic Framework
Section 2.5 Control and Evaluation ......................................................... 90
Illustration 2.5 Evaluation Criteria: Fédération Française de Canoë-Kayak 95
CASE STUDY 2 Developing the Strategic Plan of the Zimbabwe Olympic Committee 98

Chapter 3 Managing Human Resources ................................................. 107
Jean Camy • Leigh Robinson • Packianathan Chelladurai • Marie Leroux

Section 3.1 Organising Human Resources Management ......................... 109
Illustration 3.1 Office Rules and Regulations of the Barbados Olympic Association Inc. 114

Section 3.2 Developing a Human Resources Strategy ............................. 120
Illustration 3.2 HRM Strategy of the Comité National Olympique et Sportif Français 124

Section 3.3 Recruiting and Motivating Human Resources ....................... 128
Illustration 3.3 Motivations of Volunteers in the Qatar National Olympic Committee 134

Section 3.4 Developing Human Resources Through Training ................ 137
Illustration 3.4 Training Policy for Sport Administrators of the National Olympic Committee of Albania 144

Section 3.5 Developing Skills for Managing Human Resources ................. 146
Illustration 3.5 Managing Conflict in National Federations 154
CASE STUDY 3 Human Resources Assessment and Design for the Gambia National Olympic Committee 157

Chapter 4 Managing Finance ................................................................. 163
Ghassan Haddad

Section 4.1 Good Financial Management ............................................. 164
Illustration 4.1 Principles of Financial Management: Papua New Guinea Olympic Committee 168

Section 4.2 Financial Planning ............................................................... 170
Illustration 4.2 Financial Planning in British Swimming 176

Section 4.3 Budgeting ........................................................................ 177
Illustration 4.3 Budgeting in the Comité Olímpico Ecuatoriano 184

Section 4.4 Accounting for Finances ...................................................... 190
Illustration 4.4 United States Olympic Training Center Waiver and Release of Liability 196

Section 4.5 Evaluation and Reporting .................................................... 198
Illustration 4.5 Evaluation of the Coaching Development Programme of the Palestinian Rowing Federation 207
CASE STUDY 4 Generally Accepted Accounting Principles: Swiss Olympic Association 210
Chapter 5  Managing Marketing  ........................................ 219
   Alain Ferrand • Andreu Camps Povill • Damjan Pintar

Section 5.1  What Can We Market? ........................................ 221
   Illustration 5.1  Managing the Exchange Between an NOC and Its Main Sponsors: Comité Olímpico Argentino 229

Section 5.2  Managing the Quality of the Offering ...................... 231
   Illustration 5.2  Assessment of Perceived Quality Offered by the Romanian Olympic and Sports Committee 238

Section 5.3  Developing a Marketing Communication Strategy ...... 240
   Illustration 5.3  Managing Public Relations: Kuwait Olympic Committee 247

Section 5.4  Managing Sponsorship ........................................ 249
   Illustration 5.4  Sponsorship Plan of the Philippine Amateur Swimming Association 257

Section 5.5  Developing and Managing a Marketing Strategy ...... 259
   Illustration 5.5  Sport Marketing Plan: Lesotho National Olympic Committee 268
   ▶ CASE STUDY 5  Marketing of the Olympic Committee of Slovenia, Association of Sports Federations 272

Chapter 6  Organising a Major Sport Event  .......................... 279
   Laurent Boyer • Denis Musso • Gérard Barreau
   Laurence Boyer Collas • Amar Addadi

Section 6.1  Deciding Whether to Organise a Sport Event .......... 282
   Illustration 6.1  Deciding Whether to Bid: Fédération Française de Badminton 285

Section 6.2  Legal and Functional Structures  ......................... 288
   Illustration 6.2  Organisational Structure of the 2003 South Pacific Games 294

Section 6.3  Organising the Sport Event ................................ 298
   Illustration 6.3  The 9th World Athletics Championships: Paris 2003 305

Section 6.4  Managing Human Resources for a Sport Event ....... 308
   Illustration 6.4  Management of Volunteers at the Winter Universiade Innsbruck/Seefeld 2005 319

Section 6.5  Organising Amenities, Sites and Spaces .............. 323
   Illustration 6.5  Facilities, Sites and Spaces for the Rio de Janeiro 2007 Pan American Games 330
   ▶ CASE STUDY 6  Organising the Mediterranean Games: Almería 2005 333

References  345
Index  347
About the Contributors  357
Olympic Solidarity is the primary pillar supporting the work of the National Olympic Committees (NOCs) and safeguarding their autonomy. In recent years, the decentralisation process has consolidated Olympic Solidarity’s decisive role, benefiting the NOCs and their athletes.

The main task of Olympic Solidarity, based on the decisions taken by the Olympic Solidarity Commission, is to orientate, lead, monitor and assess the application of the World Programmes through which the support and assistance given to the NOCs are channelled on a four-year basis. Key areas such as athletes, coaches, NOC management and promotion of the Olympic values receive the funding by Olympic Solidarity based on the plan approved for the quadrennium.

Since the outset, Olympic Solidarity has devoted considerable attention to developing the human resources of the NOCs and their National Federations, knowing that this is vital for ensuring the most efficient use of the financial resources allocated to each programme. As a result, the concrete measures include courses for sport administrators, scholarships for NOC participants to attend the MEMOS programme (in English, French and Spanish), regional forums and the development of human resources in the area of sport management and administration.

Twenty years have passed since the first Sport Administrators Course was organised. During that time, with the coordinated efforts of the Olympic Solidarity office in Lausanne, the Continental Associations and the NOCs, significant results have been obtained, establishing a solid basis for taking up the new challenges that Olympic Solidarity needs to meet in the area of human resources training and development. In this connection, Managing Olympic Sport Organisations has been created and made available to the NOCs. This text and its application in future Advanced Sport Management Courses should enable us to close the gap between the operational concerns that are the focus of the Sport Administrators Course and the strategic concerns in the higher-level MEMOS programme courses. The text recognises the importance of the human capital. Over the years, this capital has been built up within Olympic organisations and favours the concept of creating an Olympic learning community in which its main stakeholders—athletes, coaches, managers and administrators—interact on the basis of the objectives and interests of the Olympic Movement.

It is only right that I acknowledge the huge collective effort of producing a publication of such high quality and technical rigour. The team of MEMOS staff and former students, the NOCs, the Olympic Solidarity staff in Lausanne and those of Human Kinetics have made possible this important contribution to achieving one of Olympic Solidarity’s main objectives. I extend my sincere thanks and congratulations to all for their valuable work.
I encourage those who delve into *Managing Olympic Sport Organisations* to study each of the topics presented, promote healthy and open discussions and apply conclusions to daily work with a view to strengthening the role of the Olympic Movement, especially the National Olympic Committees.

Mario Vázquez Raña
Chairman, Olympic Solidarity Commission
Contributors

We are indebted to the contributors to this book, who put their practice in the Olympic Movement into words so that others could learn from their experiences. The contributors originate from the MEMOS association, a testament to the learning community that MEMOS has helped to produce.

Amar Addadi, MA
MEMOS Graduate
International Committee for the Mediterranean Games

Gérard Barreau, MA
MEMOS Tutor
National Institute of Sport and Physical Education (INSEP), France

Emmanuel Bayle, PhD
MEMOS Tutor
University of Burgundy, France

Laurence Boyer Collas, MA
MEMOS Tutor
National Institute of Sport and Physical Education (INSEP), France

Laurent Boyer, MA
MEMOS Tutor
National Institute of Sport and Physical Education (INSEP), France

Andreu Camps Povill, PhD
MEMOS Graduate and MEMOS Tutor
National Institute of Physical Education of Catalonia (INEFC), Spain

Jean Camy, PhD
MEMOS Founder
University of Lyon, France

Jean-Loup Chappelet, PhD
MEMOS Director
Swiss Graduate School of Public Administration (IDHEAP), Lausanne, Switzerland

Packianathan Chelladurai, PhD
MEMOS Tutor
The Ohio State University, Columbus, USA

Mark Clark, MBE, MA
MEMOS Graduate
Clark Consulting

Joan Duncan
MEMOS Lecturer
JDI Consulting

Alain Ferrand, PhD
MEMOS Tutor
University of Lyon, France

Ghassan Haddad, MAT
MEMOS Graduate
Palestinian Rowing Federation

Ian Henry, PhD
MEMOS Tutor
Loughborough University, United Kingdom

Nicos Kartakoullis, PhD
International Course Director for Sport Administration Courses
Centre for Leisure, Tourism and Sports Research and Development, Cyprus

Marie Leroux, MSc
MEMOS Graduate
French National Olympic and Sports Committee

Denis Musso, MA
MEMOS Tutor
National Institute of Sport and Physical Education (INSEP), France

Dick Palmer, CBE, MEd, FRSA
MEMOS Tutor
British Olympic Association

Damjan Pintar, MA
MEMOS Graduate
Olympic Committee of Slovenia, Association of Sports Federations

Leigh Robinson, PhD
MEMOS Tutor
Loughborough University, United Kingdom

Luc Vandeputte, MSc PE, ExMA
MEMOS Tutor
Free University of Brussels, Belgium
Contributing Organisations

We are grateful to these Olympic Sport Organisations (OSOs) who willingly shared their stories, many in the form of illustrations and case studies, so that managers of OSOs worldwide could learn from them. This is one example of how OSOs can develop and contribute to a learning community.

Barbados Olympic Association Inc.
www.olympic.org.bb

British Olympic Association
www.olympics.org.uk

British Swimming
www.britishswimming.org

Comité d’organisation des 9èmes Championnats du Monde d’Athlétisme Paris 2003
(Organising Committee of the 9th World Athletics Championships Paris 2003)

Comité National Olympique et Sportif Français
(French National Olympic and Sports Committee)
www.comite-olympique.asso.fr

Comité Olímpico Argentino
(Argentine Olympic Committee)
www.coarg.org.ar

Comité Olímpico Brasileiro

Comité Olímpico Ecuatoriano
(Ecuador Olympic Committee)
www.ecuadorcoe.org.ec

Cyprus National Olympic Committee
www.olympic.org.cy

Estonian Olympic Committee
www.eok.ee

Fédération Française de Badminton
(French Badminton Federation)
www.ffba.org

Fédération Française de Canoë-Kayak
(French Federation of Canoeing and Kayaking)
www.ffcanoe.fr

Gambia National Olympic Committee
www.gnoc.gm

Innsbruck Seefeld Organising Committee 2005

International Committee for the Mediterranean Games
www.cijm.net

Kuwait Olympic Committee
www.kuwaitolympic.com

Lesotho National Olympic Committee
National Olympic Committee of Albania
www.nocalbania.org.al

Nederlands Olympisch Comité
Nederlandse Sport Federatie
www.sport.nl

New Zealand Olympic Committee Inc.
www.olympic.org.nz

Oceania National Olympic Committees
www.oceansport.com/onoc/

Olympic Committee of Slovenia,
Association of Sports Federations
www.olympic.si

Olympic Council of Malaysia
www.olympic.org.my

Palestinian Rowing Federation
www.palestinerowing.org

Papua New Guinea Olympic Committee
www.oceansport.com/png/

Philippine Amateur Swimming Association

Qatar National Olympic Committee
www.qatardo.org

Romanian Olympic and Sports Committee
www.cosr.ro

South African Sports Confederation and Olympic Committee
www.sascoc.co.za

Swaziland Olympic and Commonwealth Games Association

Swiss Olympic Association
www.swissolympic.ch

Swiss Swimming Federation
www.fsn.ch

Trinidad and Tobago Olympic Committee
www.ttoc.org

United States Olympic Committee
www.usolympicteam.com

Zimbabwe Olympic Committee
www.zoc.co.zw

If you find that a Web address is no longer current, go to www.olympic.org to find the current address.
We wish to thank the following individuals for reviewing this manuscript. Their insights were invaluable and have made the book better.

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jean Camy</td>
<td>Managing Olympic Sport Organisations Editor</td>
</tr>
<tr>
<td>Nuno Delicado</td>
<td>Sport Management Consultant</td>
</tr>
<tr>
<td>Haider Farman</td>
<td>Olympic Council of Asia</td>
</tr>
<tr>
<td>Catherine Forde</td>
<td>Trinidad and Tobago Olympic Committee</td>
</tr>
<tr>
<td>Guillermo González</td>
<td>Comité Olímpico Colombiano (Colombian Olympic Committee)</td>
</tr>
<tr>
<td>Ghermay Hadgu</td>
<td>Eritrean National Olympic Committee</td>
</tr>
<tr>
<td>Nicos Kartakoullis</td>
<td>Centre for Leisure, Tourism and Sports Research and Development, Cyprus</td>
</tr>
<tr>
<td>Brian Minikin</td>
<td>Oceania National Olympic Committees</td>
</tr>
<tr>
<td>Robert Mutsauki</td>
<td>Zimbabwe Olympic Committee</td>
</tr>
<tr>
<td>Dick Palmer</td>
<td>Managing Olympic Sport Organisations Special Advisor</td>
</tr>
<tr>
<td>Leigh Robinson</td>
<td>Managing Olympic Sport Organisations Editor</td>
</tr>
</tbody>
</table>

We also thank Nuria Puig and Jean Camy for reviewing the Spanish and French translations, respectively.
Introduction

The aim of this book is to present, in a simple and practical way, the current knowledge of management that has been developed by and for Olympic Sport Organisations (OSOs) worldwide. The term “Olympic Sport Organisations” can be considered to incorporate those organisations working within Olympic sport (the 35 sports of the Summer and Winter Games and the 29 sports that are not incorporated in the Games programme but are recognised by the IOC). It refers to Olympic Committees at the national, continental and global levels and to National Federations and International Federations (NFs and IFs). In addition, the term incorporates organisations with complementary aims and activities.

We do not expect to cover the whole range of managerial competencies that are present in OSOs or to present these in great detail. What we attempt to do with this book is to highlight and formalise the core dimensions of the managerial culture that will help OSOs to be managed effectively and to further develop.

Two points about this book should be noted. First, the material outlines the principles of good management as perceived by the authors, who are experienced researchers and managers in the areas that they write about. However, these principles should not be seen as the only way of managing an organisation, nor should OSOs attempt to only operate along these lines. Many of you will have experiences that are different from those in the book but are effective for your OSO. Only you can make a decision about what is practical and relevant for the operations of your OSO. Second, this book is just the starting point of the education and development process. It is part of a programme of learning that will bring together those who work within OSOs in order to share experiences and to learn from each other. The intention is to create a learning community for the benefit of Olympic sport as a whole.

To achieve such an ambitious task, a collaborative process was undertaken to gather material and feedback from more than 100 sport organisations and around 150 people. Three main categories of contributors were involved in covering the needed activities:

• **An editorial committee.** This committee was made up of both OSO field managers and academics involved in MEMOS (Executive Masters in Sports Organisation Management), a programme for which NOCs receive support from Olympic Solidarity (OS) within its NOC Management Programmes. This committee operated under the leadership of an editorial board, which was responsible for the project development. The group's task was to identify the key areas of management knowledge and practice that constitute the common culture of OSO management and then to present this in written form in this book. Their work was supported by Olympic Solidarity and the IOC to ensure permanent feedback to contributing OSOs.

• **A large number of contributors from OSOs.** These contributors provided the material that constitutes the original content of the book. OSOs from around the world, big and small, senior managers and volunteers, have collected and provided the illustrative information used in the book. Nothing would have been possible without their huge effort.
A set of reviewing bodies. These bodies, which either had general management knowledge or knowledge of specific areas, have validated the material to make sure that it represents the key dimensions of the management of OSOs.

The result of this process is now in your hands. The structure adopted in this book was chosen in order to meet the objectives set out previously. It is composed of six chapters covering the following key competencies expected of OSO managers:

- Organising an OSO by understanding its environment, internal structure and operation
- Managing an OSO strategically by preparing, carrying out and evaluating a strategic plan
- Managing human resources in an OSO through the development of rules and regulations and recruiting, motivating and training human resources
- Managing finances in an OSO using appropriate and transparent procedures
- Managing marketing in an OSO in line with the global strategy of the organisation, stakeholders' requirements and sponsorship opportunities
- Organising major sport events when appropriate for the organisation's strategy and when compatible with available human resources and facilities

Each chapter, which covers an area of competence in the field of management, is divided into five sections. Each section covers one topic that contributes to the competence covered by the chapter and then ends with an illustration of an OSO that shows how the key principles are applied in the field. Each chapter ends with a presentation of a case study that gives a comprehensive overview of how OSOs deal with the issues covered by the chapter. In total, 30 illustrations and 6 case studies from the five Olympic continents are presented, along with numerous other examples that are included in the text.

The general orientation of the book is that management is composed of techniques that serve the mission and values of an organisation by being applied through a time-limited strategy. We have tried to make it clear that any single managerial activity must be related to the mission and values of the organisation in order to give the activity its fundamental meaning. We hope this book will be a cornerstone in the development of a learning community of OSOs worldwide. We expect it to be of value as a reference to OSOs and to express the richness and diversity of the management of Olympic Sport Organisations.
Organising an Olympic Sport Organisation

Objectives

After reading this chapter, you should be able to do the following:

• Understand how the environmental context affects your organisation.
• Evaluate the way your organisation is structured and the roles that people have within it.
• Evaluate the governance of your organisation, in particular the role of the Board.
• Use information technology to assist with the operation of your organisation.
• Manage organisational change in an effective manner.
The effective management of Olympic Sport Organisations (OSOs) requires the OSO to be organised in such a way that it is in a position to operate effectively. The purpose of this chapter is to identify the key operational principles on which an OSO should be built.

This chapter is broken into five sections. The first section considers the external context within which an OSO operates, whilst the second section discusses the factors that make up an OSO. The third section then considers the governance of OSOs and issues that affect governance. The fourth section addresses information management and the methods of information technology that are available for communication both inside and outside of the organisation. Finally, the chapter discusses the management of change, which is a key feature of the OSO environment. These issues are then illustrated by a case study of the Olympic Council of Malaysia.

**SECTION 1.1 OPERATING ENVIRONMENT OF OLYMPIC SPORT ORGANISATIONS**

To understand how OSOs can be managed effectively, it is necessary to understand the operating environment that affects the OSO. Gaining such awareness is the purpose of this section, which will begin by briefly outlining the modern Olympic Movement. This is followed by a discussion of other factors in the operating environment that need to be taken into account when managing an OSO. The section will conclude with an illustration of the operating context of the Trinidad and Tobago Olympic Committee.
Olympic Movement

The modern Olympic Movement dates from the founding of the International Olympic Committee (IOC) on 23 June 1894. Based on the writings of Pierre de Coubertin, Olympism is an ideology, a pattern of ideas about the purposes of collective life, about social goals, distribution of resources and relationships between society and the individual. Olympism contends that sport promotes optimal human development. This ideology is clearly communicated in the Olympic Charter, which underpins the Olympic Movement. The most well-known symbol of the Olympic Movement is the Olympic rings, which symbolise the union of the five Olympic continents and the meeting of athletes from all over the world. The colours of the rings, which include blue, yellow, black, green and red, were chosen as at least one of the colours is found in the flag of every nation in the world.

In addition to the IOC, the Olympic family includes, among others, the International Federations (IFs), National Olympic Committees (NOCs), National Federations (NFs) and clubs and individual members such as athletes, officials and coaches. Figure 1.1 shows the relationships of these various institutions. The IOC may also recognise other organisations involved in sport that subscribe to the Olympic ideals, such as the International Olympic Academy (IOA). For more information on the roles and operating structures of these organisations, visit the IOC website, www.olympic.org.

Your Organisation’s Operating Environment

Although all OSOs are part of the Olympic family, each organisation operates in a unique environment. A number of factors within the operating environment offer opportunities and pose challenges for OSOs. Therefore, in order to be most effective in delivering services to stakeholders, you need to be aware that the following areas of the operating context may influence your management.
**Political Factors**

Political factors include legislation and policies, such as those issued by the IOC or World Anti-Doping Agency (WADA), as well as political values expressed by government. The introduction of quotas for women in management is a political factor, as is a commitment to Sport for All.

Government policy significantly affects the operation of OSOs. The attitude of politicians towards sport, the prominence of sport in policy and as a policy tool, and the relationships amongst the organisations responsible for sport in your country will all have a big impact on your organisation. For example, if government policy values sport as a means of increasing health or decreasing crime, it is likely to be easier to access funds for services. If the relationship between the NOC, NFs and government departments is poor, you may find it more difficult to promote sport within the country. Perhaps most crucially, the value that government policies place on physical education for children will dictate whether the country values sport or not.

Other political factors are also important. The stability of governments and key politicians will affect the ability to plan and fund activities. Tax policies may also have an effect since taxes may provide an organisation with more, or less, income. For example, in Ecuador, a tax on fixed and mobile phone calls has been used to fund elite sport. Finally, government’s attitudes and legislation in relation to the advertising of alcohol, tobacco and fast food may require some OSOs to seek new sponsors.

**Sociocultural Factors**

Sociocultural factors are a result of the way that a society is structured and behaves. Social factors include demographic features such as an aging population, changing lifestyles, a trend towards watching sport rather than taking part and a trend towards team sport rather than individual sport.

Factors such as the gender and age makeup of the population, family structure, income distribution, levels of education and social mobility will affect who is attracted to your organisation. More importantly, however, cultural factors such as attitudes towards sport participation, including parental attitudes towards children’s participation and attitudes towards work and leisure, will affect the role that OSOs play in society.

**Economic Factors**

Economic factors are features such as the strength of the economy, unemployment levels, how much people are prepared to pay for services and whether people can afford to be volunteers. Because there is no requirement for people to use OSOs, such organisations must compete for income that is left over after people have met their basic needs for shelter, food and clothing. Factors such as the inflation rate, unemployment rate, level of disposable income and cost of living all determine how much money people have to spend on OSO services. Indeed, in a number of countries the economic factors are such that it is not possible for organisations to charge for their services, which affects the type and extent of services offered.
A significant economic factor is the level of competition an organisation faces, and OSOs operate in a highly competitive industry. As mentioned, OSOs compete for the money left over after basic needs are met, but so do many other organisations. Although competition can be for money, for most OSOs it is likely to be for people. If football is the most popular sport in a country, it is often difficult for other sports to attract large numbers of participants. If religious or cultural events are an essential part of society, people will spend more of their leisure time taking part in these events rather than sport.

Perhaps most importantly, the value that government places on sport will have a significant economic impact because many OSOs are directly funded by government. The value that government places on sport dictates whether the economic context is good, poor or even changing, and you will need to know this value in order to take account of opportunities and to deal with threats. In addition, you need to know how the government funds that value. For example, funding could go directly to every OSO, or it could be given only to large OSOs, such as the NOC, to be distributed to member organisations. This information will influence the process for accessing funding, the people you will be accountable to and how your organisation will be evaluated.

Legal Factors

There are no sports without rules. Sports are regulated by rules and standards of conduct established within the organisation to ensure the survival of the sport’s basic principles and the permanence of the sport organisations. These rules fulfil the following functions:

- Establish standards of play (technical rules) for the specific sport or athletic discipline.
- Establish standards for competition.
- Establish standards of conduct that participants in the sport must follow.
- Establish the way that the relationships (membership or participation) of the bodies and people comprising the athletics movement operate.

In addition, all OSOs have some form of statutes or constitution that guides and regulates the way that the organisation can operate, which often requires formal approval by external stakeholders, such as relevant local authorities. These form the legal framework, which is the basis for all other considerations facing the OSO.

No OSO operates in a vacuum separate from the rest of society, and in its interaction with its stakeholders, it will be affected by the legal rules of that wider environment. As result, you should have some awareness of the following areas of law.

- **Delict or tort**: This is the failure to perform a duty of care to the required standard. A particular type of delictual or tort action relates to negligence, perhaps the most likely cause of legal liability for a sport organisation. What is considered to be negligence may differ amongst countries, and therefore you need to understand how your country’s legal system defines negligence.
• Employment law: Each country is likely to have laws that affect the employment and treatment of staff. For example, the Bosman ruling requires free movement of workers amongst countries of the European Union (EU) and thus affects many European OSOs.

• Drugs and doping: Laws regarding the use of banned substances must be understood.

• Intellectual property: These laws ensure protection of the OSO brand, which will be discussed in chapter 5.

• Health and safety: These laws are important for risk management, which will be discussed later in this chapter.

• Defamation, slander and libel: These laws involve protection of a person’s reputation.

There may be a perception within some countries that such legal concerns are more applicable to a jurisdiction with a sophisticated and litigious legal environment. However, it is still important that you fully understand the legal framework within which your OSO operates, and in particular it is important for the Board and its members to be aware of the potential liability they face.

Impact of the Operating Context

From the previous discussion it is clear that you need to know your OSO’s operating context well. Each country, each region and each town or village is likely to have different factors that influence the management of the organisation. In addition, it is unlikely that the factors in the operating environment will remain constant. For this reason, you may need to change the way you manage and the direction of your organisation. You should frequently ask yourself the following questions to ensure that your OSO is being managed as effectively as possible.

• What importance does the government place on sport? How is this evident in policy?
• Are senior politicians committed to sport?
• What is the relationship between your organisation and government organisations?
• Do politicians value the work of your organisation?
• How do the objectives of your organisation contribute to government objectives for sport? How does your OSO respond to changing government objectives, or changing governments?
• How important is your organisation to sport in your country?
• How does the way that sport is structured in your country affect the delivery of sport? What would improve this?
• Is the policy regarding physical education in schools supportive of participation?
• Do people value sport in your country?
• In particular, do parents value the participation of children in sport?
• How is sport funded in your country?
• What do you have to do to get funds?
• Can you increase your funds or have them taken away?
• What do you have to do to prove that your organisation is effective?
• What activities draw people away from your organisation? Can you do anything about this?
• What sports are your major competitors? What can you do about these?
• Can you charge for your services?
• What are the legal responsibilities of the organisation?
• What are the legal responsibilities of the Board?
• What risks are associated with your sport? How do you manage these?
• What is considered to be negligent activity in your country’s legal system?
• Are there health and safety concerns that affect your organisation?
• How can you protect your brand?

KEY RECOMMENDATIONS

► Identify where your OSO fits into the Olympic family.
► Be clear about your organisation’s role in the delivery of sport policy.
► Review your operating context on an annual basis.
► If necessary, adjust the operations of the organisation in response to the review.

The following illustration presents a review that the Trinidad and Tobago Olympic Committee did of its external context. The OSO considered a number of the questions listed previously in order to develop a picture of the environment within which it operates.

Illustration 1.1
Operating Environment:
Trinidad and Tobago Olympic Committee

The Trinidad and Tobago Olympic Committee (TTOC), formerly called the Trinidad and Tobago Olympic Association, was affiliated to the IOC at the IOC Session held in London in 1948 on the occasion of the celebration of the XV Olympic Games. It operates within a small population, which has only recently climbed to 1.3 million. An analysis of the operating context revealed the following factors that affect the way the TTOC can contribute to sport in the country.

(continued)
Political Factors

The government of Trinidad and Tobago values sport. It has developed a national sport policy that is intended to offer a formal, holistic and systematic framework for the development of sport in Trinidad and Tobago. This framework is based on the recognition of the important role that sport plays in the life of the individual, the community and the nation. The purpose of the policy is to guide decision making with regard to the development of sport. The government has developed a 2020 vision for the country (to be reached by the year 2020) that includes sport, and the vision is for the country to be recognised as a successful Western Hemisphere nation in the field of sport.

In order to further the implementation of the national sport policy, the government approved the establishment of a limited liability company with terms of reference geared towards the management, administration and programming of sport in Trinidad and Tobago. This company, wholly owned by the government and referred to as the Sport Company of Trinidad and Tobago, was approved pending the establishment of the Sport Commission of Trinidad and Tobago (SCOTT). The TTOC has been a central figure in the development of the sport policy, in the formation of the Sport Company and in discussions with regard to the SCOTT. The TTOC will have representation on the SCOTT, although it remains independent of government, its status and relationship established by an act of Parliament.

Sport is structured on a mainly voluntary basis, and recognised sport bodies come under the Ministry of Sport. In addition, Olympic sports are affiliated to the TTOC. In terms of improving the structure of sport in Trinidad and Tobago, an audit carried out by the TTOC showed that serious consideration needs to be given to the training of sport administrators. Sport in the country is at a point where it can no longer be run out of the car trunk or on the kitchen table. In this regard, the government and TTOC need to find a way of providing sport organisations with administrative support.

The relationship between the TTOC and the Trinidad and Tobago government is excellent. The objectives of the TTOC and the ideals of the Olympic Movement and the tenets of Olympism are in sync with the government’s stated vision for the society and nation based on tolerance, equity and discipline. The TTOC is highly respected by the government, corporations, media, general public and sport bodies. It is sought in a consultative role by the government on a number of issues related to sport. Politicians value the work of the TTOC; however, as in most countries, at times it appears that sport plays second fiddle to health, education and national security. In addition, also as in many countries, physical education has only been reinstated in schools in the last 3 years and is therefore not at a point where it supports participation in sport.
Sociocultural Factors
Trinidad and Tobago is a sport-loving nation, but only from a recreational and social point of view. As in many countries, sport is not considered to be as important as education. Parents' attitudes reflect a preference for academic work, and participation in sport is encouraged only as long as it does not interfere with studies. However, these attitudes are starting to change. Trinidad and Tobago's qualification and success at the 2006 Fédération Internationale de football Association (FIFA) World Cup in Germany may very well be the catalyst for raising the importance of sport since people experienced firsthand the pride and joy that sport can bring.

Economic Factors
Sport is primarily funded through the Ministry of Sport, the newly established Sport Company and corporations. In order to obtain funds, sport bodies have to submit a subvention request to the Ministry of Sport. This system works fairly; however, there are issues with the funding delivered by the Sport Company. Ten sports have been selected to receive development funding, and bodies not selected have expressed concerns over a perceived lack of transparency with regard to the selection criteria and process. In terms of funds from the corporate sector, sport bodies need to go directly to organisations with proposals.

Funds can be increased or withdrawn on the basis of the organisation's subvention request, interviews with the Ministry of Sport and Sport Company officials, and reports. Sport organisations have to prove that they are effective by showing that funds have been properly expended and audited. In addition, rightly or wrongly, the performance of the team is used as a measure of success.

Several activities can be considered as competitors to sport. Because most involvement in sport is voluntary, other activities and demands from family and career can get in the way of participation. In addition, some volunteers leave sport because of too much politics and poor administration, which highlights the need for increased training in all aspects of sport management and governance. This lack of well-trained administrators is a major challenge facing sport in Trinidad and Tobago, and many sport bodies are in danger of missing out on opportunities due to the administration issues mentioned earlier.

In the search for sponsorship, the TTOC sometimes finds itself competing in the same funding pool as the sport organisations that come under its umbrella. Although at times this is unavoidable, the TTOC liaises closely with its affiliates to ensure that they do not approach the same potential sponsors for projects and games under the auspices of the TTOC. The TTOC does not charge for many of its services, but it does charge nominal fees for courses.

(continued)
Legal Factors
Like all NOCs, the TTOC has constitutional and legal obligations in its relationship with the IOC, corporate sponsors, member bodies and government. The TTOC is constituted and managed under an act of Parliament, and therefore the Board is obliged to properly account for funds received. To do this, the TTOC ensures that it has proper accounting systems in place and that its accounts are audited by a recognised external auditor.

In terms of direct risks to participants, all sports expose participants to injury and public liability. In order to deal with this, the TTOC emphasises proper coaching and playing within the rules. In addition, where applicable, insurance is the preferred risk management tool. However, a culture of paying close attention to safety is not fully developed, and only recently has a health and safety act been framed to bring to the Parliament. This act is not expected to change anything in the field of sport; however, sport bodies could have new obligations regarding employer and employee relationships. These legal implications have not been clarified and the TTOC will look into this aspect.

Impact of the Operating Context
A review of the operating context allows the TTOC to determine its future actions. It is apparent that it has a clear remit for sport in Trinidad and Tobago, and its relationship with the government is excellent. It has been involved in the development of new structures for sport and is consulted on a wide range of issues. This relationship is essential, and the TTOC needs to ensure that it carefully manages its relationship with the government, and to some extent, with corporations to ensure continued sponsorship.

The low level of managerial knowledge is also an area for further work. Without improvements in governance and management, some sport organisations may not take advantage of the interest in sport generated by the 2006 FIFA World Cup and may not develop the standards required to achieve funding from the Sport Company. To this end, the TTOC meets with its affiliates to assess their training needs and continues to offer training courses in aspects of sport management.

The TTOC strategic plan, which is based on an environmental audit, emphasises the principles of Olympism. The organisation adopts best practice in its operations, which are reviewed on an ongoing basis. There are always challenges, such as adverse doping test results or contentious selection issues that cannot be fully anticipated. However, the TTOC has a solid, key role in the provision of sport within Trinidad and Tobago. By being aware of its operating environment, the NOC is more likely to be able to take advantage of this role and deal with unexpected challenges.
SECTION 1.2
NATURE OF OLYMPIC SPORT ORGANISATIONS

Most of you will have had experience of effective organisations and of organisations that are less effective, and it is obviously important to understand what makes an organisation work well. However, first it is necessary to identify what an organisation is, what its key components are and how it is constructed, which is the purpose of this section. These issues will be illustrated by a discussion of structural change in the British Olympic Association.

What Is an Organisation?

In its most basic form, an organisation is a group of people working together to achieve an end goal. An OSO is therefore a group of people working together to achieve goals related to Olympic sport. (See the introduction to this text for a complete definition of an OSO.) Old (2004) suggests that there are three core elements by which an organisation can be characterised.

- **People:** Who are the members of the organisation? What roles do they play? What is the relationship amongst members, other internal constituents or stakeholders, and external stakeholders?
- **Rules:** These define formal and informal tasks, roles and responsibilities; principles of good corporate governance; patterns of communication; authority relationships; and the nature of power in organisations.
- **Ends, goals and purposes:** In the context of OSOs, this element primarily includes the nature of goals in an organisation and the differences in goals amongst various constituents or internal stakeholders.

To this list you could also add “resources.” Without these, it would be impossible for an organisation to function. The resources that are available come in many forms:

- **Revenue:** These resources include membership fees; sponsorship; grants from the IOC and government; and for some fortunate sports, income from TV rights.
- **People:** Volunteers, paid staff, team staff and athletes are all resources.
- **Services:** Access to legal advice, assistance with drug testing and staging of events are all resources.
- **Time:** This is perhaps the greatest resource of all, because without the time given by volunteers, many OSO activities would not be possible. For example, the Olympic Games could not be staged without volunteer time because it would be too costly to pay all of the people needed for the Games to be held.
When you consider how your organisation might function more effectively, you need to address these elements. However, it is also necessary to remember that the external context outlined in the previous section will have a significant impact on the way you can shape and manage your organisation. Being part of the Olympic family will significantly influence the goals you can pursue. It also has a large influence on the rules by which you operate; even the most commercial OSOs are likely to have an elected Board made up of volunteers. Finally, the context allows your organisation to access people who are prepared to give up their time without pay because of their belief in the value of sport. Very few other operating contexts provide such access to volunteers.

People

How people are identified within an organisation depends on the context, but identification falls principally into one or more of three categories:

- Individual identity, or who they are
- Role and formal position, or their principal duties in the organisation
- Type of stakeholder, or type of interest or group they represent

**Individual Identities**

The first level might seem to be so obvious that it is hardly worth mentioning, but it is crucial to the smooth operation of the organisation. People are individuals and need to be recognised as such. Conventions will vary from one culture to another, but knowing people’s names, acknowledging them by greeting them appropriately, knowing something about them as individuals, knowing what their strengths and weaknesses and likes and dislikes are, and praising and giving public recognition for good performance certainly can be crucial in motivating them to do their best for the organisation. This concept is dealt with in greater detail in chapter 3.

**Roles and Formal Positions: Effects on Structure**

The notion of roles within an organisation has two principal dimensions. The first dimension is the place of the individual within the organisational hierarchy—the level of responsibility a person is required to undertake. For example, Board members carry the greatest responsibility within an OSO. The key functions of the Board include the following:

- Reviewing, guiding and approving strategy, risk management, budgets, business plans and performance objectives
- Selecting and compensating key executives and planning for succession
- Monitoring conflicts of interest
- Ensuring the integrity of the accounting system
- Monitoring the effectiveness of operating practices
The extent to which responsibility and authority are concentrated at the top of an organisation is referred to as the level of centralisation within an organisation. If an organisation is centralised, decisions are made primarily by senior management, such as the Executive Board or team staff. This type of decision making is useful if there is a need to respond to a crisis, such as the withdrawal of a sponsor or a major incident involving an athlete. In this case, the people who will be held responsible for the outcome of the decision make the decision and have the authority to implement it. However, a high level of centralisation can make others who are involved with the organisation feel as though they are not valued, which can be demotivating and can lead them to take less responsibility for their work.

In a decentralised organisation, all people who work for the organisation make decisions about their work, and those with the most relevant expertise make decisions about particular skill areas. This can lead to faster decision making and less bureaucracy, but it does require a number of controls. You will need to ensure that those who are making decisions that affect the organisation have appropriate guidelines and training.

The second dimension of role is the area of competence to which that role is ascribed, such as general administration, the sport department, the finance department or volunteer management. This dimension is referred to as the level of specialisation with the organisation. Centralisation and specialisation affect the structure of the organisation, and the levels of each vary from one organisation to the next.

Structure is the way an organisation is shaped. Organisations can adopt a structure that is tall and narrow, broad and flat, or a mix of both. Structure type depends heavily on the organisation's levels of centralisation and specialisation. Small OSOs have mixed structures. There is likely to be little decentralisation of decision making and relatively little specialisation of tasks, leading to a flat and narrow structure. Such organisations, which are too small to have a marketing department or specialist financial management staff, may have a few volunteers and perhaps a few paid staff who take on a diverse set of responsibilities.

Larger, more complex organisations are likely to adopt a tall and narrow hierarchical structure. This type of structure is useful for complex and varied tasks, which require differing types of skills and a level of supervision or middle management. Most NOCs, IFs or even NFs need this type of structure in order to meet their objectives, even if the organisation is made up of volunteers. Figure 1.2 shows a proposed structure for the National Olympic Committee of Iraq.

Alongside the principles of centralisation and specialisation, OSOs can be structured along the following dimensions.

- Organisational size: Although not always the case, the general rule of thumb is that the larger the organisation, the more structured it needs to be.
• **Complexity of task:** Complex tasks usually require specialisation and hierarchical management. For example, the staging of a major event is complex, requiring various specialised divisions to deal with aspects such as promotion, accreditation, security and accommodation. These divisions require managers, who in turn require management. See chapter 6 for a greater discussion of the structure required for staging an event.

• **Formalisation:** This is the extent to which roles are explicitly stated, usually in written form, such as job descriptions.

• **Standardisation of tasks:** This dimension refers to the number of tasks that are carried out according to certain procedures. For example, organisations that carry out drug testing exhibit high standardisation of tasks because procedures must be carried out in a standard way to ensure that drug testing is reliable and valid.

• **Professionalisation:** An organisation with a high level of professionalisation has paid staff and has become more sophisticated in its approach to its environment.

These internal features are related to features of the external environment. Simple organisations are likely to be best suited to simple and stable external environments. A community athletics club that trains twice per week, uses community facilities and organises one event a year might be characterised as operating in a simple environment. Its goals are relatively clear and uncomplicated: to train athletes, to stage a small event and to meet financial obligations. The environment is generally stable, meaning it is likely next year to be operating in a similar context to that in which it operated last year. The structure of such an organisation is therefore likely to be simple, having no need for a human resources division or marketing division. However, for the International Association of Athletics Federation (IAAF)—the IF for athletics—the environment and the organisational structures are likely to be very different.
Although OSOs may differ in size, complexity and shape, a number of features are common to all of them. They are all ultimately responsible to a voting membership, who has the power to determine the way the organisation is run. This membership usually establishes an elected Board, which is charged with carrying out the wishes of the membership and is legally liable for the conduct of the organisation. This Board sits at the top of the organisational hierarchy, as outlined in figure 1.2. OSOs are usually funded significantly by governments or other agencies such as Olympic Solidarity and thus have to consider the objectives of these stakeholders. Finally, OSOs rarely operate independently from the country’s sport system, and this will affect how they are structured and managed.

**Types of Stakeholders**

A stakeholder is anyone who has a stake or interest in the organisation. That interest may not be material or financial; it could, for example, be emotional or symbolic, such as the interest that the general public has in the performance of the nation’s athletes at the Olympic Games. Thus the stakeholder community includes everyone who is affected by an organisation. This will be discussed in greater detail in chapter 2.

**Rules, Tasks, Roles and Responsibilities**

Organisations invariably work by certain rules. These may be formally stated or they may be agreed upon informally. Similarly, the roles and responsibilities of a particular post can be formally stated in a job description (see chapter 3), informally agreed upon or even simply implicit in the title of a job, such as team manager. Even where roles are undertaken voluntarily, if the task is substantial it is worthwhile to set out a job description of the tasks that the person should undertake (the role) and of the resources and results the person will be responsible for (the responsibilities). If these are clearly articulated, then both the post holder and others in the organisation should be able to identify whether the job has been carried out successfully. As mentioned, formalisation of rules and roles is one of the key dimensions along which one can differentiate amongst types of organisations.

In addition to specifying roles and responsibilities, there may be an operating manual or some kind of set description of how to undertake specific tasks. This point will be discussed in greater detail in chapter 3. Such standardisation of tasks is mostly for activities that can be repeated in the same way by following a procedure, such as booking travel for delegations or paying expenses. In many contexts, however, standardisation of tasks may be entirely inappropriate, such as when coaches rely on their experience to make changes to training regimens in order to bring about better performance.

OSOs operate under a number of rules that are common to all organisations that are part of the Olympic family. These rules provide the guidelines for all activities that go on in the organisation and should be formalised in a governing document. For example, NOCs need to establish their statutes based on the following:

- **Mission:** Statement of the purpose of the NOC. “The mission of the NOCs is to develop, promote and protect the Olympic Movement in their respective countries, in accordance with the Olympic Charter” (Rule 28.1).
• **Role:** Statement of what the NOC will do. For example, they “promote the fundamental principles and values of Olympism in their countries, in particular, in the fields of sport and education, by promoting Olympic educational programmes in all levels of schools, sports and physical education institutions and universities, as well as by encouraging the creation of institutions dedicated to Olympic education, such as National Olympic Academies, Olympic Museums and other programmes, including cultural, related to the Olympic Movement” (Rule 28.2.1).

• **Obligations, responsibilities and competencies:** Statement of what the NOC can and is required to do. For example, “Each NOC is obliged to participate in the Games of the Olympiad by sending athletes” (Rule 28.3).

• **Autonomy:** Statement highlighting how the NOC is an autonomous organisation. For example, “NOCs must preserve their autonomy and resist all pressures of any kind, including but not limited to political, legal, religious or economic pressures which may prevent them from complying with the Olympic Charter” (Rule 28.6).

• **Membership:** Statement of who makes up the membership of the NOC. For example, “NOCs must include all IOC members in their country, if any. Such members have the right to vote in the general assemblies of the NOC. In addition, the IOC members in the country referred to in Rule 16.1.1.1 are ex officio members of the NOC executive body, within which they have the right to vote” (Rule 29.1.1).

• **General Assemblies:** Statement outlining details of the timing and purpose of the assembly of members. For example, “Each NOC shall hold a General Assembly of its members at least once a year, in accordance with the NOC’s statutes” (paragraph 1.4 of the Bye-law to Rules 28 and 29). “NOCs shall, in particular, include on the agenda of their General Assemblies the presentation of annual reports and audited financial statements and, as the case may be, the election of officers and members of the executive body” (paragraph 1.4 of the Bye-law to Rules 28 and 29).

• **Voting:** Statement outlining details of who can vote and how decisions are determined. For example, “The voting majority of an NOC and of its executive body shall consist of the votes cast by the Olympic sports federations or their representatives” (Rule 29.3).

• **Flag, emblem and anthem:** These symbols of the NOC “shall be subject to the approval of the IOC Executive Board” (Rule 32).

• **Court of Arbitration for Sport (CAS) in Lausanne:** NOC statutes should make reference to the competence of the CAS in Lausanne for disputes that cannot be resolved at the national level.

The approval of the statutes of an NOC by the IOC Executive Board is a condition for recognition. The same condition applies to any subsequent change or amendment to the statutes of an NOC. In addition, the statutes should contain a date of approval by the NOC. This date, which should appear in the text, is the date of the General or Extraordinary Assembly at which the text was approved. Finally, the statutes must be certified as a true copy by the President and the Secretary General of the NOC. This document should be the ultimate source of information on rules and procedures in the organisation.
Goals and Purposes

Every organisation can be characterised by its goals and purposes. For an OSO, the larger purpose of the organisation is to promote Olympism. The goals used to achieve this purpose could vary from providing recreational opportunities at the grassroots level to sending athletes to the Olympic Games. The process of developing goals for the organisation is discussed in chapter 2. However, at this point it is important to realise that different groups of stakeholders may have slightly different goals, which may be complementary, competing or unrelated. An understanding of stakeholders’ goals is likely to be crucial to how an organisation is perceived by stakeholders and how its effectiveness is evaluated. For example, an NF will have a range of stakeholders, including athletes from elite competitors to recreational participants; international, national and local coaches; and national and local club administrators. You will need to identify what the objectives are of these various groups and then try to find a way to meet these objectives.

KEY RECOMMENDATIONS

- In conjunction with your Board, identify the most appropriate structure for the size, complexity and tasks of the organisation.
- Ensure decision making related to the management of the OSO is devolved to those responsible for implementing the strategies as defined by the Board. The strategic direction of the OSO must remain the responsibility of the elected Board.
- Ensure that your statutes are comprehensive and make clear the rules of the organisation. For more information on how to develop statutes, please contact your NOC, or if possible, look at the NOC Extranet.
The following illustration highlights the relationship between organisational context and some of the structural features identified earlier in the chapter.

**Illustration 1.2**

*Structural Change in an NOC: The Case of the British Olympic Association*

This illustration deals with the transformation of the British Olympic Association (BOA) from a relatively small-scale organisation with a modest budget and modest goals to an organisation that has a turnover of several million pounds and is involved in a wide range of athlete-support and sporting services. The rapid change was triggered by an injection of funding provided principally from more effective marketing after the Los Angeles Olympics of 1984. The BOA's financial position in 1976 after the Montreal Olympics and in 1980 after the Moscow Games was positive, though available funds were small (£2 million in 1976, £1.5 million in 1980). However, after the Los Angeles Games, funds available to the BOA grew to an unprecedented £8 million. The organisation was thus faced with the unusual decision of how to deploy this extra cash.

As part of the dialogue regarding the future direction of the BOA, a weekend conference of key stakeholders was held to review the organisation’s role, changes that might be made, and the strengths and weaknesses of each potential change. As a result, a commission was established to consider the following possibilities:

- To maintain current roles and responsibilities and to take comfort in being a cash-rich organisation
- To redistribute the excesses to Nfs
- To provide a wide range of support services (rather than extra cash) to Nfs

**Structure, Roles and Responsibilities**

The BOA opted for the third alternative. This decision was accepted by the Nfs as the course of action best suited to meet their needs and to provide the expert services required at the elite level of modern sport. Having made this decision, the BOA moved rapidly from an organisation with a simple structure and the single focus of organising and funding the mission to the Olympic Games (figure 1.3) to one that set itself the task of interfacing with the Nfs of Olympic sport at every level in the development of high-performance sport. This necessitated the appointment of staff with specialised skills and thus led to an expansion of the professional staff (figure 1.4).

What, then, were the implications of this change in terms of the nature and structure of the organisation and in terms of power and control? The most evident change from the organigrams ( organisational structures) in the two figures is the development of a divisionalised form. Having taken on a range of additional and complex tasks, the organisation opted to delegate responsibility for each of these areas to departments directed by personnel with specific areas of expertise. Thus the organisation completely changed its way of working, now having an active programme throughout the 4-year Olympic cycle.
Figure 1.3 Divisionalised structure of the BOA before changes were made.

Figure 1.4 Divisionalised structure of the BOA following changes.

(continued)
Goals and Purposes

The mission that the BOA had embarked upon was to make the organisation more relevant to the general sport culture in the UK and in particular to relate with the NFs of Olympic sport at every possible level in order to assist them in becoming more effective as they delivered sporting excellence. Thus the activities of the BOA sought to interface with the NFs at the following levels:

- Athletes, coaches and team managers
- Medical officers and physiotherapists
- General administration
- Sport scientists
- Media
- Marketing
- Legal concerns
- Education and legacy

People: Roles and Formal Positions

The changes that the BOA underwent had several implications both for the governance and management of the organisation. The critical relationship between the elected President and the salaried Secretary General became more crucial, particularly as the pace of activity increased. With the increased activity of the professional staff, led by the Secretary General, the balance of power shifted in his direction. This required a sensitive touch to prevent tensions from developing.

The role and function of the Executive Board changed from having oversight of finances and general activities to taking a strategic view of the direction, pace, risk and performance of the organisation and its finances.

The responsibilities of the individual members of the Executive Board increased and required a greater understanding of finance, budgeting, strategic management, performance review and risk management. Members were required to deal with administering larger budgets and a greater financial turnover, monitoring cash flows, anticipating shortfalls, and in particular, satisfying themselves of the prudence and probity of the organisation’s financial management.

In addition, the changes required an entirely different management style by the Secretary General, whose function now was that of a Chief Executive Officer (CEO). Instead of personally processing much of the organisational details, the role changed to that of strategically managing a team of specialists. Thus a new skill set was required, which comprised the following:

- Internal communication with staff was necessary to clarify the general direction of the organisation and ensure that each department’s activities contributed to that direction.
- External communication was important to ensure that the BOA commanded respect from stakeholders and others. Ensuring that the staff developed effective communication with the relevant stakeholders was a critical aspect of the working relationships with NFs and their athletes and support staff, as well as with the external agencies.
• Team building was necessary to ensure that the staff worked as a team, each person contributing to the overall strategic direction and interfacing effectively with each other.

• Recruitment skills were important to ensure that appointments were appropriate for the skills required.

• Monitoring the effectiveness of both individual staff members and of the organisation as a whole was required.

• Analysing the costs and benefits of the organisation’s activities and modifying direction accordingly were necessary.

• Strategic management was important because the new setup required the development and implementation of a strong strategy to which the stakeholders were committed.

• Political judgement was important because of the involvement of a wide range of stakeholders influenced by the BOA’s activities. It was necessary to exercise political judgements in relation to the nature and pace of developments and with acute sensitivity as to the impact of the developments. Thus, good communication and information gathering were vital to ensure the relevance and effectiveness of the programme.

People: Purpose and Power

The consequences of taking on the additional tasks were not simply structural but implied a very different set of working relationships (see table 1.1). The level of centralisation in the organisation had been extremely high (see figure 1.3). There was essentially one person through whom most decisions were taken or implemented (leaving to one side the role of elected members for the purposes of this illustration). The implication was that the Secretary General had to have sufficient expertise in all of the organisation’s tasks to be able to steer it efficiently. In the new structure, power and authority are decentralised to specialists recruited as experts in a particular field, and the Secretary General now has the task of initiating and overseeing the strategic direction of the organisation and working with the governance mechanism and outside agencies.

Table 1.1 Characteristics of BOA Structure Before and After 1984

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>BOA structure before 1984</th>
<th>BOA structure after 1984</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational environment</td>
<td>Relatively simple and stable, but changing from late 1960s</td>
<td>Increasingly complex and dynamic as a result of the politicisation and professionalisation of sport</td>
</tr>
<tr>
<td>Task size and complexity</td>
<td>Simple and restricted</td>
<td>Large number of complex tasks</td>
</tr>
<tr>
<td>Organisational size</td>
<td>Small</td>
<td>Large</td>
</tr>
<tr>
<td>Centralisation</td>
<td>Power and authority highly centralised</td>
<td>Decentralisation to Department Directors</td>
</tr>
<tr>
<td>Specialisation</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Formalisation</td>
<td>Low</td>
<td>High</td>
</tr>
</tbody>
</table>

(continued)
Thus, unusually for a larger, more complex organisation, the particular organisational structure chosen by the Secretary General was a flat one rather than a hierarchical one. This allows for a greater sensitivity to the impact of the BOA’s activities with its stakeholders. There are, of course, other formats and possibilities. Whatever the structure, it is important that it fits the purpose and personalities in that particular environment.

This illustration shows how a change in the environment may require a change in the structure and mode of operation of an organisation. In this case, the happy circumstance of receiving considerable additional funds that permitted the organisation to expand its activities was an important contributory factor. This expansion led to changes in the people, roles and responsibilities of the BOA and, in particular, saw a change in role for the Secretary General, who moved from operational to strategic responsibility for the organisation.

**SECTION 1.3 GOVERNANCE OF ORGANISATIONS**

The previous discussion of organisations focused primarily on the roles and responsibilities of individuals within the organisation, rather than on the organisation’s responsibilities as a whole. In recent years there has been a considerable focus on this collective aspect of management, which generally falls under the heading of corporate or organisational governance. Corporate governance refers to the systems and processes for ensuring proper accountability, probity and openness in the conduct of an organisation. This might include the processes by which committees are selected, monitored and replaced; the capacity of committees to effectively formulate and implement sound policies; and the respect of members for the structures and the procedures that govern economic and social interactions amongst them.

This section looks at the concepts associated with the governance of OSOs. It considers the impact of organisational culture, power and politics on the way the organisation can be governed and then considers the principles that can be used to help with the governance of organisations. This is followed by a discussion of the principles and practices of risk management, a concern that is likely to directly affect those involved in running an OSO. The section finishes with an application of the concepts to the Estonian Olympic Committee.
Corporate Governance

Governance can be difficult to define but is perhaps easier to recognise in practice. It involves the use of power to direct, control and regulate activities within an organisation. It deals with the high-level issues of strategy and policy direction, transparency, and accountability and is not concerned with daily operations, which are the responsibility of management. The Australian Sports Commission (2002), having carried out much research in this area, regards governance as concerning three key issues:

- Ensuring that an organisation develops strategic goals and direction
- Ensuring that the Board monitors the performance of the organisation to ensure that it achieves these strategic goals
- Ensuring that the Board acts in the best interests of the members

The Australian Sports Commission (2003) also commented that poor governance has a variety of causes, including director inexperience, conflicts of interest, failure to manage risk, inadequate or inappropriate financial controls, and poor internal business systems and reporting. Ineffective governance not only affects the particular OSO but also may undermine confidence in the sport industry as a whole.

The IOC President, Jacques Rogge, in his speech to open the First European Conference on the Governance of Sport held in 2001, emphasised the principle of good governance and suggested that common features that should underlie all sport bodies include responsibility, democracy, transparency and solidarity. His argument was that if sport organisations complied with these principles, their position would be strengthened and they would provide considerable benefits to the stakeholders of sport, especially the clubs and athletes. In a subsequent address at the 2006 First Seminar on the Autonomy of the Olympic and Sport Movement, Jacques Rogge again emphasised the importance of good governance, in particular the need to be transparent, and stated that it is the responsibility of the Olympic Movement to work in total transparency.

However, although the principles of governance discussed below are applicable to all OSOs, it is important that they are introduced and used in a way that is appropriate for your OSO and the context in which it operates. The following discussion of governance is to be considered as a guide to improving practice, rather than as a set of rules that the organisation must operate by. The OSO’s effectiveness will be best improved by applying the principles of governance in a way that is acceptable to the culture, politics and power systems within the organisation.

Organisational Culture

Organisational culture refers to members’ assumptions and beliefs about an organisation and the way these assumptions and beliefs affect members’ behaviour. The ways that the members of an organisation value volunteers, address Board members and believe in Olympism are all examples of organisational culture.
Organisational culture shapes the organisation’s goals and objectives because it leads members to make assumptions about what the organisation values. For example, objectives regarding drug testing are based on the assumption that the organisation values drug-free sport. Organisational culture also affects the relationships that exist within the organisation because it dictates who and what is important. For example, the secretary of a Board may be perceived as being more important than the president because the secretary controls information in the organisation. In addition, organisational culture outlines the accepted ways of working, behaving and even dressing. It is the way things are done in an organisation, and therefore it has a significant impact on management.

Although it can be difficult to understand organisational culture because it is often hard to see, it is possible to create a picture of what it might be by considering the following:

- Stories about the behaviour of members at General Assemblies or about the value of decisions made by elected members
- Choice of spokespeople for the organisation
- Use of logos on all posters, pamphlets and advertising, which suggests professionalism and a corporate image
- Use of first names or last names when addressing seniors
- Use of acronyms such as IOC and WADA, which indicates that some issues are so well known that they can be referred to in shorthand
- Staff celebrations, social events for volunteers and the announcement of teams for major events
- Office layout, decoration and age of the building
- Uniforms, trophies and mascots

These factors make it possible to identify the unwritten rules of the organisation and what it considers to be important.

Culture affects the OSO by affecting how resources are allocated. It provides an explanation for why certain decisions are made, why some groups appear to be more important to the organisation than others and why some staff members are promoted and others are not. A successful chief coach may be able to behave towards the Board in a manner that would not be acceptable from the chief executive. Funding may be diverted from development programmes to elite teams if the Board considers elite sport to be the raison d’être for the organisation. Therefore culture determines who is powerful and what is important to the people in the organisation. Understanding culture and using this understanding as a framework for your management activities will make you more effective within the organisation.
Power

OSOs will be affected by the exercise of power because the influence of individuals and groups upon decision making depends on the relative power that they are perceived to have in the organisation. Elected members can insist that paid staff implement decisions made by the Board since elected members are ultimately responsible for decision making in most OSOs. However, if those decisions are contrary to the wishes of funding bodies, the funding body can veto the decision.

Power comes from six main sources.

- **Physical size:** This power comes from physical characteristics such as size. For example, members may vote on block to force a policy change even if it is against the advice of the elected Board.

- **Position in the organisation:** The chief executive is more powerful than administrative staff, and the elected Board is expected to be more powerful than the executive staff. Some less obvious positions can also be considered powerful, such as the personal assistant to the chief executive, who controls access to the chief executive.

- **Personality of individuals:** Some people are powerful in organisations simply because of who they are.

- **Control of resources:** Some power arises from control of resources such as money, volunteers, equipment and facilities.

- **Expert skills:** This power comes from knowledge or abilities that are limited within an organisation. For example, the person who knows how to set up a new piece of equipment has expert power; however, this power only exists for as long as there is a need for the expertise.

- **Ability to prevent things from happening:** An organisation relies on the goodwill of volunteers and staff to follow decisions and guidelines. The volunteers and staff can exert power by refusing to do what is asked.

Power affects the OSOs in a number of ways. First, those people or groups with the greatest power can determine the strategic direction of the organisation by influencing the planning process. For example, the General Assembly can effectively block the introduction of a policy into the organisation by voting against proposed changes. As outlined previously, those with power can determine who and what gets resources and thus what activities and programmes can be followed. Power affects who is involved in decision making even to the extent of influencing who is elected to the Board. Finally, people with power determine what behaviours are considered acceptable to the organisation. If the chief coach does not communicate well with the Board, it signals to others that such behaviour is acceptable. Therefore it is helpful to understand who has power within the organisation and why they have that power.
Although power cannot be seen, it is usually obvious within organisations. To be influential, you should utilise the power relationships that are present in the OSO. In many organisations, this requires an awareness of organisational politics, which is the third factor affecting the governance of OSOs.

Politics

All organisations have an internal political system, which is difficult to describe because it is often hard to see. Organisational politics can be thought of as the manifestation of power, and it occurs whenever an individual or group seeks to influence the thoughts, attitudes or behaviours of another individual or group. The most obvious example of politics at work is meetings where attendees know that the major decisions have already been taken outside of the meeting and that the meeting is a mere formality. This is because politics determines who makes the decisions (usually the most powerful groups or individuals) and even what will be discussed. Although this is often detrimental to open discussion, it would be naive to think that this type of organisational behaviour does not occur.

Organisational politics has both benefits and weaknesses for OSOs. The politics of an organisation assists with team building, ensures communication and coordination, and helps provide a framework for decision making. Conversely, politics may lead to misuse of resources, create conflict and distract attention from the objectives of the organisation. Despite these serious weaknesses, all organisations have an internal political system that will influence decision making and determine who controls the resources. Thus, in order to be effective within the organisation, you should be aware of its politics and then find a way of working with the system.

Governance in OSOs

Governance is a concept that can lead to the efficient, effective and ethical management of sport. It will not solve all of the problems faced by your OSO, but it may create the conditions necessary for success by enabling you to make the most effective use of your resources and allowing you to consider fully the interests of your stakeholders. To better understand the nature of governance in your organisation, consider the following:

- **Clear delineation of governance roles**: A clear organisational structure with no overlap of powers of any two individuals or bodies will help to allocate responsibilities within the OSO. This may include separation between the Board (strategic direction) and the executive (management) supported by a documented delineation of the roles of each.
- **Governance processes**: Clear, documented policies and processes that reflect best practice will help with governance because they will provide clarity and consistency to operations. These policies and processes may relate to meeting processes, decision making, agenda and minute taking, committee and commission purposes, authority and scope, and executive delegation authority.
• **Governance controls:** In order to guide and focus the activities of the OSO, it is helpful if there is agreement about organisational values, vision, mission, goals, strategic plan, operational objectives and key performance measures, risk management, legal compliance, accounting and auditing, reporting and evaluation systems, and performance-review processes.

• **Governance improvement:** If appropriate, regular development training for all Board members and staff may be beneficial to the operation of the OSO. This is clearly an issue to be approached tactfully as some people may feel that they already have the skills required for their roles and responsibilities.

• **Member responsiveness:** Good member–stakeholder relationships are important to the effectiveness of the OSO and will develop from transparency and accountability, good internal and external communication, feedback and prompt responsiveness to concerns, and preparation of a public annual report covering aspects of governance, finance and sport performance.

**Role of the Board in Governance**

As outlined previously, governance is enhanced by a clear separation between the Board, which is usually the highest decision-making body, and the operating staff of the organisation. Ideally, the day-to-day management of the organisation should not be a Board function, and the authority for this is usually delegated to the volunteers or paid staff who are responsible for delivering the Board’s decisions. It is helpful if OSOs have a CEO or equivalent, as well as specialist administrative support, such as financial or legal support, to provide assistance both to the Board and the CEO. This will clearly depend on the resources available to the OSO.

It is in the interests of Board members to have a clear understanding of their legal duties, responsibilities and liabilities, and a good working knowledge of the many ways in which governance of their organisation can be improved in order to manage and reduce risk in their daily operations and decision making. Therefore, those who make up the Board benefit from having the necessary skills and abilities to make strategic decisions about the organisation. Providing the same induction and training to new Board members as all new members of staff may help inexperienced new Board members who may have little understanding of their legal duties, the potential liability their position places upon them or the governance mechanisms operating within the organisation.

Having clear rules determining who can be admitted or removed from the register of members fosters democracy. These rules usually include democratic elections; the process by which members of the Board are elected, set in writing, and communicated to all those who are entitled to vote; and a fair and transparent process for nominating candidates. The organisation should normally make reasonable attempts to promote elections and voting levels. The results of elections are usually widely communicated to all members. It is good practice to appoint Board members for a specified period of time, and reappointment should not be automatic, unless allowed by the OSO statutes.
Size of the Board

The size of the Board presents its own set of advantages and disadvantages. Whilst a large Board (15 or more people) has the advantage of enriched decision making from a group able to embrace diverse viewpoints and expertise, it may suffer from its size because of decision-making processes that take longer and become increasingly unwieldy and unsatisfying. Above a certain size, there is room for certain members to be crowded out of discussion, or to be able to hide and not contribute.

In practice, the experience with many large Boards is that an inner circle emerges naturally and takes the lead in all decisions. This smaller group may be officially mandated as an executive committee for particular emergency purposes, but may also over time develop beyond any restricted mandate to exercise effective control over all decisions.

Small Boards tend to be efficient and allow for free communication. Shown here are some members of the Executive Board of the Comité Olímpico Colombiano (Colombian Olympic Committee).
At times free communication may be difficult with a large Board. The need for formal meeting procedures tends to reduce the possibility of a free exchange of ideas and healthy dialogue and to increase the possibility of combative debate or distracting points of order. However, your OSO may be required to have a larger Board in order to meet the requirements of representation, where the Board is required to represent the views of various minority groups or regions. In this instance, you and the Board should try to ensure that all members have an opportunity to discuss policy and issues.

**Stakeholder Involvement**

Stakeholder engagement fosters effective governance. One of the activities of the Board is to remain proactively engaged with all the organisation's stakeholders, and to invest time and effort in developing and strengthening those relationships. A Board represents all of its stakeholders, not simply those preferences of the Board members.

Stakeholder involvement is maintained by regular communication with members on policy decisions, elections and other matters. This provides channels for two-way communication through which stakeholders have an opportunity to ensure that their interests are being recognised. Stakeholders may be included on the Board or committees, through open meetings and Annual General Meetings or General Assemblies or through actively seeking feedback on relevant issues.

Governance is about leadership, accountability and good systems of control, and OSOs that attempt to operate following the principles of organizational governance increase their chances of meeting the needs of their key stakeholders in an efficient and effective manner.

**Risk Management**

The management of risk is integral to the governance of an OSO. Everyone involved with the organisation has a responsibility to take well-judged, sensible risks to develop the organisation. However, to make sure that risks are well judged and sensible, risk management benefits from being part of the general procedures that operate within the OSO.

Risk management is a fairly straightforward process; however, including it in the functions of the Board helps to ensure it is carried out properly. In some countries, taking responsibility for risk management may make the Board legally liable for accidents to spectators, financial failures and bad publicity for sponsors. If the Board considers risk management an essential function, a possible process is as follows:

1. Assessment of the risks facing the organisation and identification of key risks
2. Creation of a programme to deal with risks
3. Periodic review of the programme
Assessment of the Risks Facing the Organisation

Although each OSO is unique, there are certain risks that are common to most sport organisations. Key areas for consideration in the assessment of risk are as follows.

- **Effectiveness of the Board**: Because the Board provides strategic direction for the organisation and is the final arbitrator on what the OSO can do, it is important for the Board to operate effectively. You might ask yourself the following questions: Does the Board have the right type and level of skill needed to ensure the OSO works effectively? Are members fully aware of their responsibilities and liabilities? Is there a process of succession planning that ensures that not all members come up for election at the same time?

- **Financial climate**: The importance of finances to OSOs is well understood and is discussed in detail in chapter 4. In order to evaluate the risks associated with your financial environment, you could consider the following: Does the organisation rely on one source of funding? How easy would it be to replace that source of funding? What would happen if the major funder withdrew its support?

- **Policy and strategy**: Risk arises in this area from both inside and outside the organisation. The organisation itself may have a policy that leads to risk, such as poor communication with stakeholders. Alternatively, government policy towards physical education in schools or the role of sport in society may bring about risks. When evaluating risk in this area, you could determine whether the organisation has an appropriate strategy for the resources it controls and the services it needs to provide.

- **External factors**: As outlined in section 1.1, the external context can have a major impact on OSOs. You should use the questions suggested in that section to evaluate the risks of the external environment.

- **Operating effectiveness and efficacy**: The way the OSO operates may lead to risks, such as a loss of sponsorship, loss of membership, poor use of resources, or recruitment of inappropriate staff and volunteers. The two main questions that will allow an assessment of risk in this area are as follows: Does the organisation have a clear and appropriate strategy for achieving its objectives? Is this strategy backed up by appropriate operating principles?

- **Financial prudence and probity**: The use of finances in an efficient manner for the purpose they were intended is an ethical responsibility for an OSO and will be discussed in chapter 4. When assessing risk in this area, you might ask the following questions: Does the OSO follow the procedures outlined in chapter 4? Does the organisation have financial controls in place? Can these controls be circumvented by those in authority? Can the organisation account for all of its revenue and its expenditure? Does the OSO offer audited accounts to its stakeholders?
• **Legal risks**: The manner in which the OSO is constituted will greatly determine the extent of legal liability it can bear as an independent legal entity, as well as the corresponding extent to which individual members, or Board members, may bear personal liability. In addition, it is helpful if all contracts binding the OSO are reviewed by a legal expert to ensure that legal risks are properly identified. Contracts even of low value may carry a large potential legal risk exposure, so often it is not sufficient to adopt crude thresholds for contract review; instead, a proper assessment of the risk should be made. The OSO must also, of course, ensure it complies with all applicable legislation, such as employment law, data protection law, and health and safety law. You might ask yourself: Is your OSO an unincorporated association in which the individual members have personal liability, or is it a partnership or perhaps a corporation with liability limited by guarantee? Are Board members aware of the extent of their personal legal liability? Are contracts reviewed for legal risk? Are the OSO’s assets properly protected by law (this is especially important in relation to intellectual property protection for your brand and merchandising or sponsorship rights)?

• **Any other identifiable risks**: These may be risks to do with the sport itself—for example, judo is likely to have more inherent risks than badminton. There may be risks to do with the activities of the OSO, such as attending major events. Finally, there may be systems, such as computer systems, that the organisation is dependent upon and whose failure could cause major difficulties: Is there appropriate data backup and disaster recovery? What are the IT maintenance and support service levels?

In order to identify potential risks, you may find it useful to review the past history of the organisation. This will highlight areas where things have gone wrong or might have gone wrong if they had not been identified as problem areas. The experiences of other OSOs may also highlight potential areas of risk for your organisation. If you are aware that funding has been cut to OSOs that have not achieved Olympic success, then you can be fairly certain that your OSO is at risk if your athletes’ performance is not considered to be successful. Finally, brainstorming sessions with the Board and management and seeking the views of external consultants and auditors will also allow you to establish a detailed picture of potential risks.

**Managing Risk**

Quantifying risk involves multiplying the likelihood (or frequency) of the risk event occurring by the extent of the impact it will have if it does indeed occur:

\[
\text{Risk} = \text{Likelihood} \times \text{Impact}
\]

Once a review of risk in the areas discussed previously has been carried out, each risk needs to be quantified. Managing the risk then involves selecting tools from the risk management armoury to prevent or minimise the risk by reducing the likelihood or the impact. Insurance is one tool to reduce the impact of a risk. Of course, another option is to accept the risk, but this decision should only be taken after careful assessment of the risk and possible consequences of accepting it.
Although it is desirable that risk management is the responsibility of the Board, OSOs may also find it helpful to appoint a risk officer to take the lead in risk management. The risk officer should be responsible for preparing and updating a risk register, as outlined in table 1.2. This will form the basis of the risk management strategy.

A number of methods mitigate the risks that affect an organisation. First, the risk management process itself makes it possible to avoid some risks and to properly manage others. Changes in the way the organisation is governed may also mitigate potential risks. If the organisation is governed in a transparent and accountable way, many risks associated with public image, funding and stakeholder satisfaction can be avoided. It may also be possible, if not necessary, to change the strategic direction of the organisation. For example, if government policy is turning towards elite sport rather than grassroots sport, an OSO that supports grassroots sport may wish to reconsider its objectives. At the very least, it should consider how to manage the risk associated with the change in policy.

**Table 1.2  Sample Risk Register**

<table>
<thead>
<tr>
<th>Risk</th>
<th>Likelihood of risk</th>
<th>Potential impact</th>
<th>Control procedure</th>
<th>Monitoring process</th>
<th>Ownership</th>
<th>Further action</th>
<th>Date of review</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athlete testing positive for banned substances</td>
<td>Low</td>
<td>High</td>
<td>Regular testing of athletes in and out of competition</td>
<td>Schedule of testing developed and reviewed by head coach</td>
<td>Head coach</td>
<td>Report on success of procedures to the Board in 12 months</td>
<td>12 months from start of procedure</td>
</tr>
<tr>
<td>Withdrawal of sponsorship</td>
<td>Medium</td>
<td>High</td>
<td>Meetings with sponsors quarterly and after every major event to ensure their expectations are being met</td>
<td>Board to monitor reports of meetings</td>
<td>Marketing</td>
<td>Respond to issues raised in meetings</td>
<td>12 months from start of procedure</td>
</tr>
<tr>
<td>Loss of volunteers with specific expertise</td>
<td>High</td>
<td>Low</td>
<td>Regular communication with such volunteers to reinforce their commitment</td>
<td>Senior management to monitor process</td>
<td>Volunteers manager</td>
<td>Review plans for succession in 6 months</td>
<td>12 months from start of procedure</td>
</tr>
</tbody>
</table>

Succession planning to ensure skills are not lost
OSOs can reduce or expand services and change their way of operating to reduce risk. For example, introducing the evaluation and control procedures outlined in chapter 2 will assist greatly with the management of risk. Finally, if the sport is inherently risky, or if there are significant risks facing the organisation, it may be possible to take out insurance to cover the risk. For example, in many countries officials are insured against liability for injuries that occur to athletes under their control. In addition, most OSOs that stage events insure themselves against injury to spectators. This will be discussed in more detail in chapter 4.

As with all aspects of governance, the process of risk management should be transparent and communicated throughout the organisation. The annual report should include an acknowledgement of the Board’s responsibilities, the process followed and a confirmation of the systems in place to control areas of major risk. This allows all stakeholders to be comfortable with the risk management of the organisation.

**Governance Checklist**

You might consider the following questions when examining the governance procedures of your OSO.

**Delineation of Governance Roles**

- Is there a clear organisational structure, with no overlap of powers of any two individuals or bodies, and with alignment with stakeholder services?
- Is there clear delegation of power from the members to the Board? Do Board members understand their roles and responsibilities and their collective and individual personal liability?
- Is there a clearly defined separation between the Board (strategic direction) and the executive (management) and a documented outline of the roles of each?
- Are the roles and extent of authority of committees and commissions properly documented?

**Governance Processes**

- Are general meetings, Board meetings, and any committee or commission meetings properly conducted and documented, and are decision-making processes clearly documented, democratic and transparent?
- Are election, appointment and recruitment processes transparent, fair and nondiscriminatory? Is there efficient succession planning to replace personnel who leave?
- Are decisions and policies quickly and effectively communicated?

**Governance Controls**

- Have values and a vision been agreed upon and communicated? Have a mission and strategic plan been agreed upon and communicated? Are these periodically reviewed?
• Depending on the size and nature of your OSO, have operational plans, a financial business plan, financial accounts, an annual report and audit, a communications plan, a development plan and a risk management plan (with risk register) been documented, communicated and regularly updated?

• Do all individuals in the organisation, including Board members and the CEO, have a job description, clear personal objectives and regular personal appraisals?

• Is organisational performance regularly reviewed against the strategic plan? Is individual performance reviewed against personal objectives and is a corresponding rewards system in place?

**Governance Improvement**

• Are there regular individual and collective training sessions for Board members, management and staff to ensure individual and organisational development?

• Is there a knowledge management plan to ensure institutional knowledge is recorded and developed? In particular, are volunteers and staff properly debriefed before leaving the organisation?

**Member Responsiveness**

• Is the relationship between the General Assembly and Board good? Are there regular general meetings? Is the annual report and other information periodically distributed to members?

• Has a detailed stakeholder analysis been carried out and regularly updated?

• Is the organisation regarded by its General Assembly, staff and stakeholders as transparent, accountable and responsive?

Governance is an issue that is likely to be of importance in an industry that provides role models for children, offers worldwide entertainment and utilises public monies. The principles discussed above may help your OSO to be more effective and provide you with the opportunity to shape the direction of your organisation.

**KEY RECOMMENDATIONS**

- Understand what your OSO values and how this affects culture.
- Be aware of who is powerful in the organisation and how this affects internal politics.
- Use the previous checklist to determine whether your organisation is operating as well as it can under the principles of governance: responsibility, democracy, transparency and solidarity.
- Identify whether your Board has the necessary knowledge and skills to govern in a manner that allows the OSO to be most effective.
- Ensure that there is a transparent and accountable voting system.
- Regularly ask yourself fundamental questions about the governance structures of your OSO.
- Carry out risk assessments of all activities of the OSO.
- Maintain an up-to-date risk register.
The following illustration applies the governance checklist to the Estonian Olympic Committee.

**Illustration 1.3**

*Governance of the Estonian Olympic Committee*

In 2001, the Estonian Olympic Committee (EOC) became the umbrella organisation for sport in Estonia when it merged with the Estonian Central Sports Union. This means that in addition to the ordinary tasks of an NOC, the EOC has responsibility for general sport development. This is reflected in the NOC membership, which is made up of 64 sport federations in Olympic and non-Olympic sports, 19 regional sport unions and 13 sport associations representing university sport, school sport, Sport for All activities, sports medicine and other areas of the sport movement.

Clear Delineation of Governance Roles

The EOC has a clear and simple structure. All members (96 legal persons and 23 natural persons) form the Session, which meets every spring. According to the statutes of the NOC, the Session elects the General Assembly. This is made up of 59 representatives, more than half of them representing Olympic NFs, who are in the Assembly for a period of 4 years. The Session also elects the 17 members of the Board, including the President, two Vice-Presidents and Secretary General, who hold these positions for a period of 4 years.

The office of the EOC Secretariat consists of 10 paid managers, including the President and Secretary General. Staff members are responsible for a broad range of different activities in the sport movement. They achieve these responsibilities with the help of committees and in cooperation with member organisations, governmental structures and local authorities. The roles of the Secretariat are clearly expressed in job descriptions and internal documents.

In 2001, it was agreed that the tasks of the Board are to discuss and accept the strategic and major working directions of the EOC. Because the President and Secretary General are Board members as well as executives, they bear responsibility for the effective operation of the EOC. It is the responsibility of the Board and the Secretariat to make decisions and to organise the programmes. It is, however, the responsibility of the Board to present strategic plans to the Session.

There are effective relationships amongst the President, Board members and senior executives. Estonia is a relatively small country, so personal relations and trust are important. An analysis of the past 5 years suggests that relations have been effective, results oriented and team building.

Governance Processes

The Session has the opportunity to consider and evaluate the work of the EOC through the annual performance report. The constituents of the General Assembly represent the appropriate sport organisations. All bodies of the NOC are aware of the programmes available and are also aware of procedural regulations.

(continued)
Governance Controls

The EOC, as the supreme organisation in Estonian sport, has set certain values: to be a strong, needs-oriented and trustworthy sport organisation. It has clear priorities: youth sport, Sport for All, coach qualifications, sport medical services, anti-doping education, elite sport and postcareer planning, and respective support to athletes.

The EOC has short-term and middle-term strategic plans for 1 year and 4 years. It has an annual operating plan that is presented in December of each year. It has a 4-year development plan and an annual and 4-year business plan. The EOC does not have a risk management plan. However, financial risks are monitored by the representatives of the Estonian business elite who sit on the Board, and the Secretariat regularly reports strategic risks to the Board.

The Board has not considered its own effectiveness; however, the performance of the Board is evaluated twice a year by the Session and the General Assembly of the NOC. This evaluation, carried out against the formal plans of the EOC, has always been positive.

Member Responsiveness

Each year for the past 15 years the EOC has presented a complete financial and activities report to the Session, which then has adopted the report. This report indicates fulfilment of all plans and is the basic criteria used to improve the future plans by which the governance of the OSO is held accountable. Evaluations made amongst member organisations, several SWOT analyses (see chapter 2 for more on SWOT analyses), and the good opinion of the Session and the General Assembly have shown that the Board has been successful.

The application of the checklist (presented earlier in this chapter) to the EOC indicates that the organisation is operating effectively. The responsibilities of the Board are clearly outlined and understood and the Board is held accountable by the stakeholders. The EOC has the appropriate strategic and operational documents.

It could be argued that the Board has too many members (17); however, its size does not appear to have significantly influenced its effectiveness. The EOC has no risk management strategy, which may lead to problems for the organisation. The organisation attempts to take account of and manage financial and strategic risk, but it is likely to benefit from the development of a risk register. Overall, the procedures in place in the EOC are likely to lead to a democratic, transparent and accountable organisation.
SECTION 1.4
INFORMATION MANAGEMENT
AND INFORMATION TECHNOLOGY

This section considers the role of information in OSOs and the potential uses of information and communication technology (ICT). It begins by outlining the importance of information and discussing the characteristics of good information. The remainder of the section deals with ICT, outlining what types of technology are available and how they can be used within OSOs. The discussion will be limited to the most common ICT tools and will not cover specific technology requiring esoteric computer skills. The section ends with an example of how ICT has facilitated information provision and communication within the Oceania National Olympic Committees (ONOC).

Use of Information in OSOs

The flow of information is increasing on a daily basis, brought about by advances in ICT. As computers and digital devices have become more pervasive, information and ICT have had a significant influence on several aspects of organisations, such as organisational structure, communication and tasks. Many OSOs have established sections or jobs in media and ICT management. Others have become increasingly decentralised because, by using a range of technology, it is possible for volunteers and paid staff to work away from the main site. For most, e-mail is the prevalent method of communication within an organisation.

Information is vital for the good governance of an organisation. It allows you to manage your resources effectively and to communicate with key stakeholders. It is particularly important that you share information with those who deliver services, namely the paid staff and volunteers at all levels of the organisation. Up-to-date, relevant information is essential for you to be able to do your job, and this information is increasingly coming from electronic sources. The mass media and ICT provide a continuous source of information. Indeed, the danger is that you receive too much information, some of which may be of dubious quality.

Once you have acquired information, you must interpret it to decide what it means for decision making and organisational operations. For example, information about changes in international drug-testing procedures may or may not require a change in your organisation's procedures. You should also be sceptical of some information, particularly if you do not know or do not trust the source. There is often a danger that once you have received information, you fail to be critical of it and instead interpret it at face value. Finally, you need to use the information in order for it to be of any value.
Clearly, information is necessary for the effective management of an OSO. It could even be argued that the survival of the organisation depends on sharing information because this facilitates planning and decision making. Therefore you need the most accurate and relevant information at the right time in order to make effective decisions.

Managing Good Information

Good decision making relies on having good information, which has the following characteristics.

- **Completeness:** You are able to make better decisions the more informed you are about the choices and the consequences of your decisions. The more complete information is, the better, and you should collect information from a variety of sources when making decisions.

- **Relevance:** Information must be relevant to the problem or decision under consideration; otherwise it may divert attention away from the problem or lead to incorrect decisions. For example, when you select teams for competition, you should do so on the basis of their most recent performances. This is because information about performances in the previous season may no longer be relevant and may lead to mistakes in selection.

- **Timeliness:** Information can only be useful if it is available at the right time. You should be aware that information can be produced too frequently, as well as too infrequently.

- **Accuracy:** This is the most important characteristic of good information. Information needs to be as accurate as possible for its intended purpose. However, as long as the information is reliable, complete accuracy may not be a goal. For example, when making decisions about staging an event, organisations often use an estimated figure to establish whether it is worth proceeding. Establishing the exact cost of the event is not necessary for initial decision making.

- **Understandability:** Information that is easy to understand is useful because you often do not have the time to try to interpret it. Thus, information that assumes prior knowledge that users may not have or that contains jargon is not helpful in decision making.

The speed with which information can be obtained, and its associated obsolescence, makes the appropriate use of information difficult. Thus the four Ds rule is essential: do, delegate, drop and destroy. If the information is not relevant, you should delegate it to the right colleague, drop it into data storage or the archives or destroy it. Search engines such as Google and online storage of press clippings allow for easy retrieval of information, so it may not be necessary to retain hard copies of such information. Each OSO should find the right balance between hard information (paper) and soft information (electronic), and that balance should be determined by the organisation’s culture and the expectations of stakeholders. For example, you may communicate with junior members via text (SMS) or e-mail, but write letters to the Board.
The effective management of information is above all a human matter, and effective information use should be part of the internal managerial culture. You must be able to identify and capture information that is crucial to success, translate it into something of value for the organisation and ensure easy access to it. ICT will allow you to do this.

### Applying Electronic Management in OSOs

With the management of sport organisations becoming more complex and requiring more specialised knowledge, the demand for information technology management tools is increasing. The appropriate use of ICT can save time and money because it frees human resources from routine duties, such as correspondence, in order to make people available for more relevant functions.

ICT has several forms:

- Telephones: fixed, mobile, via Internet
- Computers: mainframes, servers, PCs
- Personal digital assistants: PDAs (often merged with mobile phones)
- Cameras: digital, phone, webcam
- Video: tape, numeric, Internet streaming video
- Internet: satellite, cable, wireless, dial-up (via telephone lines)
- Television: cable, satellite, Internet
- Storage: disks, CDs, DVDs, USB keys
- Networks: optical fibre cable, wireless, Bluetooth

OSOs are likely to have a diverse range of information needs from a diverse range of sources, and the integrated use of several forms of ICT allows these different purposes to be met in an efficient and cost-effective manner. Known as “e-management”, these technologies can be used to deliver information and services to members and other stakeholders, as well as to the public.

E-management has a number of uses in OSOs, which need to move away from using computers simply for data storage. For many organisations, the first step towards e-management is getting staff to move away from having files saved in their own computer drives to a shared network where files are saved on a role or functional basis. Through having a shared network, anyone in the organisation may have access to the organisational files. OSOs may also consider having Web-based filing and database systems so that staff may access files while away from the office. The development of an organisation website, which is used to communicate information about the organisation to those inside and outside of the organisation, is another step in e-management, and you can also use ICT to develop various services for your members, such as e-newsletters, virtual shops for merchandise or competition entries. For example, since the 1990s, the Canadian Olympic Committee has collected athletes’ personal data through an ICT network, eliminating the need for a paper-based process. You can service Board and staff meetings by making agendas, minutes and discussions available electronically, and you can communicate internally and externally via e-mail.
Because the Internet has become a worldwide interface, it offers the potential to upload membership records and information archives to the Web and thus make them available to stakeholders, anytime and anywhere. One step further is to use these technologies to meet, even anticipate, the needs of stakeholders. For example, this may mean general editing of your Web-based events calendar, press releases and stories, as well as the creation of a specific media section with all the material necessary to cover your organisation, including logos and athletes' and leaders' biographies and success stories.

The Internet also helps with the governance of an organisation because it improves the transparency of management. For instance, posting your annual report on your website is a strong indicator of good governance. Making an e-newsletter available to anyone surfing the Web is not only good for communication, but may help you to enlarge your membership and consolidate awareness of your organisation. Internal communication will also benefit from ICT. An intranet is a form of electronic communication that is available only to those who work within the organisation. Developing an intranet will speed up knowledge transfer and the efficiency of communication. For example, by posting policy documents and operating procedures on the intranet, people who work with the organisation will have access to these at all times.
An extranet, which only authorised members may access with a personal password, is a valuable tool. Like an intranet, it allows you to address your members, clubs, major stakeholders and even suppliers. Furthermore, it is possible to customise access for each target group, even for individuals. Making minutes, technical requirements, athletes’ progress and coaching instructions available via the extranet stimulates knowledge transfer amongst grassroots stakeholders. For instance, the feeling of being part of the Olympic family by NOC staff may be reinforced by having access to the NOC Extranet.

For an OSO, the sharing, collecting and organising of information within the country’s Olympic family represents a significant challenge that can be expensive and time consuming. An online database or an extranet could address this problem, particularly for Games preparation. Databases are also an excellent means of capturing and storing electronic information on athletes, coaches and volunteers, which reduces the need for paper-based systems.

However, e-management is not just simply about the public dissemination of information. ICT also has the potential for educational, societal, commercial and operational application. For example, it allows distance working and nomad management, which is of particular value for OSOs. Volunteers who are working in various locations around a country can access information about organisational objectives and programmes. Coaches can monitor their travelling athletes, who complete online training diaries accessible to coaches from all over the world. In addition, e-learning has enhanced the anti-doping education of local experts in a cost- and time-effective way, allowing these individuals to be trained using material available online or on CD-ROM.

ICT will certainly enhance your organisation’s development. There are, however, a number of key factors that an organisation must consider before investing a great deal in these technologies. Factors such as organisational culture, attitude and expertise all have an impact on the effectiveness of ICT implementation and use. There are many examples of ICT implementation failing, not because of poor design or functionality, but because people within the organisation did not adopt it. In addition, disseminating knowledge of new ICT requires training, and specific skills must be provided. There are also external factors to consider, such as accessibility to the Internet and the broadband availability in a country. It would be pointless to develop a system that no one can access or that is too slow to operate effectively. However, despite these factors, e-management and accessibility to ICT should be a priority for OSOs.

If you are not sure whether you are utilising e-management to its full capacity, consider the following:

• Can your staff and volunteers, including those who are off-site, easily access policy and procedure manuals? If not, consider developing an intranet on which these manuals can be posted.
• Can the public easily find information about your organisation? If not, you may want to develop a website.
• Can your staff and volunteers meet on a regular basis to share information? If not, you may wish to consider the use of e-mail and Web forums.
• Do athletes have to provide the same information for a number of competitions? If so, you may wish to move to online entry that is linked to a database of personal details.

Implementing Electronic Management

The implementation of e-management should focus on stakeholders rather than the administrative structure of the OSO, which should be redesigned accordingly. E-management needs to be integrated into broader policy and service-delivery goals, management processes and information activity. Strong leadership that is committed to e-management leads to success, and where there is little or no commitment on the part of the Board, the implementation could fail.

For reasons of complexity, cost and lack of technical know-how, some OSOs may hesitate to develop an integrated e-management policy. There are, however, ways of overcoming these problems. It may be possible to identify students who are willing to participate in an IT traineeship in the organisation and who could then develop websites or even set up intranets or extranets. Depending on the needs or size of the organisation, you could recruit in-house ICT experts, although a sensible alternative may be to outsource the technical development of your e-management integration. This pay-per-service solution could be cost effective and ensure state-of-the-art service.

Developing integrated ICT solutions requires a significant level of expertise. Considerable planning, research and time are essential, along with a global commitment by those involved with the organisation. However, the focus on technology sometimes overshadows the importance of human concerns. Technology may prove a useful tool, but to ensure that investment in technology yields the desired knowledge, it is important to build an organisational environment that supports this outcome. Stress and health problems related to more computerised jobs need to be addressed carefully. A programme for training end users should be implemented. Even the best-designed systems are doomed to failure if end users are not appropriately trained and do not adopt the new way of doing business.

Finally, e-management needs to be carefully evaluated once it is in place. You need to check that the systems are providing the benefits you expected and that everyone who is working for the organisation is using the systems to their full potential. Evaluation will allow you to identify whether any changes need to be made to the system or whether additional training is required in order to make e-management work effectively.

E-management will enable you to make your organisation more effective. If OSOs ignore the expansion of the digital environment and its associated technologies, they will miss out on commercial opportunities, access to enhanced knowledge and more effective management of sport.
The following illustration shows how ICT has been used by Oceania National Olympic Committees to improve information management and communication within its region.

**Illustration 1.4**

*Information Management in the Oceania National Olympic Committees Continental Association*

The ONOC continental association has a unique and healthy level of communication amongst its members and has been taking a leading role in utilising information and communication technology to facilitate communication amongst its member NOCs. In order to do this, ONOC had to find a means of embracing the developing technologies at an affordable price. To demonstrate its commitment to this process, ONOC included the following goal in its strategic plan (2005-08): To build on the efficient and effective communications network for sport throughout the ONOC region.

ONOC developed an agreement with SportingPulse, a Melbourne-based company, to collaborate on the development of their products with a view to establishing a multisport games management system. In return, ONOC was offered the use of the SportingPulse system for a discounted rate. This relationship has been particularly productive because ONOC has provided assistance to SportingPulse in the development of the company’s product range and in return has had affordable access to an increasingly powerful set of sport administration and games management tools. Financial support for the implementation of this project was provided through the Australia-South Pacific 2006 Sports Programme and Olympic Solidarity. From this relationship, Oceania Sport was developed, a Web-based, interactive information system that links the organisations within ONOC.

With Oceania Sport, ONOC has an established Web presence for every NOC and member NF in the Pacific islands. In turn, these organisations all have access to the games management and sports database software (Sportzware) and an online games entry and registration system that was used exclusively for the 2005 South Pacific Mini Games in Palau.

(continued)
Illustration 1.4  (continued)

This Web portal links all NOCs and their member sport federations in the Oceania region and provides databases that can upload details and results of competitions to sport federation websites. In addition, it can upload all details of registered members of the respective sport federations to an online database. The members themselves can operate all aspects of the system at the grassroots of their sport. The system includes four main functions:

1. A website for each NOC that is self-editing and accessed through the Oceania portal for sport (www.oceaniасsport.com). These websites can integrate with an online database for members.

2. A website for all NFs affiliated to their NOC. These are also self-editing websites that are simple and easy to use and meet the general communication needs of any sport association. It is through these websites that the day-to-day operations of the associations are carried out, in particular the dissemination and logging of competition information and results.

3. Competition management program (CMP) that enables sport associations to generate draws and fixtures as well as print results and statistics. It also allows the administration of tribunals. This software permits the organisation to keep a record of members and officials, handle finances, and display all this information in hard copy or on the Web.

4. A member database. In addition to the database available in the CMP, which can work offline, all NOCs and their members have access to an online member database that can be used both locally and regionally. It was through this database that accreditation and entries were handled at the 2003 South Pacific Games. The strength of this database is that it can be used repeatedly for the administration of local or regional and single or multisport events, handling accreditation, event entries and finances.

The first part of the implementation process were a regional workshop held in Suva in February 2003. This workshop was for NOC administrators and was aimed at familiarising participants with the development of their own membership databases and with the use of competition management software. Participants were also able to commence work on their own self-editing websites during the workshop. Following the completion of the regional workshop, ONOC and SportingPulse personnel, along with national coordinators who attended the regional workshop, conducted a series of national workshops. The system and the process of implementation were evaluated at General Assemblies and administration workshops, and a full evaluation has been carried out now that the implementation process is complete.

The development and implementation of the system were well planned. The requirements of the system were based on members’ needs as identified in surveys and were in line with needs identified in the strategic planning consultation process. This planning, alongside a programme of constant consultation and experience in the field, allowed the specifications of the system to be developed.

This illustration shows how e-management can facilitate the management of OSOs. Notice these features:

- The system (Oceania Sport) was developed in response to a goal set forth in ONOC’s strategic plan.
• ONOC sought a partnership to make the cost of the system affordable.
• The developers surveyed ONOC members to fully understand their needs.
• The e-system was developed in constant consultation with those who would be using the system.
• Once the system was developed, ONOC invested in training and evaluation.

SECTION 1.5
MANAGEMENT OF CHANGE

One of the few constant factors in the management of OSOs is the need to continually respond to changes that occur inside and outside of the organisation. You have to seek out management practices, organisational procedures and services that need to change in order for the organisation to continue to operate effectively. In doing so, you are managing change. To be effective, you need to recognise when change is desirable or inevitable and respond accordingly. For example, in the past 20 years, managers of OSOs are likely to have

• responded to at least 10 new directives from stakeholder organisations such as the IOC or the IFs,
• continually introduced new working practices or refined existing practices to take account of innovations in sport science,
• continually updated procedures in response to WADA,
• developed objective criteria for selecting athletes and recruiting volunteers,
• developed strategies for athlete retirement,
• had at least one change of major funding provider,
• handled the fallout from an athlete scandal, and
• seen the sport move away from amateurism.

Some of these changes may have been introduced willingly, whilst others may have been forced on the organisation, and in many instances there was likely no choice about whether to change the way the organisation operated. You will have to deal with athlete scandals, changing requirements of WADA and changes of major funders. If you ignore such changes, the organisation may face criticism and censure. The main point is that the organisation cannot continue to operate as it always has without becoming much less effective in its work.

Such changes usually have to be introduced alongside the day-to-day running of the organisation. In order to be effective, you must identify the need for change and plan and manage the introduction of change in addition to carrying out other duties. This section will discuss how change can be managed effectively within OSOs. It will begin by outlining how to prepare for the possibility of change and the reasons why people resist change in organisations. It will also discuss the factors that ensure the successful introduction of change. Finally, the section ends with an illustration of these points by discussing the implementation of change within the South African sport system.
Preparing for the Introduction of Change

Change in OSOs is continual, so those who work with the organisation need to be able to work in a constantly changing environment. However, in order to help volunteers and staff to be effective in such an environment, you need to encourage a state of readiness for change within the organisation. There are two factors that help accomplish this. First, you need to be aware of what is occurring inside and outside of the organisation and then communicate this information to volunteers and paid staff. This will let you identify any potential changes before they become unavoidable and will allow appropriate time for planning what change should be implemented and when. Second, you need to encourage an organisational culture that is willing to accept change, which will reduce resistance to changes that are to be implemented.

Environmental Auditing

In order to identify potential changes, you have to be aware of what is occurring in both the external and internal operating environments of the OSO. This can be done by a process of environmental auditing, or scanning of the operating environments in order to generate information about the environments and to identify trends that may suggest a need for change.

Two main factors affect the success of environmental auditing. First, the accuracy of the audit will only be as good as the information upon which the audit is based. It is therefore important to have access to current and relevant information on trends and changes that may affect the organisation. Second, the success of environmental analysis relies on a structured approach to the review. This ensures that all key aspects of the environment are addressed in a comprehensive manner. The danger is that without a structured approach, important changes in the environments may be missed. This is particularly vital when auditing the external environment, given its size and the number of features to consider.

The questions posed in section 1.1 will help greatly with auditing the external environment. These questions will allow managers to identify changes that may affect the way OSOs operate. The analysis of the internal environment provides information on the OSO’s mission, values, internal culture and permanent objectives, corporate and business strategies, organisational and human resources, facilities, finances, and sport results. The questions posed in section 1.3 can help with evaluation of the decision-making structures. Internal auditing should also be carried out by a review of the following:

- **Physical resources:** These include the actual items at the disposal of the OSO, such as equipment or facilities, the age and condition of these items, and the potential to use these items to enhance or gain competitive advantage.

- **Human resources:** These include the OSO’s paid and unpaid staff in terms of the roles required, the skills and experience available, and the ability of staff to adapt to potential changes.

- **Financial resources:** These include how the organisation is financed and funded, the management of income and expenditure, and the relationship with key financial stakeholders such as sponsors, other commercial partners or banks.
Operational resources: These include how the OSO operates, where it operates, the resources required by different services and how the services are perceived.

Within these areas you should examine and evaluate past performance in order to try to explain the organisation’s past successes and failures. It is not enough to just be aware of the success or failure of strategies; you must be able to account for these in order to learn from the past. Next, the current practices of the organisation must be evaluated. This evaluation should focus on what is actually happening, not on what policies or strategic documents say should happen. This will ensure that the audit actually reflects the internal environment.

Once you have collected the relevant information, you must identify factors that may require changes in operations or services. These areas then should be prioritised in order to meet service objectives. Finally, the effect of these changes on the operation of the organisation needs to be evaluated. Some changes may require an immediate response, whilst other changes may be required in the future and can be planned and implemented over time. For example, suppose that in auditing the environment, you found that government policy was about to change from funding elite sport to promoting grassroots participation. If your OSO worked with elite athletes, you would have to identify other sources of revenue or change your operations so that you worked with grassroots participants as well as elite athletes.

The purpose of environmental auditing is to help you be proactive in delivering services. By being aware of the threats and opportunities in the external environment and the strengths and weakness of your internal environment, you will be in a better position to anticipate and plan changes required of the organisation. This means that you need to identify reliable sources of information about both environments. Information about the internal environment can be gathered by talking to colleagues and staff and by being aware of what is occurring in the organisation. Information on the external environment is more difficult to obtain, but it is often provided by organisations such as the NOC or IF and by networking with others who work in the industry.

Developing a Culture That Supports Change

As stated earlier, the working environment changes constantly, and therefore you need to develop an organisational culture that facilitates change. This can be done in a number of ways. Those involved with the organisation must feel that they are fully involved in or fully informed of the decision-making process so that the introduction of change does not come as a surprise.

You also need to be clear about what can and cannot be changed without great resistance. For example, the colour and style of team uniforms may have historical or local significance, and attempts to change these will meet with strong resistance. Conversely, if you know what can be changed, you can use these aspects to begin to introduce change to other aspects of the service. For example, if objective selection criteria for national teams are valued by those within the organisation, you can use this desire for objectivity to introduce objective-led systems of performance measurement.
Resistance to Change

Most change will lead to resistance amongst some or all of those who work with the organisation. The need to change suggests that the current way of working is no longer adequate, and often those carrying out the work will take this personally. It is also possible to argue that resistance to change is a logical reaction because people and organisations function best in circumstances of stability. Nonetheless, resistance to change needs to be identified and overcome if change is to be fully integrated into the organisation.

People resist change because of the following:

- **Differences**: There are likely to be concerns about what will be different in the working environment. Volunteers and paid staff may be unclear about or dislike what the change means for their position, their workload or their working practices.

- **Competence**: Unsurprisingly, people may have concerns about being able to carry out the new tasks required of them or being able to use new equipment or technology. Therefore they will resist the introduction of change that makes them feel incompetent.

- **Ripples**: Resistance to change may not come solely from those directly affected by the change. The introduction of change in an organisation usually has a ripple effect in that if change is introduced into one department, changes are usually required in other areas. For example, if the finance department implements a new system for claiming back expenses, the change will not only affect those employed by the organisation but also volunteers. This may create confusion until the new system is understood.
- **Workload:** Most changes require more work. New procedures or ways of delivering services will have to be learned, and this inevitably requires more work. Volunteers and paid staff often have to attend training courses if new technology or new objectives are introduced. At the same time, people are expected to complete their usual workload. This increase in workload will lead to resistance to the change.

- **Resentment:** The introduction of change may provide the opportunity to express resentment about what has happened to volunteers or paid staff in the past. For example, if certain members think that they have missed out on an elected position, they may take the opportunity to express their resentment by undermining the need for change amongst other members.

- **Real threats:** In some instances change represents a real threat to those who work with the organisation. For example, a change in regional structure may mean that some volunteers will lose their positions on a committee or have their influence significantly reduced. In this instance, resistance to change is understandable and is likely to be significant.

Resistance to change is inevitable, and therefore a strategy for dealing with it is needed. It is vital to communicate the reasons for change in the organisation. This may allow those affected to become convinced of the need for change before resistance is established. Information about why change is necessary, the process to be followed and the consequences of both changing and not changing allows volunteers and paid staff to see the logic of what is being proposed. This is a useful strategy for overcoming concerns about competence and differences in the working environment.

The most effective strategy in overcoming all types of resistance, however, is to encourage those affected to participate in designing the required change. Involving volunteers in designing and introducing the new regional structure will build commitment to restructuring because it is difficult for people to resist changes that they have helped develop. Involvement can occur at any stage, but the more people are involved at the initial stages, the more committed they will be. This involvement must, however, be meaningful; otherwise resistance will become even greater when those affected become aware that they have been given a token role in determining their future.

Not all resistance is bad. Opposition to change may bring forward issues that had not been considered and that would have eventually had a negative impact on the proposed change. For example, raising the qualification standard for a national event may result in no event being held if the standard is set too high. In most cases, resistance should be viewed as a means of identifying problems, which you then need to find ways to resolve. If resistance can be dealt with effectively, commitment to change is likely to be stronger than if resistance did not occur.
Implementing Change Successfully

A number of features increase the likelihood of change being implemented successfully. Although many of these seem obvious, once a potential solution has been identified it is easy to become overly concerned with what is to change, rather than how to go about making the change. The following features do not guarantee the successful implementation of change, but they do make it more likely.

Change as a Good Idea

Although it seems obvious, change must be perceived as being a good idea; otherwise it is unlikely that it will be accepted. Not all potential changes will be appropriate, even if they appear to be a suitable response to changes in the operating context. For example, although the certification of volunteers may be a sensible way to address increases in litigation, it may be unacceptable to the volunteers, leading many to stop volunteering. You must therefore involve others, in this case the volunteers, in deciding what changes should be introduced, and you must seek feedback on any proposed change. This will allow issues to be raised that had not been considered.

Knowledge of Factors That Will Promote and Prevent Change

You need to identify what will work for and against the proposed change, such as people, resources, time, external factors and culture. This will allow you to identify factors that can be used to promote the change, such as the support of the president, or factors that will prevent the change, such as lack of funding. It is important to generate a list of these factors through discussion with people who have a vested interest in the change. If you carry out this process on your own, you are likely to miss concerns that may not be of importance to you but are of key importance to others.

Effective Change Team

Having a team of people responsible for implementing a change can be important. If you are implementing a large change, such as organisational restructuring, or a series of smaller changes that need coordination, such as the introduction of new technology, you will need a team of people who are responsible for promoting the change.

An effective change team has a variety of members:

- It is necessary that the organisation’s leaders either are part of the change team or support the team. For example, it will be impossible to introduce changes that are not supported by the Executive Board.
- The Board, aided by the financial director or the treasurer, must be part of the team since they control resources. Without the commitment of those who control money, facility or staff, changes will be hard to bring about.
- It may be necessary to include people who represent the organisation’s main stakeholder groups, such as funding bodies, sponsors and members.
- The team should include a spokesperson from the parts of the organisation that will primarily be affected by the proposed change. This may include volunteers, paid staff or athletes.
Introducing Change at the Appropriate Level in the Organisation

There are three levels at which change can be introduced. It can be introduced at the individual level, where a volunteer or member of staff may require new training. Change can also be introduced at the group level and may affect a particular team, region or department. For example, a change in drug-testing procedures will only affect those who are involved with drug testing. Finally, change can be introduced at the organisational level, which may occur with a change in organisational priorities, the introduction of new technologies or the introduction of operating procedures that affect the organisation as a whole.

It is necessary to identify exactly what and who needs to change. You should do this to ensure that the proposed change will bring about the desired outcome. For example, if certain staff members are performing poorly, they need to change their behaviour rather than asking colleagues to help with their work. If a particular part of a team is performing poorly, it is important to introduce changes into the team, such as a change of coaching staff, rather than changing the team as a whole.

Sufficient Resources

The introduction of change requires money, staff training and time. Although money is important, allowing adequate time to develop and implement the change is even more so. One of the major factors that leads to the failure of change is competition from alternative activities. As suggested in the beginning of this section, you usually have to continue with your day-to-day duties in addition to the activities that are required for the proposed change. In most situations, you will naturally continue to give your daily tasks priority because you know how to do these and the work has to be done so that the organisation can continue to function. This often leads to a low prioritisation of the activities associated with change.

In order to overcome this, you should consider delegating some of your everyday work or ensure that other people are also involved in developing and implementing the change. You then need to make sure that these people have adequate time to devote to both their own work and the extra activities you have asked them to do. Deadlines may need to be extended or work flow reduced during the change process.

Implementation Strategy

The final feature that leads to the successful introduction of change is a well-developed implementation strategy. This is particularly important when introducing large-scale change. All of the activities required to bring about the change need to be identified and put into an appropriate order. Necessary tasks must be allocated to individuals who will be responsible for these, and the whole process needs to be communicated to everyone who will be affected by the change. The implementation strategy should also include a period of evaluation in order to ensure that the change has been implemented successfully and is achieving its intended outcome.
The key to the successful management of change is preparation. If you are consistent and thorough in your environmental auditing, you can be proactive in anticipating how and when your practices will have to change. An understanding of people is also key to this process. You need to know your volunteers and paid staff well so that you can anticipate where and why resistance may arise and how to deal with it. Most importantly, knowledge of the people involved in the change will highlight who has to be involved in the process, what can be changed in the organisation and the most successful way to go about it.

**KEY RECOMMENDATIONS**

- Work with the Board to ensure a culture of readiness for change within the OSO.
- Identify sources of information to help with environmental auditing.
- Make sure you know why people may resist an intended change.
- Involve others in planning and implementing the change.
- Make sure that the change is planned thoroughly.

The following illustration shows how it is possible to implement large-scale change in the sport industry. Although you may never be involved in change of this scale, when reading this illustration, note how the principles of effective change were followed and consider any similarities to situations you have faced within your organisation. The illustration provides a brief description of the situation and then describes the process of change. It ends with an analysis of the process in terms of the principles outlined in this section.

**Illustration 1.5**

*Changing the Governance of South African Sport*

When South Africa emerged from apartheid government rule in 1994, it was clear that this period had left sport with a complex and fragmented governance framework. At the end of the apartheid era, seven different bodies were responsible for sport delivery in the country. In addition, the NFs had responsibility for their own sports, which resulted in more than 80 organisations having a vested interest in the governance of sport in South Africa.

The lack of a single organisation with responsibility for sport had created several problems. First, sport development in the country was fragmented, with no clear lines of responsibility or clear leadership. This situation created confusion amongst athletes and other stakeholders, such as sponsors. Second, there was no systematic planning of the preparation and delivery of sport. This led to a lack of coherence in the work of the bodies responsible for sport. In addition, much work was duplicated because of breakdowns in communication and the replication of objectives and responsibilities, which led to a waste of resources. These problems were felt to be hindering the development of sport in South Africa and had led to a general climate of dissatisfaction and disaffection with the delivery of sport.
As a consequence, a taskforce was established under the guidance of the National Olympic Committee of South Africa (NOCSA) and with the support of the Ministry of Sport and Recreation. This taskforce was made up of representatives from the seven organisations that were responsible for sport, the national governing bodies and the ministry. The taskforce's recommendation was the development of a single entity to govern sport in South Africa, catering for the delivery of Team South Africa to major multisport events.

The entity was to be known as the South African Sports Confederation and Olympic Committee (SASCOC) and would be a single sport system with a governmental and a nongovernmental structure working in tandem to develop sport in South Africa. This entity was to have two benefits. First, it would be a single self-governing macrobody with a mandate to lead and represent all sport in South Africa. Second, it would allow the rationalisation of roles and responsibilities, thus providing an integrated athlete-support programme.

The main task arising from this proposal was to combine the various structures of sport in South Africa into one governmental and one nongovernmental structure. A major strategic change arose as a result of this proposal in that the seven bodies that had been responsible for sport had to agree to the proposal. The proposal to create the single entity had implications for the power and influence of the sport bodies and in some cases challenged their survival. In addition, there was potential for changes in the responsibilities of those employed within the bodies, and perhaps even job losses.

In order to establish the strategic decision-making structure of the new entity, members of the taskforce carried out a period of discussion and consultation with representatives of the sport bodies that were to be affected by the change. Although concerns were expressed about a loss of territory and the resulting power of the new structure, it was agreed to accept the proposal put forward by the taskforce, and a cooperation agreement was established amongst the key stakeholders to progress the development of a macro sport body. This led to the formal constitution of the SASCOC, for which an Executive Board was elected, made up of representatives from the NOCSA and from the sports of baseball, boxing, cycling, tennis and wrestling. The CEO was then appointed, and two months later the SASCOC became responsible for governing sport in South Africa.

In terms of implementing change, the process outlined here reflects many of the features required for successful change.

**Change as a Good Idea**

The proposal to restructure the governance of sport in South Africa was a good idea for several reasons. It addressed the concerns expressed by sponsors and athletes about the fragmented nature of the governance of sport in the country. It cut down on the duplication of work that had been occurring. In addition, it provided clear leadership and representation for sport in policy making; it became the voice of sport.

(continued)
Knowledge of Factors That Will Promote and Prevent Change

A desire for clear leadership and responsibility for sport within South Africa, a wish to avoid duplication of work and a need to overcome the fragmented nature of the industry were all factors promoting the change. The fact that the NOCSA was prominent in the process was a major driver for change amongst the organisations affected. Factors with the potential to prevent the change were concerns about loss of jobs, status and power, which were overcome by ensuring that all bodies had representation in the new structure.

Effective Change Team

The specific proposal was developed by the taskforce, which comprised representatives of the affected organisations. As a result, the main stakeholders were part of the change team, actively promoting the need for change. The involvement of these groups was essential with change of this magnitude, and without their involvement, it is unlikely that the development of the SASCOC would have proceeded at the pace it did, if indeed at all.

Introducing Change at the Appropriate Level

It is unusual for industry-wide change to be proposed; however, in this instance it was certainly appropriate. Although it may have been possible to make changes to the responsibilities of individual organisations and thus remove duplication, this would not have addressed the fragmented nature of the industry. In order to develop a coherent system of planning and development for sport in South Africa, the significant restructuring was appropriate.

Implementation Strategy

The change process had a clear implementation strategy with allocated responsibilities and time frames. A taskforce was formed, charged with the development of a proposal for change that would be acceptable to the organisations involved. The proposed restructuring required the approval of key stakeholders, which was given after consultation and discussion. This was followed by the establishment of an elected strategic decision-making body and the appointment of a chief executive. This was a well-planned process that occurred on a realistic time frame.

The restructuring of the governance of sport in South Africa is an example of how a large change can be implemented effectively by following the principles of good change. These principles are equally important in small changes, although their scale will obviously be different.

The following case study applies many of the points covered in this chapter to the Olympic Council of Malaysia. The purpose of this case study, and others in subsequent chapters, is to demonstrate how the material covered in the chapter is applicable to OSOs. Although your organisation may not be the same type of OSO, the case study will highlight how the concepts covered in this chapter can be put into practice.
The Nature of the Olympic Council of Malaysia

The Olympic Council of Malaysia (OCM) was established and registered in 1953 as a nongovernmental and nonprofit multisport national organisation under the Societies Act 1966 (revised 1987). With the establishment of the Sports Development Act 1997, the Council is now registered with the Commissioner of Sports office in the Ministry of Youth and Sports Malaysia. It is recognised by the IOC.

Organisational Context

Since 1954, the OCM has been the sole sport organisation in Malaysia with the rights to enter athletes to participate in the Olympic Games. The OCM is affiliated to the following international sport organisations:

- Association of National Olympic Committees (ANOC)
- Olympic Council of Asia (OCA)
- Southeast Asian Games Federation (SEAGF)
- Commonwealth Games Federation (CGF)
- International Assembly of National Organisations of Sport (IANOS)

Within the country itself, the OCM and the Sport Ministry are responsible for sport. The ministry works with the National Sports Council, and the National Sports Council assists the National Sport Associations (NSAs, otherwise known as NFs) and works with sport partners who provide support to the NSAs. The OCM works with all of the organisations responsible for sport in Malaysia. Figure 1.5 shows how the OCM fits into the Olympic family.

Nature of the Organisation

In this chapter it was suggested that there are three core elements by which an organisation can be characterised: people; rules, tasks, roles and responsibilities; and ends, goals and purposes. We also discussed the concept of organisational structure. A review of the OCM under these headings reveals the following.

People

The people associated with the OCM are a mix of members, associates and paid staff. The strategic decision-making body primarily comprises representatives of the NSAs, and these individuals identify strongly with their sport, bringing a particular agenda to the General Assembly.

In terms of paid staff, these people have clear roles within the organisation. Many are the only person responsible for a management function, which means that their identification with this role is strong. In addition, a large amount of the operational work is done by the elected office bearers, which demonstrates a significant commitment to the OCM.

(continued)
The main stakeholders of the OCM are the NSAs, which are members of the OCM. There are a total of 47 members, out of which 33 NSAs are Ordinary Members with voting rights and 14 are Associate Members without voting rights.

Other important stakeholders are the IOC, OCA, CGF, SEAGF and other international sport organisations, which contribute funds, programmes and assistance to the OCM. Sponsors and partners are also important stakeholders; many of them have joint sport development programmes with the OCM and as such have a say in the implementation of the joint programmes. Other stakeholders are the tenants of the OCM buildings, the main one being the Hotel Grand Olympic, which holds a 20-year lease to part of the building.
Athletes, coaches and technical officials could be considered as stakeholders of the OCM. However, because athletes, coaches and technical officials are all members of their respective NSAs, the OCM has no direct access to them. This means that it is difficult for the OCM to take account of their needs and expectations, unless these are filtered through the NSAs.

**Rules, Tasks, Roles and Responsibilities**

Affiliation to the international sport organisations makes the OCM the sole sport organisation in Malaysia with the rights to enter athletes to participate in the Asian Games, the SEA Games and the Commonwealth Games. The members of the OCM are the NSAs of Malaysia, which are recognised by their respective IFs as the sole governing bodies of their sport in Malaysia.

Other roles of the Olympic Council of Malaysia are to

- promote the fundamental principles of the Olympic Movement through educational programmes;
- collaborate with the NSAs, government agencies and IOC for the development and training of athletes, coaches, technical officials and sport administrators for competitive sports, as well as Sport for All;
- collaborate with the NSAs in the preparation of athletes and officials to participate in the Olympic, Asian, SEA and Commonwealth Games; and
- raise funds in order to fulfil its objectives and role.

**Goals and Purposes**

The objectives of the OCM are to

- develop and protect the Olympic Movement and to promote the fundamental principles of Olympism through sport activity and education;
- be completely independent and to resist all pressures of any kind, including those of a political, religious or economic nature;
- act as the coordinating body for all sport organisations in Malaysia;
- promote the development of high-performance sport and Sport for All;
- facilitate exchanges between the OCM and its members with other NOCs and IFs;
- select and enter athletes for the Olympic, Asian, SEA and Commonwealth Games and world or regional multisport competitions; and
- organise Olympic, Asian, SEA and Commonwealth Games and world or regional multisport competitions.

Note that these objectives promote all levels of sport within the country, which is likely to be the objective of most NOCs.
The programmes to achieve these objectives are varied and include

- the provision of services, advice and assistance to the NSAs and to other sport organisations;
- the selection and entering of athletes and officials for participation in international multisport games;
- the selection of participants to attend courses, seminars and study tours overseas;
- the planning and organising of courses and seminars for coaches and sport administrators in Malaysia; and
- the sending of delegates to meetings and conferences of international sport organisations such as the OCA, CGF and SEAGF.

**Structure of the OCM**

The organisational structure has evolved since the OCM was established as a small NOC in 1953. As with most OSOs, the strategic decision-making body of the OCM lies with the General Assembly, which is made up of delegates of the NSAs. This assembly elects 12 officers, and thus the Executive Board is established. Again, like most OSOs, the OCM maintains an office of full-time staff to organise the daily affairs and to maintain financial accountability.

This staff includes the following:

- General Manager
- Finance (one person)
- Marketing and sponsorship (two people)
- International relations (one person)
- National relations (one person)
- Information technology (one person)
- Human resources (one person)
- General administration (four people)
- Olympic Museum and Hall of Fame (one person)
- Indoor sports arena and training hall (one manager, two supporting staff and three workers)

The present structure was adopted after Coopers & Lybrand Management Consultants carried out the Financial Strategy and Human Resource Consulting Study in May 1993. The present structure is adequate due to the voluntary contributions of the elected office bearers, a couple of staff members on a full-time basis and a few on a part-time basis.

**Governance of the OCM**

As with all NOCs, the power of the OCM is vested in the General Assembly, which meets annually in June. Each NSA is entitled to send three delegates to the General Assembly. The General Assembly elects the 12 officers:
• President
• Deputy President
• Vice-Presidents (five people)
• Honorary Secretary
• Honorary Assistant Secretaries (two people)
• Honorary Treasurer
• Honorary Assistant Treasurer

The Council of the OCM includes the officers and one representative from each NSA. The Council meets in January, April, July and October each year. The Executive Board of the OCM comprises the officers and four additional nominated members, and it meets once a month. The Executive Board of the OCM discusses and makes recommendations on strategic decisions to the Council. The Council normally approves all the recommendations of the Executive Board, so therefore it could be argued that it is actually the Executive Board that makes the strategic decisions.

The General Manager and the Honorary Secretary are responsible for the everyday running of the OCM. The General Manager decides on routine day-to-day matters, whilst urgent and unforeseen matters are decided by the Honorary Secretary and the President. The OCM programmes have evolved greatly over the years, and the staff responsible for each of the programme areas has a good understanding of the constituent needs and is able to run the programme efficiently.

The programmes and projects of the next year are finalised by December of the preceding year. The implementation of the current year’s programmes and projects is monitored by the Executive Board through its monthly meetings and by the Council at its quarterly meetings. As such, all staff members are fully aware of their duties and responsibilities for the year.

The principles of good governance are apparent in the way that the finances of the OCM are managed. The annual budget of the OCM is prepared by the Honorary Treasurer in December of each year for the consideration and examination by the Executive Board and approval by the Council.

A monthly financial report, comprising the receipts and payments account; status of rental payment of the OCM building, office space, conference rooms and sport arena; statement of receipts from sponsors; and statement of investments of the OCM, is presented for the consideration and approval of the Executive Board. At the quarterly Council Meeting of the OCM, a quarterly financial report, comprising the receipts and payments account and the quarterly balance sheet, is presented for the consideration and approval of the Council.

The annual balance sheet, income and expenditure and receipts and payments accounts for each calendar year, audited by a firm of chartered accountants (approved by the General Assembly), are presented to the members of OCM for their examination and study 35 days before the General Assembly. The annual audited financial reports are then formally presented for questions, clarifications and approval at the General Assembly. These procedures enhance the accountability and transparency of the management of a key organisational resource: money.
In terms of stakeholder consultation and engagement, the various stakeholders of the OCM influence its governance in different ways. The affiliates of the OCM (the NSAs) have a direct impact on the management of the OCM since they elect the office bearers of the OCM. However, other stakeholders, except the government, have no direct influence on the management of the OCM. The government has recently reduced its funding of the OCM and now provides only partial funding (up to 70%) for the participation of the national athletes and officials to multisport games, such as the Asian Games, Commonwealth Games and SEA Games. The OCM has responded to these cuts by increasing its revenue-raising activities. Of course, if the funds from sponsors were reduced, then management would have to work harder to raise funds.

**Information Management and Information Technologies**

The OCM makes full use of e-mail for internal and external communication. The OCM also has a website that communicates information to the NSAs, sponsors and general public. The website highlights relevant stories that are published in the press and has a function that allows readers to e-mail the stories to others. This means that positive information about the OCM and sport can be disseminated further.

The website provides information about the history and operations of the OCM and its officers, and the minutes of the General Assembly are made public on the site. This is in line with the principles of good governance. In terms of other services to stakeholders, the website contains a calendar of major sport events and provides links to the calendars of the NSAs. Other major sport organisations can be accessed via the OCM website. Thus the OCM website is a valuable e-management tool.

This case study shows how an OSO can be considered in terms of its environment, goals, roles and activities. It also demonstrates how the principles of good governance can be implemented. Finally, although the OCM’s use of technology may not be highly sophisticated, it does make good use of websites, e-mails and other communication technologies.
Managing Strategically

Objectives

After reading this chapter, you should be able to do the following:

- Work with your Board to develop a strategic plan.
- Prepare effectively for the strategic planning process.
- Carry out a strategic diagnosis of your organisation.
- Develop and implement plans in order to achieve strategic objectives.
- Assist your Board in evaluating the effects of the strategy.
Diversification in sport practices and the growing marketing potential of sport have inevitably led to increased competition between traditional and novel sport organisations to attract and keep followers and sponsors. To answer this challenge, sport organisations today must use strategic management, much as commercial enterprises first did in the 1960s.

Strategic management can be defined as the implementation of a strategy, which is a plan for achieving long-term goals and objectives and allocating resources necessary for carrying out these goals. The need for strategic management within sport organisations first surfaced in Europe, but today it exists on every continent as a result of the globalisation of business and sport. Many NOCs, IFs and NFs as well as other Olympic Sport Organisations (OSOs) have already implemented such procedures.

Strategic management can be represented as a simple five-step process consisting of preparation, diagnosis, objectives, planning and evaluation. The process, outlined in figure 2.1, needs to focus on the OSO’s vision and mission. In order to create a strategic plan, you and your Executive Board must answer a few basic questions:

- What is your situation?
- What are your objectives?
- How do you realise those objectives?
- Have you achieved your objectives?

![Figure 2.1 Strategic management cycle.](image-url)
This process needs to be ongoing. You would not develop one plan and then expect it to guide the OSO for the rest of its time. Usually strategic plans are developed for a 4-year period. As this period comes to a close, the plan needs to be reviewed by the Board and OSO management and, if necessary, adapted for the next quadrennial.

The goal of this chapter is to present the principles and techniques that can be used in the strategic management of OSOs. The first section outlines how you can prepare for the planning process, followed by the second section, a discussion of the operating environments. The third section looks at the role of vision, mission and objectives in guiding the plan, and then the fourth section outlines how you can develop plans to meet these objectives. The fifth section considers the control and evaluation of the plan, and the chapter concludes with a presentation of the strategic plan of the Zimbabwe Olympic Committee.

**SECTION 2.1**

**PREPARING FOR THE STRATEGIC PROCESS**

The conditions for implementing your strategy and the success of that strategy will depend largely on the quality of your planning. Engaging in strategic management requires formulating a detailed political and administrative plan that addresses, at a minimum, the following four questions:

1. Why do you need a strategic plan?
2. How will you go about developing this plan?
3. How much time do you have to carry out the strategic planning process?
4. What budget do you have for the strategic planning process?

This section considers these four questions and then concludes with a description of the framework that the New Zealand Olympic Committee developed in order to prepare for the planning process.

**Reasons for Implementing a Strategic Plan**

Strategic plans can be motivated by internal factors such as vague objectives, poorly defined roles and responsibilities of participants, a lack of clear cohesion amongst activities and a need to clearly define priorities. The strategic plan should be a unifying tool for management and internal communication. It should encourage paid staff and volunteer involvement and a more effective collaboration between the two types of workers. It is also important to note that the strategic planning process is not just the domain of managers, rather it can be initiated and promoted by elected members, such as the Board. It may also be a request that comes from the membership.
Internal factors can be important, but external factors are often the main driver of the development of a plan, such as the need to demonstrate good governance and to communicate goals, values and key objectives to partners. A plan will also show partners that you are doing everything you can to fulfil these goals, values and objectives. In many cases, a strategic plan is required by funding agencies to show how you will use the resources they give you. Such plans are also a useful tool for dealing with the increasing cost of high-performance sport; a strategic plan will allow you to plan the efficient and effective use of your resources. This is particularly important if you operate in an environment of dwindling public funding for sport. Externally, the strategic plan is a communication tool that you can use to reinforce the organisation’s image and the legitimacy of its activities to your public and private partners.

Clarifying the role of strategic management in an organisation is an essential step that highlights the importance that stakeholders should place on the plan's development and implementation. Organising a meeting with volunteers and paid professionals, for example, could help validate the role and advantages of the strategic approach. In addition, a meeting with the Executive Board will be necessary to discuss the strategic planning process. Inviting an expert to explain the benefits, principles and methods of strategic planning may be useful, as may the director of another Olympic organisation who could explain the strengths and weaknesses of that organisation's strategic plan.

The purpose of this stage of the planning process is to ensure that all stakeholders are aware of the need for a strategic plan and are committed to helping with its development if required. Once this is achieved, you can decide how you will go about developing the plan.

**Developing a Strategic Plan**

You must decide on the steps and methods for gathering information. If you are not sure what is required, you could seek information on how to develop a strategic plan from other OSOs, your NOC, or a relevant government department. In addition, the Internet provides a wide range of information on the process of strategic planning.

You also need to determine who will be involved in this planning effort. The Executive Board must be part of the process, and it should also be part of the roles and responsibilities of any salaried professionals in your OSO. The strategic planning process should be coordinated and supervised by a senior Board member or a strategic committee that will act in concert with the Executive Board and any paid staff. The Executive Board and the General Assembly will be required to approve the strategic objectives.
It is also helpful to know whether you are able to use an outside consultant to help in your approach. This decision might be dictated by the desire to have input from someone with an objective view of your organisation’s past and present performance. The consultant can act as a guide and facilitator during the process. For many smaller OSOs, this may seem an unnecessary luxury; however, an outside consultant does not necessarily need to be expensive. Students in business courses are often looking for organisations with which to carry out research work, and this may provide the opportunity for external assistance. In addition, you may be able to ask for assistance from an OSO that has a strategic plan.

The expertise of an external consultant could also be retained for preparatory work. However, you need to clearly define the role of any consultants you choose to employ. They will need to have a specific set of tasks, and you must also communicate their role to all involved with the organisation so that their role is understood. It is also important to employ a consultant who is aware of the special nature of sport organisations and the environment within which they operate. Consultants who try to apply ready-made solutions from the commercial world are rarely successful in OSOs. Table 2.1 shows how the planning process can be developed.
Establishing the method is important so that you know who will be involved and at what stage they will be involved. You then need to set a time frame for the process so that you know when stakeholders have to be available. In addition, performing a strategic diagnosis and defining a strategic plan are usually long processes. Therefore it is helpful to define how much time you have to develop or revise the strategy. This could include

- a quick exercise, such as a week, in which case it will only be possible to make revisions to an existing strategy;
- a relatively short process, such as 1 month, in which case diagnosis and strategy development will be compressed; or
- an in-depth analysis over 9 to 12 months.

<table>
<thead>
<tr>
<th>Task</th>
<th>Person responsible</th>
<th>Time frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draft desired objectives and develop scope of strategic planning</td>
<td>Internal leader or committee responsible</td>
<td>Start of process</td>
</tr>
<tr>
<td>plan process (who, what, when, where, how).</td>
<td>for strategic planning</td>
<td></td>
</tr>
<tr>
<td>Recruit external consultant if required.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approve process and budget.</td>
<td>Internal leader or committee</td>
<td>As soon as possible after the scoping of the</td>
</tr>
<tr>
<td>Collect and analyse data (environmental scan, evaluation reports,</td>
<td>Internal leader or committee</td>
<td>process</td>
</tr>
<tr>
<td>stakeholder input).</td>
<td>External consultant if recruited</td>
<td></td>
</tr>
<tr>
<td>Prepare strategic planning report and recommendations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Submit preliminary report.</td>
<td>Internal leader or committee</td>
<td>3-6 months after the data collection process</td>
</tr>
<tr>
<td>Submit final report for approval by Board/General Assembly.</td>
<td>Internal leader or committee</td>
<td>To be agreed upon with the producer of the</td>
</tr>
<tr>
<td>Discuss the report with the Board, soliciting various contributions</td>
<td>Executive Board</td>
<td>report, but usually within 3 months</td>
</tr>
<tr>
<td>and amendments.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Adapted from the Canadian International Development Agency, 1997.
To be realistic, you should plan for 3 to 6 months to analyse and develop a new strategy because most OSO strategies require a collaborative approach with other OSOs. This type of methodology requires frequent dialogue between the Executive Board and key directors, volunteers and managers. The strategy must involve collaboration amongst all participants in the organisation to ensure that all stakeholders are committed to the plan once it is developed.

Finally, it is useful to establish a budget for developing the strategic plan. This budget should include financial and administrative costs, such as the costs of data collection and human resources, including time dedicated by Board members and managers. If feasible, the budget may also include the cost of an outside consultant.

The support of the Executive Board and the General Assembly is essential, particularly when a long process is required or when an organisation has been through a serious crisis. If the time available for strategy development is short, such as 3 months, the Executive Committee may approve the procedure and then communicate the information and explanation to your management team and member organisations. By the end of this planning stage, you should have obtained political support, with the approval of your Executive Committee or General Assembly, for the following:

- Rationale for the strategic planning process
- Methodology for achieving the plan
- Budget, time frame and human resources dedicated to achieving the plan

This will allow you to begin the process of developing your OSO's strategic plan.

**KEY RECOMMENDATIONS**

- Work with your Board to clarify why you need a strategic plan and how much work needs to be done to develop it.
- Identify a member (or members) of the Board who will lead the strategic planning process.
- Look for outside help from consultants, other OSOs or students if you need assistance.
- Ensure that all stakeholders are willing to be involved in the process.
- Develop clear procedures for involving the necessary people and collecting the information that you need.
- Do not try to rush the process. Use as much time as you have available to ensure that the process is thorough.

There are a number of ways that you can prepare for the strategic planning process. The following illustration outlines the preparations that the New Zealand Olympic Committee made in order to develop a new strategic direction for the organisation.
Illustration 2.1
Preparing for Strategic Planning: New Zealand Olympic Committee Inc.

The New Zealand Olympic Committee Inc. (NZOC) adopted an innovative strategy when preparing for their strategic planning process. The organisation developed a value framework, called the Peak Performance Framework (PPF), to act as a guide for their subsequent planning. The organisation also was specific about what it wanted to achieve with the strategic planning process. The PPF was required in order to

- ensure that the NZOC remained a peak-performing organisation at the end of the planning process,
- spread peak-performing principles across the member federations involved in developing the strategic plan, and
- ensure that the NZOC achieved a clearly defined plan that unified the organisation and provided a clear direction for the future.

The organisation engaged a consulting company to assist with the development of the PPF. The consultant interviewed the NZOC Board and its staff in order to assess the organisation’s strength and preparedness to embrace the concept of peak performance. A 2-day workshop was also held to define the beliefs and concepts that were to pervade the strategic planning process. This led to an articulation of the organisation’s spirit, inspirational dream, greatest imaginable challenge and focus (table 2.2), which went on to shape the development of the strategic plan. The process also established a game plan for putting the new organisational purpose into play. The final activity was a single-day inspirational workshop for the NZOC members that developed both individual and collective commitment towards the purpose of the organisation.

This process resulted in a framework to build the organisation’s capacity to move from high to peak performance. The approach was innovative and permitted the subsequent development of organisational plans that flowed from the strategic thinking that was developed through the methodology described previously. Key stakeholders were engaged in the process and prepared for the subsequent strategy development. This was the first step to building a strategy, which took more than 6 months; however, by clearly identifying the underpinning ethos of the organisation, the NZOC was in a good position to ensure that its plan accurately reflected the desired future position.

In many OSOs, this process is unlikely to be as lengthy or as comprehensive. However, it is important to spend some time getting ready for the strategic planning process to ensure that once you begin to plan, you have all the resources and stakeholder support you need.
Table 2.2 Aspects of the Peak Performance Framework

<table>
<thead>
<tr>
<th>PPF Purpose Content</th>
<th>Reason</th>
<th>Explanation</th>
<th>Communication intent</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Spirit:</em> Dream, inspire, excel together</td>
<td>Who are we?</td>
<td>The spirit defines the organisation.</td>
<td>Spirit infuses our communication with intent.</td>
</tr>
<tr>
<td><em>Inspirational dream:</em> Building a peaceful and better world by inspiring people through sport and the Olympic ideal</td>
<td>Why?</td>
<td>The dream explains why the NZOC exists.</td>
<td>The dream positions the brand.</td>
</tr>
<tr>
<td>The dream is made up of the following:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Heart:</em> Inspiration through Olympism</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Beliefs:</em> Participating in sport as a fundamental right that benefits society</td>
<td></td>
<td>Beliefs define what the NZOC stands for.</td>
<td></td>
</tr>
<tr>
<td>Being influential advocates for sport at all levels</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Celebrating our heritage and achievements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Providing opportunities and the environment for people to excel through sport</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creating and sustaining opportunities for sport development nationally and internationally</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Providing an inspirational Games experience</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintaining our autonomy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Olympism is our philosophy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Greatest imaginable challenge (GIC):</em> To be the model NOC on the planet</td>
<td>What?</td>
<td>What the NZOC wants to achieve. It must be measurable, stretchy and achievable in 3-5 years.</td>
<td>For external communication the GIC is translated into an external perspective that is the overall impression we want to leave people with.</td>
</tr>
<tr>
<td><em>Focus:</em> Live the Olympic experience</td>
<td>How?</td>
<td>Focus defines how the NZOC will achieve the GIC and live the dream.</td>
<td>Focus influences the emphasis of our communication.</td>
</tr>
</tbody>
</table>
SECTION 2.2
DIAGNOSIS OF THE OSO ENVIRONMENT

Diagnosis is the second step in an organisation's strategic management process and, as mentioned in chapter 1, helps determine where the OSO is in relation to its internal and external environment. It is important to fully understand the environment in which the strategy will take place so that you can take advantage of opportunities and avoid threats. This section considers ways of diagnosing your environment and begins with a detailed discussion of the concept of stakeholders. This is followed by a discussion of how you can organise the material obtained by the environmental audits outlined in chapter 1. The section concludes with a presentation of the environmental diagnosis of the Cyprus National Olympic Committee.

Identifying Stakeholders

It is important for all OSOs, no matter what their function and size, to identify the stakeholders of the organisation in order to analyse the external environment and to see in what ways the stakeholders can help or hinder your strategy. Understanding stakeholders' points of view and expectations and integrating their comments in your plan will improve your strategy. Similarly, by identifying stakeholders who might oppose your strategy, you can anticipate their reactions and better address them.

Stakeholders of OSOs are the internal or external individuals, groups or organisations that can directly or indirectly affect the organisation's present or future situation. These include the following:

- General Assembly members, who elect the Board members
- Board members
- Volunteers
- Beneficiaries of the organisation's services, such as athletes, parents and officials
- Staff
- Public authorities who subsidise sport and expect positive contributions to health, education and social integration
- Donors who provide funding to the organisation
- Sponsors
- Suppliers
- The media

Brainstorming with people who are familiar with your organisation is the best method for identifying stakeholders, although an individual who knows the organisation well can also complete an analysis.
You can focus on the stakeholders in your immediate environment, known as the microenvironment, or in an expanded environment, known as the macroenvironment (figure 2.2). The microenvironment includes members, clubs, leagues, institutional and financial partners, suppliers of goods and services, your current and potential public, and your direct and indirect competitors. The macroenvironment includes the broader demographic, sociological, economic, technological and legal factors that are outlined in chapter 1. Sport organisations inevitably undergo frequent situational (political, economic, social, international) and structural (demographic, cultural) societal changes on the national and international level, which is why regular audits of key stakeholders are necessary.
Once you have identified the stakeholders, you can categorise them according to their interest in and control of your strategy. The Stakeholder Interest–Control Matrix (table 2.3) allows you to classify stakeholders according to how much attention they should receive from the organisation. There are four priorities, corresponding to the four quadrants of the matrix:

- **Priority 1**: These are stakeholders you should always consider during the development of the strategy. You should carefully manage them and keep them informed during the implementation of the strategy.
- **Priority 2**: These are stakeholders you should keep satisfied during the development phase.
- **Priority 3**: These are stakeholders you should keep informed during the development and implementation of the strategy.
- **Priority 4**: These are stakeholders you should keep an eye on from a distance.

Priority 1 stakeholders are essential to your strategy. You must understand their own strategies and, if they are individual participants, their motives. This is because they have the power to prevent you from proceeding with your chosen strategy if they are not committed to it.

**Conducting an Internal and External Analysis**

Chapter 1 outlined a structure for auditing the internal and external environments of an OSO. In addition to the structure proposed in chapter 1, you and your Board might ask yourselves the following questions:

- What is your history?
- What is your current mission? Is it well formulated and appropriate for your activities?
- Who are your members, beneficiaries, clients, suppliers and, more generally, your stakeholders?
- Who are your competitors? Who are your potential allies?

**Table 2.3  Stakeholder Interest–Control Matrix for an NF**

<table>
<thead>
<tr>
<th>Factor</th>
<th>Little interest in your strategy</th>
<th>A lot of interest in your strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little control over your strategy</td>
<td>General public Some suppliers Priority 4: Keep an eye on them from a distance</td>
<td>Sponsors OSO competitors Priority 3: Keep them informed</td>
</tr>
<tr>
<td>A lot of control over your strategy</td>
<td>NOC IF Priority 2: Keep them satisfied</td>
<td>Community Priority 1: Manage them carefully</td>
</tr>
</tbody>
</table>

What are the threats and opportunities in your organisation?
What are your organisation’s strengths and weaknesses?

The last two questions in this list are the most important. They lead to the presentation of an analytical technique known as SWOT, which stands for strengths, weaknesses, opportunities and threats. This technique involves identifying the strengths and weaknesses of the organisation, as well as outside threats and opportunities, and then charting them as outlined in figure 2.3.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholder support</td>
<td>No organisational chart</td>
</tr>
<tr>
<td>Good volunteer involvement</td>
<td>Poorly developed job descriptions for volunteer</td>
</tr>
<tr>
<td>Good public image</td>
<td>and paid staff</td>
</tr>
<tr>
<td>Satisfied sponsors</td>
<td>Low level of professional training</td>
</tr>
<tr>
<td>Paid staff who are very involved in the</td>
<td>Lack of room for expansion</td>
</tr>
<tr>
<td>success of the organisation</td>
<td>Blame culture prevalent amongst staff</td>
</tr>
<tr>
<td>Good relationship with government</td>
<td>Lack of teamwork</td>
</tr>
<tr>
<td>Good premises</td>
<td>Hidden agendas of some directors</td>
</tr>
<tr>
<td>Good promotional strategy</td>
<td></td>
</tr>
<tr>
<td>Current lack of major competitors</td>
<td></td>
</tr>
<tr>
<td>Excellent transport links</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government capital investment programme</td>
<td>Changes in government</td>
</tr>
<tr>
<td>Increasing awareness of the benefits of</td>
<td>Decrease in school physical education</td>
</tr>
<tr>
<td>exercise</td>
<td>Doping in sport</td>
</tr>
<tr>
<td>Lifestyle changes for improving health</td>
<td>Increasing culture of litigation</td>
</tr>
<tr>
<td>Use of management techniques to improve</td>
<td>Increasing competition</td>
</tr>
<tr>
<td>management</td>
<td></td>
</tr>
<tr>
<td>Branded image of service</td>
<td></td>
</tr>
<tr>
<td>Lottery funding</td>
<td></td>
</tr>
</tbody>
</table>

Figure 2.3  SWOT matrix for an NF.
Strengths are the things the organisation does well or the resources it controls. Strengths must be maintained and developed through good strategic management. Weaknesses are the things the organisation does poorly or the resources it lacks. Weaknesses can and should be corrected through better management. You need to analyse the strengths and weaknesses of your organisation in terms of its organisational, human, technological and financial resources.

Opportunities are positive factors that are outside the organisation’s control but that the organisation can use to its advantage. Finally, threats are negative factors outside the control of the organisation. They must still be rebuffed or blocked through good strategic management. Opportunities and threats can be identified by analysis of the external environment, as discussed in chapter 1.

This technique is easy to use and can be applied to all OSOs, no matter what their function or size. A SWOT analysis is most effective when it is developed via discussions with a variety of stakeholders. This will help ensure that all vested interests are considered in its development and will widen the range of issues that can be entered in the matrix.

This type of matrix can serve as a framework for capturing ideas whilst they are being debated. It is sometimes difficult to distinguish internal factors from external ones, or even strengths from weaknesses or threats from opportunities. When in doubt, the factors you are unsure of can always be temporarily placed in any of the matrix borders.

Just as coaches and athletes assess strengths and weaknesses during a competition, conducting a SWOT analysis provides an assessment of your organisation.
Once you have refined the SWOT matrix through discussion and brainstorming, you can use the matrix to present the strategic diagnosis. With this diagnosis and the activities led by the organisation, you can determine the future key challenges to development.

**KEY RECOMMENDATIONS**

- Identify all individuals, groups and organisations that have an impact on your organisation.
- Determine the priority each stakeholder has for your organisation.
- Together with the Board, carry out a thorough internal and external diagnosis by asking yourselves the questions presented in this chapter and in chapter 1.
- Use the SWOT framework to organise the information you obtain from discussions with stakeholders in order to inform your strategy.

The following illustration presents the process of diagnosis carried out by the Cyprus National Olympic Committee.

**Illustration 2.2**

*Environmental Diagnosis for the Cyprus National Olympic Committee*

In 1996 the decision was made for the Cyprus National Olympic Committee (Cyprus NOC) to embark on an ambitious development plan with the aim of upgrading the organisation’s role and services. Once the decision was taken, the Cyprus NOC decided that this should be a well-coordinated effort involving all partners. It is worth noting that when OSOs decide to develop a strategic plan, it is crucial to invite all stakeholders or partners to take part in the process. Otherwise there is the danger of resistance to change, which will become obvious during the implementation stage, when stakeholders are unwilling to cooperate in the implementation of different projects. Thus, a customer-oriented approach was implemented by the Cyprus NOC whereby all stakeholders were given the opportunity to be involved in the strategic development process.

The first step was strategic analysis. An internal and external analysis was required whereby the strengths and weaknesses of the Cyprus NOC and the opportunities and threats in the environment were identified. This exercise involved a two-step procedure. Initially, individual consultations were conducted with all stakeholders in both the microenvironment and the macroenvironment. In this first step, stakeholders were asked to submit their proposals for discussion in individual consultations, whereby the issue under consideration was upgrading the services offered by the Cyprus NOC to the stakeholders. This was a lengthy and demanding process that lasted almost 6 months but was crucial to the development of a strategic plan that was accepted by all partners. Upon completion of the first step, stakeholders were invited to participate in workshops. A major part of these workshops was devoted to brainstorming, leading to the development of the SWOT, as outlined in figure 2.4.

(continued)
The SWOT matrix allowed the Cyprus NOC to organise the findings of the audits and communicate areas that needed to be addressed by the strategic plan. From this information, the Cyprus NOC identified key areas that constituted the backbone of the strategic development process.

This diagnostic step will allow you to identify your OSO’s organisational abilities, which should be linked to the requirements of your strategic objectives. Once you have completed this step, you will need to redefine the organisation’s vision and mission and establish clear strategic objectives for your organisation.
Internal and external analysis makes it possible to determine the potential strategic actions that target one or several SWOT factors. Actions that address several factors are the most important. It is necessary to structure these actions by defining the vision, values, mission and strategic objectives that the organisation wishes to adopt. This section considers the role of these in the development of strategic objectives. It then goes on to discuss how the objectives are used to guide the development of plans. The section concludes with a discussion of the vision, values and mission of the Papua New Guinea Olympic Committee.
Vision and Values

The vision and values of an OSO will help its members and partners to share the organisation’s dream for the future. Vision corresponds to what the organisation wants to be in the long term, whilst values are the underpinning beliefs that the organisation promotes.

For example, the United States Olympic Committee’s (USOC) vision statement, adopted in June 1996, was as follows:

The United States Olympic Committee is dedicated to preparing America’s athletes to represent the United States in the ongoing pursuit and achievement of excellence in the Olympic Games and in life. Our Olympians inspire Americans, particularly our youth, to embrace Olympic ideals and to pursue excellence in sport and in their lives.

To establish an OSO’s vision, you must be very clear about the values you want to protect and promote. Values, such as those that underpin the Olympic Movement, are immaterial things but are the essence of the vision of an OSO. Values work as principles and a framework that will inspire the formalisation of objectives and the implementation of the strategy. They represent a collective belief that inspires individual behaviour. Values are often a reflection of society’s underpinning concerns such as equality, importance of leisure time, new ways to do politics with more transparency and necessary accountability. Figure 2.5 presents the values of the Swiss Swimming Federation (SSF).

As suggested by the NZOC’s Peak Performance Framework, outlined in illustration 2.1, the vision and values provide a framework for the rest of the strategic planning process. This is why it is important to be sure of the values that your organisation wants to promote. For example, the values of the SSF were highlighted and formalised to give the federation anchor points for implementing strategic activities.

Mission

Mission corresponds to the reason the organisation exists, and the development of a mission statement should follow a discussion on shared vision and values. The mission determines the personality of your organisation and therefore must be in line with the organisation’s values. In order to develop a good mission for the organisation, you must answer four questions:

• Why does the organisation exist?
• What are the goals the organisation strives to achieve?
• For whom does the organisation aim to function?
• How does the organisation fulfil its function?

If you already have a mission, from time to time it is useful to verify the current state of the mission by asking these questions:
• Is your mission still appropriate in current circumstances?
• Does the organisation exert the desired influence within its domain of activity?
• Should this mission be modified?

If your mission no longer accurately reflects the current reality of your organisation, it must be amended.

Many OSOs centre their mission on the idea of sport performance, medal winning and organising competitive events. However, you should also integrate a humanistic, social and environmental orientation into the mission in order to reflect the values of the Olympic Movement. This can give social meaning to an OSO’s mission and allow it to connect with different areas of society in order to reinforce and validate that mission to its stakeholders. For example, an OSO’s mission could include the following:

• Diffusing the organisation’s values through volunteer work
• Participating in educating young people
- Developing training for responsible volunteers who share the OSO's vision
- Contributing to environmental protection and land-use planning
- Fighting inactivity through sport practices
- Reinforcing the home country's image in the world

The SSF revised its mission to give new meaning to its activity, especially through integration of leisure activities that had been previously overlooked. Its mission is presented in figure 2.6.

Two missions in particular are new and reflect social concerns: “Develop new forms of access to participation” and “Promote access to swimming to as many people as possible.” Others, such as “Participate in social support and in training athletes,” were included to give the SSF a broader and longer lasting influence.

Figure 2.6 The mission of the Swiss Swimming Federation.
The closer you come to the top of the Olympic sport system, especially at the IF and IOC level, the more the social and educational values become central to the stated missions of the organisation. This type of social and educational contribution is not only explicitly stated in the mission of the Olympic Movement, it is its driving force. However, in order for the vision and values of the OSO to guide its activities, both need to be expressed in organisational objectives.

**Strategic Objectives**

Strategic objectives are an OSO's articulated aims to address major changes, competitiveness, social issues and business advantages. Strategic objectives are focused both externally and internally and relate to significant stakeholders, markets, services, or technological opportunities and challenges. Broadly stated, they are what an organisation must achieve to remain or become competitive and ensure the organisation's long-term sustainability. Strategic objectives set an organisation's long-term directions and guide resource allocations and redistributions.

The strategic objectives of an organisation help categorise the mission and outline the organisation's values in more detail. Your choice of strategic objectives is often important politically. The objectives are usually determined through negotiation amongst key decision makers. This period of reflection and dialogue is essential to strategic planning because it provides the basis for the subsequent development of plans.

An OSO may have multiple and often contradictory objectives. For example, providing educational support for athletes whilst also encouraging them to reach peak possible performance can lead to certain contradictions in that an important competition may occur at the same time that examinations are scheduled. In this instance, a decision will have to be taken on whether the objective of providing life skills to the athlete through education is more or less important that the objective of improving elite performance. OSOs can make a profit by selling merchandise and charging competition entries, but they should use this profit to further the activities they organise for their members instead of sharing it amongst their owners or shareholders. OSOs must also take into account the fact that their standards of efficiency (achieving goals with the most efficient use of resources), effectiveness (establishing and monitoring effectiveness using measurable and attainable targets), performance and allocated resources are not, and cannot be, exactly the same as in the commercial sector.

In addition, the long-term goal of OSOs is an ideal with a political dimension. Usually there is no market for judging the success or failure of a strategy. Your organisation will depend on many volunteers, will be governed by elected officials and will need to be open to the scrutiny of public opinion. The motivations of elected officials who decide on the strategy to be followed may be different from those of salaried managers who are responsible for carrying out the strategy. It is therefore necessary to reconcile the multiple and sometimes contradictory external and internal objectives of the different stakeholders involved.
To help with this, you and the Board need to carry out the following four tasks and then use the matrix outlined in table 2.4 to define strategic objectives:

- Identify your strategic objectives.
- Analyse the impact that the objectives will have on your organisation.
- Evaluate the feasibility of each objective.
- Evaluate the risks your organisation could face as a result of each objective.

Once you have gauged the impact, feasibility and risk of each objective, you must weigh all of these factors and decide whether to pursue the objective. It is important to only choose objectives that help your OSO achieve its vision and mission, which also means that changes to the vision and mission require changes to the objectives. In addition, bear in mind that organisations work best with continuity, so at least some objectives should maintain continuity with the past.

<table>
<thead>
<tr>
<th>Strategic orientations</th>
<th>Strategic objectives</th>
<th>Impact</th>
<th>Feasibility</th>
<th>Risks</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide promotion for Olympic NFs</td>
<td>Increase printed media promotion of the sports of the Olympic Games.</td>
<td>High</td>
<td>High</td>
<td>Conflict with non-Olympic sport federations</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>Increase visibility and promotion of sport by creating specific sport TV programmes.</td>
<td>High</td>
<td>Low</td>
<td>Cost and feasibility</td>
<td>No</td>
</tr>
</tbody>
</table>

**Table 2.4 Matrix for Determining Strategic Objectives of an NOC**

**KEY RECOMMENDATIONS**

- State your OSO’s underlying principles as a clear vision.
- Underpin this vision with value statements and use these to create a mission.
- Use the mission to develop objectives for the organisation.
- Evaluate vision, values and mission on a regular basis to ensure that they reflect what is important to the organisation.

The following illustration shows how the objectives of an OSO relate to its stated vision, mission and values. The Papua New Guinea Olympic Committee is a relatively small NOC; however, it has embraced the principles of good strategic planning.
Illustration 2.3  
Vision, Values, Mission and Strategic Objectives of the Papua New Guinea Olympic Committee: Strategic Plan, 2006-09

The following information shows how the Papua New Guinea Olympic Committee (PNGOC) has defined its vision, mission, values and strategic objectives. (The acronym PNGSFOC, which is used in some of the documents, refers to the new name of the NOC, Papua New Guinea Sports Federation and Olympic Committee, pending approval.)

Vision Statement
To build a framework of Sports Development that will bring regular and frequent success for our athletes at the South Pacific Games, Commonwealth Games and Olympic Games.

“Building for success in Sports”

Values
In carrying out its mission, PNGSFOC will act according to the following overriding values:

- Acknowledgement of the need and responsibility to develop Papua New Guinean athletes to pursue excellence in sport internationally
- Recognition of the importance of effective coaching, administration, sports medicine and officiating in sport
- Recognition of the need to cooperate with all agencies contributing to sports development in PNG and direct resources in a more objective manner
- Conducting our affairs in a businesslike approach
- Obligation to communicate effectively to all our Stakeholders, including our members, sponsors and the National Government
- Recognition of the principles of “Olympism” and the spirit of the Olympic Charter at all levels of sport
- Ensure that all people in PNG can participate in sport without any form of discrimination on grounds of race, religion, politics, gender or otherwise and in a safe, secure environment
- Participate in sport fairly and without the use of substances and procedures prohibited by the IOC or IFs
- Encourage development of sport and support the promotion of Physical Education, Health and Recreation in Papua New Guinea, in particular amongst persons with disability, women and veterans

Many of these values are reflected in the following mission statement.

(continued)
Illustration 2.3  (continued)

Mission Statement
To provide the required resources for elite athletes and officials to participate in organized sporting competitions at national and international levels, including South Pacific Games, Commonwealth Games and Olympic Games.

Key Result Areas With Strategic Objectives
The mission requires a number of key result areas that address the situation in sport in Papua New Guinea and the mandate of the PNGSFoc. These areas are associated with key objectives, including the following:

- **Management**: To improve and sustain an efficient management structure for the PNGSFoc
- **Financial Management**: Increase the amount of financial support to our membership
- **Elite Competition**: To improve the performance of PNG athletes and officials at elite level competition
- **Sport Development**: To assist members in developing more opportunities for all athletes and officials to be competitive at the elite level
- **Sponsorship, Fundraising and Marketing**: Improve the profile of the PNGSFoc to attract more revenue from sponsorship and fundraising

The example of the PNGOC illustrates how a mission guides the subsequent planning activities. One can observe that the mission statement is focused on sport results in international competitions, which permits the OSO to present clear objectives for key results. It is interesting to note the emphasis on *all* athletes and officials, which shows the PNGOC’s commitment to working with athletes regardless of ability, gender or otherwise. This reflects the Sport for All and other social values the PNGOC promotes. This will help to ensure that they receive the importance that is attached to them in the value statements.

Portions of this illustration are reprinted with permission from PNGOC (2006) Strategic Plan 2006-2009.

---

SECTION 2.4
ACTION PLANS

In order to achieve the objectives of the organisation, it is necessary to develop plans that allow this to happen. These plans may be simple or complex depending on the objectives that you wish to achieve and the resources that you have. The size of the plan is irrelevant; what is important is that it covers all of the OSO’s objectives. This section discusses the development of action plans and begins by identifying why a plan should be developed and what it should contain. It then goes on to outline how plans might be developed and put into action. It finishes with a presentation of the plans that the Swaziland Olympic and Commonwealth Games Association has developed to meet its strategic objectives.
Content of Action Plans

After defining the strategic objectives, you and your Board need to develop an operational action plan for the organisation. An action plan is a way to make sure your organisation’s vision, values and mission are made concrete. It describes the way your OSO will use its resources to meet its objectives. The plan should be complete, clear and current. Additionally, the plan should include information and ideas you have already gathered whilst brainstorming about objectives and strategies. The plan addresses general goals you want to see accomplished, and then the action steps help you determine the specific actions you will take to help make your vision and mission a reality.

Each action plan should include the following information:

- **What** actions or changes will occur
- **How** the actions or changes will be carried out
- **Who** will carry out these changes
- **By when** they will take place, and for how long
- **What resources** (including money and staff) are needed to carry out these changes
- **Communication** (who should know what)

In order to determine this information, you have to choose actions and operations that are feasible. Table 2.5 shows how you could set out the required information if you were planning for an NF.

Each proposed activity must be in line with the OSO’s strategic objectives. A clear identification of responsibilities and allocated resources is particularly important for the success of the strategic plan because it ensures that objectives can be met. A crucial point is to keep to deadlines so that plans are achieved within required time frames. Furthermore, because OSOs often achieve objectives by working in partnership with organisations (see the following section on working in partnership), it is important to meet deadlines. If you don’t, you may be holding up the work of another OSO. Carrying out an action plan can be difficult if your OSO has few or no paid staff and relies primarily on volunteers, but there are two things that can help in this situation. First, everyone involved should try to follow the principles of good time management that will be discussed in the next chapter. Second, by keeping the objectives simple and in line with existing resources, planning will be more straightforward.

**Table 2.5  Planning for Action**

<table>
<thead>
<tr>
<th>Action (what)</th>
<th>Tasks (how)</th>
<th>Responsibility (who)</th>
<th>Deadline (when)</th>
<th>Resources (with what)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promote Sport for All</td>
<td>Help introduce new leisure activities into clubs and new services (hosting, youth education, events)</td>
<td>Regional sport governing body (person in charge of development)</td>
<td>As soon as possible, in line with club capacity to implement new activities</td>
<td>Human, logistical and financial resources Support from the regional sport governing body</td>
</tr>
</tbody>
</table>
Developing Action Plans

The process of developing an action plan requires three steps. First, it is necessary to develop an overall, top-level action plan that depicts how each strategic goal will be reached. This must contain the information outlined in the previous section and will provide direction for the OSO as a whole. Next, you need to develop an action plan for each major function in the organisation, such as marketing development (see chapter 5), finance, and human resources (see chapter 3), and for each programme and service. These plans should depict how the overall action plan and the action plans of the major functions will be implemented. In each action plan, you should specify the relationship of the action plan to the organisation’s overall action plan. Finally, each manager should develop an action plan that contributes to the overall strategic plan.

There is sometimes a danger, particularly in volunteer-run OSOs, that action plans may be developed that cannot be resourced. For example, an NF may decide to promote its sport by running a number of events; however, the clubs responsible for the implementation of these events may not have the required resources. This is why umbrella organisations such as NFs should involve local stakeholders in developing the action plan. This allows local organisations to define their level of involvement and time schedule before any plans are confirmed. The strategic plan of the NF will then take into account the local constraints.

Just as sport teams conceive of action plans during competition, so OSOs might develop action plans that help them achieve their overall goals.
Working in Partnership

Implementing action plans to achieve objectives is often something that an OSO cannot achieve on its own. This is why OSOs may need to work in partnership with other OSOs or with public and private partners. Alliance and partnership strategies can help you implement an action plan in a more effective and efficient manner, which might heighten the impact of your objectives within your limited resources.

Alliance strategies exist in different forms and on different levels, as shown in table 2.6. It is possible to differentiate between two types of strategic alliances: internal and external. Internal alliances are alliances with organisations in the OSO network. For example, if your OSO is an NF, you could create internal alliances with your regional leagues and clubs. External alliances are alliances with agencies, such as other OSOs belonging to the same family of sport activities (for example, outdoor sports); with OSOs that are at the service of other OSOs, such as an NOC; with other nonprofit organisations like nongovernmental bodies in health care; or with public partners and private partners, such as sponsors.

Partnerships and alliances are often very helpful in achieving your OSO’s objectives and may be essential for small or volunteer-run OSOs. They allow you to make the most of your assets in order to overcome the resources you lack.

Table 2.6  Examples of Possible Partnerships for an NF

<table>
<thead>
<tr>
<th>Internal alliances</th>
<th>OSOs in the same family</th>
<th>Service OSOs</th>
<th>Other not-for-profit organisations</th>
<th>Public and private partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>The headquarters of an NF</td>
<td>Develop shared leisure practices by sharing equipment and training programmes.</td>
<td>Save money and resources by sharing a location, office equipment, secretarial staff, switchboard and reception with your NOC.</td>
<td>Work with universities to provide sport science support for athletes.</td>
<td>Establish sponsorship for team uniform.</td>
</tr>
<tr>
<td>and its regional and departmen-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>tal structures agree on objec-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>tives in order to establish the action plans.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

KEY RECOMMENDATIONS

- In conjunction with the Board, develop a number of action plans, beginning with the overall OSO plan and finishing with individual plans for those who have to deliver services.
- Involve all parties who will have responsibility for actions in the development process.
- Define work plans, procedures, responsibilities and resources for each plan.
- Establish alliances wherever possible to maximise resources.
The following illustration shows how the strategic priorities of the Swaziland Olympic and Commonwealth Games Association have been expressed as actions to be achieved.

**Illustration 2.4**

*Swaziland Olympic and Commonwealth Games Association National Strategic Framework*

The Swaziland Olympic and Commonwealth Games Association (SOCGA) has a clear vision for sport in Swaziland. Sport is recognised and valued by the government and citizens as a tool for development and encompasses:

- compulsory school sport,
- physical education, and
- community Sport for All.

This vision will be supported by qualified human resources and accessible facilities.

From this vision a number of strategic priorities were identified, and Table 2.7 outlines these and the general actions associated with them. The general actions will allow the strategic objectives to be met; however, they are not detailed enough to guide the day-to-day activities of those responsible for delivering the action plans. In recognition of this, each key action required for the actions to become operational has been specified. Table 2.8 shows how one key action has been expressed in order to direct the activities of those who will deliver the associated actions.

This illustration shows how action plans can be developed at a number of levels. The vision led to strategic objectives, which had strategic actions associated with them. However, to make the plan operational, the strategic actions were further developed in order to delineate how they would be implemented in practice and to state clearly what has to be achieved, by whom, by when and with what resources. There is also a link back to the strategic activities so it is clear how each operation will allow the strategic objectives and thus the vision to be met. This process reflects good practice in developing action plans.

**Table 2.7 Strategic Priorities and Key Actions of the SOCGA Plan for Sport**

<table>
<thead>
<tr>
<th>Strategic priorities</th>
<th>Key actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoting the value of sport and physical activity</td>
<td>Build the case for sport that will demonstrate the importance and values of sport in human development for presentations to all stakeholders.</td>
</tr>
<tr>
<td></td>
<td>Design credible criteria for the recognition of achievers and use them to promote the case for sport.</td>
</tr>
<tr>
<td></td>
<td>Increase public awareness through the media.</td>
</tr>
</tbody>
</table>
## Strategic priorities

<table>
<thead>
<tr>
<th>Strategic priorities</th>
<th>Key actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sport for All</td>
<td>Coordinate Sport for All programmes with various sport bodies and form partnerships with regional and international organisations for capacity building and promotion of Sport for All.</td>
</tr>
<tr>
<td></td>
<td>Establish gender equity commission.</td>
</tr>
<tr>
<td></td>
<td>Establish suitable programmes and structures for people with a disability.</td>
</tr>
<tr>
<td></td>
<td>Integrate disadvantaged groups to existing sport structures.</td>
</tr>
<tr>
<td></td>
<td>Establish links with school programmes inclusive of parents and community.</td>
</tr>
<tr>
<td>Capacity building</td>
<td>Create a sport education curriculum framework and accreditation system.</td>
</tr>
<tr>
<td></td>
<td>Conduct a feasibility study for an academy of high performance.</td>
</tr>
<tr>
<td></td>
<td>Establish training of sport leaders and administrators in corporate governance.</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>Survey the status of ownership and accessibility of existing facilities.</td>
</tr>
<tr>
<td></td>
<td>Encourage creation of sporting clubs and fundraising initiatives at community level for improvement of already existing structures.</td>
</tr>
<tr>
<td></td>
<td>Develop a system for maximum collective utilisation of available nongovernmental facilities by sport organisation.</td>
</tr>
<tr>
<td>Coordinated sport system</td>
<td>Enact legislation.</td>
</tr>
<tr>
<td></td>
<td>Coordinate meaningful partnership with stakeholders.</td>
</tr>
<tr>
<td></td>
<td>Implement effectively the strategic plan and existing national sport policy.</td>
</tr>
<tr>
<td></td>
<td>Build outreach capacity of ministry of home affairs and SNSC (Swaziland National Sports Council).</td>
</tr>
</tbody>
</table>

(continued)
Control and evaluation are central to the management of every organisation and is a key responsibility of the Board of any OSO. Strategic evaluation is the final step in the strategic management process and involves comparing objectives with the actual results, which should be done by the Executive Board. As figure 2.7 shows, the evaluation and control process is not closed but continuous, and it takes place over regular control periods, scheduled as needed.

This section considers the role of evaluation in controlling and assessing the strategic plan. It discusses how plans can be evaluated and how these evaluation measures should be used. It also highlights why evaluation may be difficult in some OSOs. The section concludes with a presentation of the evaluation criteria used by the French Federation of Canoeing and Kayaking.

### How to Evaluate

In addition to the regular annual reports, accounting balance sheets, and profit and loss statements presented to the General Assembly (see chapter 4), the Executive Board must report the results of the OSO’s activities to its members, as well as to its public and private partners. The role of the Executive Board in evaluation is paramount, and Board members should be involved in systematic evaluation of the strategic plan on a regular basis. This helps with the governance of the OSO (chapter 1) and makes the OSO accountable and transparent.

<table>
<thead>
<tr>
<th>Activity (what)</th>
<th>Tasks (how)</th>
<th>Responsibility (who)</th>
<th>Timeline (when)</th>
<th>Resources (with what)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coordinate implementation of Sport for All programmes.</td>
<td>Hold a meeting between SNSC and SOCGA persons. Share programmes’ content and redesign as necessary. Set implementation plan. Implement the programmes.</td>
<td>SNSC, SOCGA</td>
<td>By end of October</td>
<td>Human resources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SNSC, SOCGA</td>
<td>By November</td>
<td>Human resources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SNSC, SOCGA</td>
<td>Beginning of January</td>
<td>Money for equipment, travel</td>
</tr>
</tbody>
</table>
In order to evaluate performance, it needs to be measured, and all possible actions should be evaluated in order to control the strategic process. This control is best achieved through measurable indicators and benchmarks that have been set with the objectives attached to the mission. The indicators will help assess the resources used in relation to the desired goals. The performance indicators should give a balanced picture of the organisation’s performance so that the Board can accurately assess performance.

The strategic plan needs evaluation measures, known as performance indicators, to serve as a global evaluation framework. Evaluation criteria need to be established for each action in the plan in order to control and evaluate that action. These evaluation indicators should correspond to the SPORTS acronym (specific, pertinent, objective, representative, transparent and simple), and they should be quantitatively and qualitatively measurable. For example, if you want to measure the success of your Sport for All programmes, you need an indicator such as “a 1% increase in participation amongst school-aged children by October” in order to evaluate whether the plan has been successful. In addition, milestones, which are performance indicators analysed at regular intervals to see what has already been achieved in the strategic plan, should be established in order to revise strategies and adjust programmes and budgets accordingly.
Using Performance Indicators

Several factors need to be considered when using performance indicators (PIs) in order to ensure that they are valuable for evaluation. First, the data on which PIs are based must be trustworthy, particularly if the data is being used for external comparison. For example, if you are measuring financial performance, your financial records must be accurate and meet standard accounting conventions. At a minimum you should report financial performance in a consistent and standardised way. The data used to form PIs must be collected from the same sources and in the same manner. This is necessary to ensure that the performance that is being reported is accurate and allows comparisons. For example, if you are reporting on the success of four events encouraging children to join your sport, you need to decide whether the numbers attending the event or the numbers joining clubs is the measure of success.

We can measure the success of strategic plans by using performance indicators, much like we time participants in sport events.
PIs also need to measure what they are considered to measure; otherwise they may lead to mistakes in management decision making. For example, counting the number of members is not always an accurate reflection of participants in the sport. Membership numbers do not include nonmembers who play the sport and often include people who are no longer active.

Perhaps of greatest importance, PIs should only be used as a guide for the management of an OSO because they do not provide an explanation for performance. For example, a PI will show that your athletes won three silver medals at the Olympic Games, but it will not explain why they didn't win gold. PIs will indicate areas of strengths and weaknesses, but they will not say why these areas are strengths and weaknesses. You and the Board need to provide an explanation for the performance.

Performance indicators on their own are meaningless. Performance needs to be evaluated in comparison with objectives. For example, an OSO may be successful in obtaining sponsorship, but it may have done this instead of promoting participation in sport. In this case, the OSO has been effective financially, but it has been ineffective from the point of providing Sport for All. Actual evaluation of performance has to be done in the context of what your OSO is trying to achieve. In this case, if the organisation wanted increased revenue, then its performance was effective.

Barriers to Evaluation

Some OSOs neglect evaluation and strategic control, and there are several reasons for this. Evaluation and control take time, and as a result of having to balance a lot of tasks, Board members may prefer to look to the future instead of evaluating the present. Indeed, as a result of the work many volunteers have to complete, there may simply not be time for thorough evaluation if it is not prioritised. There may also be deficiencies in information systems, and Board members may not always have the information needed to carry out the evaluation and control process. Finally, evaluation, and in particular control of the OSO's activities, are not very fulfilling tasks and may also lead to difficulties for elected members as they may have to make reductions in operations that they, or their electors, value.

However, a lack of strategic control deprives the organisation of lessons learned from experience, and some type of evaluation using basic PIs should be attempted. If you do not feel that you or anyone associated with your OSO has the skills to develop appropriate PIs, it may be helpful to approach other OSOs for help or to approach a local university for student help. The Internet is also a valuable source of information on how to develop PIs.

In addition to assessing objectives and actions, the evaluation of an OSO can be an opportunity to quantify the organisation's contribution to society. Indeed, the clear mission of OSOs is to have an impact on society by sharing educational values related to sport, such as fighting against social exclusion and inactivity or improving the image of a country through events, competitions, medals and champions. Areas of evaluation could include the following:
• Financial value of voluntary contributions. This could be evaluated by trying to inventory the number of volunteers and the number of hours dedicated to developing sport.

• Creation of direct jobs within the OSO and indirect jobs in tourism, the hospitality business or organising public events.

• Contributions to the environment and health. This could be assessed by the number of actions that favour the protection of nature, or by highlighting sport’s contributions to the health of individuals.

• Inclusion of former high-level athletes and young directors into the professional and social aspects of the organisation.

It is clear that not all the effects of sport on society can be evaluated objectively. It is also difficult to link effects to the actions of a single organisation. However, it is possible to evaluate certain contributions through specific reviews, and OSOs should attempt this in order to reinforce their Olympic values.

The strategic management process that follows the phases presented in this chapter has several benefits. Strategic management gives elected members better control and a clearer vision of the OSO. It facilitates the use of resources by setting out clear plans for their use. It also replaces a culture of resources with a culture of results and performance. This means that elected members, volunteers and salaried managers must be responsible for the effectiveness of their actions.

However, strategic management practices in OSOs often clash with two problems that can affect the implementation of the management process. The first is a lack of clarity in the organisation’s goals. The second involves barriers that sometimes arise due to the difficulty of getting a group of people with different statuses and interests to work together. These barriers can also arise as a result of differences in the level of development and professionalism within an OSO’s network. This is why you must focus on creating conditions that will allow the effective implementation of the strategic planning process. Two factors can help achieve these conditions.

First, the mechanisms of governance and strategic management must be clear so that everyone involved understands who is responsible for what in the planning process. Secondly, you and your Board must promote the strategic plan internally and externally. This will allow you to outline what you want to achieve with the resources you have.

**KEY RECOMMENDATIONS**

- Use the Board to develop indicators that directly measure the achievement of your objectives.
- Make sure that these indicators cover all key areas of activity.
- Ensure that you do not have too many indicators and that the indicators you use are relevant.
- Use the indicators to explain performance, and communicate this explanation to key stakeholders.
The following illustration shows how the Fédération Française de Canoë-Kayak developed evaluation criteria in order to measure the success of its strategic actions.

**Illustration 2.5**

*Evaluation Criteria: Fédération Française de Canoë-Kayak*

The development plan of the Fédération Française de Canoë-Kayak (French Federation of Canoeing and Kayaking, FFCK) for the 1998-2002 period was adopted on 14 March 1998 by the General Assembly. This national document was developed with the input of all federation participants and provided an opportunity to reaffirm the OSO’s values. The structure adopted for the plan was innovative. The category called “Think it” corresponds to values and mission, and “Say it” corresponds to objectives. “Do it” corresponds to action plans and evaluation measures. The following material shows how the FFCK has linked performance indicators to actions that lead to its strategic objectives.

**Think It**

Clubs are at the heart of the FFCK development project. The federation would like to provide clubs with clear, concrete support to allow them to multiply and sustain themselves on a quantitative level, and on a qualitative level, to allow them to organise themselves and develop an appropriate practice that takes into account all disciplines and motivations.

**Say It**

This part of the plan sets out the organisation’s objectives.

**Qualitative Objectives**

- Promote the formalisation of canoeing and kayaking structures.
- Encourage use.
- Reinforce the information and attitudes that promote safe sport practices.
- Advise clubs in maintaining sport facilities.
- Train directors and officers.

**Quantitative Objectives**

- Create new clubs.
- Welcome new clubs and help clubs having difficulties.
- Promote membership to all.

**Do It**

This part of the plan states what the organisation will do and how it will be evaluated. It is presented in table 2.9.

(continued)
Table 2.9  Actions and Evaluation Criteria of the FFCK’s Development Plan

<table>
<thead>
<tr>
<th>Actions</th>
<th>Evaluation criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Publish and make the logbook known.</td>
<td></td>
</tr>
<tr>
<td>Accompany and better certify the formalisation procedure.</td>
<td>Total number of clubs formalised</td>
</tr>
<tr>
<td>Find additional sources of funding.</td>
<td></td>
</tr>
<tr>
<td>Centralise requests and propositions.</td>
<td></td>
</tr>
<tr>
<td>Provide administrative and legal advice.</td>
<td></td>
</tr>
<tr>
<td>Contribute to the dynamic nature of the professional field.</td>
<td>Number of new jobs created</td>
</tr>
<tr>
<td>Participate in safety campaigns.</td>
<td>Number and type of canoeing or kayaking accidents (accident analysis)</td>
</tr>
<tr>
<td>Publish and distribute appropriate documents.</td>
<td></td>
</tr>
<tr>
<td>Systematise the use of the federation signalling procedures.</td>
<td></td>
</tr>
<tr>
<td>Publish and distribute documents that support and advise clubs.</td>
<td></td>
</tr>
<tr>
<td>Encourage structural improvement (challenge club).</td>
<td>Number of clubs submitting a challenge club file</td>
</tr>
<tr>
<td>Develop and implement training programmes adapted to new needs: jobs for young people, employers, decision makers.</td>
<td>Number of noncoach training programmes proposed</td>
</tr>
<tr>
<td>Develop training programmes dealing with water access, river upkeep and understanding of the environment.</td>
<td>Number of members trained</td>
</tr>
<tr>
<td>Inventory potentially favourable sites.</td>
<td>Number of sites inventoried</td>
</tr>
<tr>
<td>Identify future directors.</td>
<td></td>
</tr>
<tr>
<td>Help provide equipment.</td>
<td>Number of new clubs created every year</td>
</tr>
<tr>
<td>Promote cooperation and sponsorship between clubs.</td>
<td></td>
</tr>
<tr>
<td>Propose forms of membership adapted for the clubs and members.</td>
<td>Increase in number of members</td>
</tr>
</tbody>
</table>
The FFCK has established qualitative measures for the actions that will lead to an increase in new clubs and better service to existing clubs. Note how clear the performance indicators (PIs) are and that there are a limited number. The information that leads to the PIs is straightforward and easy to obtain. These PIs will present a clear evaluation of performance that can then be explained by those responsible for the plan.

It should be pointed out that this 4-year plan was developed over two Olympiads—1998 to 2002—in order to avoid politicisation of the results and to ensure better continuity of action. The strategic plan that followed the 1998-2002 plan was established in the 2002-12 decade and was titled All for Action. It adopts a more global development approach that aims at getting decentralised bodies, such as regional leagues and departmental committees and clubs, more involved.

The key steps in achieving a strategic plan have been established and are presented in table 2.10. It is part of good governance to communicate the strategic plan to your public and private partners and the media to show the strategic intent of your OSO. However, this communication should be managed with caution. If you are unable to perform the expected objectives and actions due to factors outside your control, your organisation may face censure.

### Table 2.10 Steps of Strategic Planning

<table>
<thead>
<tr>
<th>Step 1</th>
<th>Step 2 Conduct an internal and external diagnosis.</th>
<th>Step 3 Determine the strategic objectives.</th>
<th>Step 4 Develop the action plan.</th>
<th>Step 5 Schedule the evaluation.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objectives</strong></td>
<td>Explain the reasons for engaging in a strategic planning process.</td>
<td>Objectives Understand your internal and external environment. Define your strategic capacity.</td>
<td>Objectives Develop strategic objectives in connection with your mission and values.</td>
<td>Objectives Develop performance indicators. Decide how to report your actions to members and partners.</td>
</tr>
<tr>
<td><strong>Objectives</strong></td>
<td>Present the chosen methodology and the data to gather.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Objectives</strong></td>
<td>Define the period of time available, allotted budget, and roles and responsibilities.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(continued)
The following case study applies many of the points covered in this chapter to the planning process of the Zimbabwe Olympic Committee. The purpose of this case study is to demonstrate how the material in this chapter is applicable to OSOs. Although your organisation may not be the same type of OSO, the case study will highlight how the concepts can be put into practice.

### CASE STUDY 2

#### Developing the Strategic Plan of the Zimbabwe Olympic Committee

Until 2002, the work of the Zimbabwe Olympic Committee (ZOC) was accomplished exclusively through volunteer efforts. At that time an office was established and an Operations Manager, Administrative Assistant and Office Orderly were hired. In July 2000, at the urging of several Directors who had participated in strategic planning exercises and had seen the value that such planning could bring to an organisation, the ZOC Board of Directors directed that a strategic plan be developed. However, the process was not initiated until 2002, following the election of a new Secretary General who championed the process.

#### Preparing for the Strategic Process

In March 2002 the Secretary General sought the input of a consultant to develop a planning process. Funding from Olympic Solidarity was sought to pay for the involvement of the consultant, and ZOC funds were budgeted to cover the costs associated with the workshop, such as facilities; participant transport, accommodation and meals; and communication and documentation.
A Steering Committee composed of the Secretary General, Marketing Chair and Operations Manager, all of whom were experienced in strategic planning, was formed. Guided by the consultant, this committee undertook the following:

- Identify key stakeholders to be involved in the process.
- Develop a status report, environmental scan and stakeholder survey.
- Design and coordinate the logistics for a 2.5-day planning workshop in a retreat setting.

The Steering Committee was somewhat ambitious in establishing the timeline and did not realistically assess the impact of final planning for and participation in the Commonwealth Games. Table 2.11 outlines the original and actual timelines for the process. Although the amended timelines did enable all the steps in the process to be completed and an excellent plan to be developed, the resulting workload for the Steering Committee and consultant was unrealistic and should not be replicated without allocating considerably more time between receipt of survey results and the actual staging of the workshop.

### Table 2.11 Planning Process in the ZOC

<table>
<thead>
<tr>
<th>Planned</th>
<th>Activity</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan.</td>
<td>Board approved June workshop</td>
<td>April</td>
</tr>
<tr>
<td>March</td>
<td>Olympic Solidarity funds approved</td>
<td>March</td>
</tr>
<tr>
<td></td>
<td>Consultant hired</td>
<td></td>
</tr>
<tr>
<td>June 30</td>
<td>Draft status report, environmental scan and stakeholder</td>
<td>Aug. 25</td>
</tr>
<tr>
<td></td>
<td>survey</td>
<td></td>
</tr>
<tr>
<td>July 30</td>
<td>Finalised</td>
<td>Aug. 26</td>
</tr>
<tr>
<td>Aug. 9</td>
<td>Surveys circulated</td>
<td>Aug. 27</td>
</tr>
<tr>
<td>Aug. 30</td>
<td>Surveys returned</td>
<td>Sept. 12-26</td>
</tr>
<tr>
<td>Sept. 20</td>
<td>Workshop design and tools completed</td>
<td>Sept. 25-28</td>
</tr>
<tr>
<td>Sept. 25</td>
<td>Group facilitators training</td>
<td>Sept. 25</td>
</tr>
<tr>
<td></td>
<td>Board planning orientation dinner</td>
<td></td>
</tr>
<tr>
<td>June 27-29</td>
<td>Workshop</td>
<td>Sept. 27-29</td>
</tr>
</tbody>
</table>

#### Diagnosis of the OSO Environment

The diagnosis process followed the principles and techniques promoted in this chapter.

**Identifying Stakeholders**

The Steering Committee identified the ZOC’s key stakeholders as the following:

- National Federations (also known as National Sport Organisations or National Sport Associations in Zimbabwe)
- Athletes

(continued)
A 14-page stakeholder survey was circulated to more than 200 people in the identified stakeholder groups. The purpose of the survey was threefold. Its first purpose was to provide stakeholders with a common understanding of the current status of the ZOC, the environment in which it worked and the fundamental elements of strategic planning. The second purpose was to solicit the opinions and ideas of respondents with respect to the current challenges and future direction of the ZOC. The third and most important purpose was to build ownership for the strategic planning process and the resulting strategic direction. The Steering Committee realised that if the strategic planning process was to be successful, it must mobilise all stakeholders and partners behind the shared vision that resulted from the planning process and garner their cooperation and support in implementing the plans.

Survey recipients were asked to set aside 1.5 hours to review the status report and environmental scan and complete the survey, which could be returned by e-mail, fax or regular post. Many recipients indicated that they spent 3 hours or more and wished that they had had more time to devote to it. The survey asked recipients to complete a SWOT analysis and a vision for the ZOC for 2008, to identify the values that should guide the ZOC and to identify the roles it should undertake in the Zimbabwean sport system. Input was also sought on a number of strategic challenges facing the ZOC. Input from the stakeholder survey formed the basis for the planning workshop.

**Conducting an Internal and External Analysis**

A status report prepared by the Secretary General provided information on the internal environment. It outlined the history of the ZOC, including international representation and participation and results at Olympic, Commonwealth and All Africa Games. It also provided an overview of the ZOC's current governance structure, programmes, partnerships, communication with stakeholders and finances.

The environmental scan drafted by the Marketing Chair addressed both the macroenvironment and microenvironment. The macroenvironment explored political, economic and social trends both globally and within Zimbabwe and the implications of the trends for the ZOC. Social issues and trends with respect to equality, health and the physical environment were explored. The microenvironment explored sport trends related to national sport organisations; high performance; the sport system; lack of resources, facilities and equipment; societal expectations; schools and tertiary institutions; the IOC; and the Commonwealth Games Federation (CGF).
SWOT feedback from surveys was refined during the workshop as part of an icebreaker exercise during the opening session of the planning exercise. Identified items were then prioritised as high (H), medium (M) or low (L) based on the amount of human and financial resources the ZOC should expend on each (figure 2.8). The financial area is identified with an asterisk because it was high in both the weakness and opportunity areas.

<table>
<thead>
<tr>
<th>Build on strengths</th>
<th>Improve on weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training programmes (coaches, sport admin.) (H)</td>
<td>Poor preparation of teams for Games (H)</td>
</tr>
<tr>
<td>Committed, dedicated leadership (H)</td>
<td>Lack of strategic and business plans (H)</td>
</tr>
<tr>
<td>International representation and influence (M)</td>
<td>Lack of funds (H*)</td>
</tr>
<tr>
<td>Competent, full-time staff (L)</td>
<td>Poor communication with NSOs and stakeholders (M)</td>
</tr>
<tr>
<td>Responsiveness to requests and queries over past year (L)</td>
<td>ZOC being run by a small clique; Board sidelined (L)</td>
</tr>
<tr>
<td>Capitalise on opportunities</td>
<td>Eliminate or neutralise barriers and threats</td>
</tr>
<tr>
<td>Promote the values of sport in combating crime, HIV/AIDS, poverty and unemployment (H)</td>
<td>Limited capacity of NSOs (resources, expertise); inability of NSOs to take advantage of the opportunities (H)</td>
</tr>
<tr>
<td>Increase knowledge, skill, experience and number of coaches and administrators (H)</td>
<td>Economic and political situation; FOREX, international opinion (H)</td>
</tr>
<tr>
<td>Access to finance (H*)</td>
<td>Government policy legislation (equipment, visas) (M)</td>
</tr>
<tr>
<td>Access international accredited programmes, scholarships, exchanges and internships (M)</td>
<td>Decrease in health of the population (L)</td>
</tr>
<tr>
<td>Develop the abundance of athletic talent (L)</td>
<td>Brain/talent drain (athletes, coaches and administrators) (L)</td>
</tr>
</tbody>
</table>

Figure 2.8 The SWOT analysis refined during the ZOC workshop.
Vision, Values, Mission and Strategic Objectives

In September 2002, 49 ZOC Directors, stakeholders and staff came together for a 2.5-day planning session that will long be remembered as a milestone in the evolution of the ZOC. The retreat setting reduced distractions and created an environment that facilitated sharing, setting aside of differences, building consensus and focusing on the workshop’s desired outcomes:

- Strategic framework for the ZOC
- Increased understanding of the ZOC and its stakeholders (both ways)
- Ownership of the ZOC strategic plan by members and stakeholders

The primary purpose of the planning workshop was to develop the vision, mission, values and objectives (strategic priorities and goals) for the ZOC. Within the ZOC these elements are referred to as the strategic framework. The ZOC’s strategic framework also includes a unique element, a section on roles.

The roles element was included in the strategic framework to add clarity to the scope of the ZOC’s responsibilities. The stakeholder survey revealed that the sport community generally expected the ZOC “to be all things to all people” within Zimbabwean sport. The ZOC had neither the desire nor the resources to extend its mission beyond that of an NOC and Commonwealth Games Association (CGA). It was hoped that by including a clear statement of roles within the strategic framework that the role of the ZOC within the Zimbabwean sport system would be better understood and expectations more effectively managed.

One of the approaches to building ownership for the ZOC plan was to involve current and emerging leaders from the ZOC and its stakeholders as presenters and facilitators during the workshop. The Director General of the Sport and Recreation Commission and the consultant acted as lead facilitators. Five other participants were selected to lead small-group discussion and to work with the Steering Committee to shape the work of their groups into a draft strategic framework. Through their involvement in a 4-hour facilitators’ workshop and their role in building the final strategic framework, these individuals not only became strong advocates for the workshop outcomes but also developed strategic planning skills that they were able to take back to their own organisations.

The strategic framework was developed through a series of sessions, each designed to explore one element of the framework. Every session began in plenary with a small presentation on the specific element, such as “What is a vision?”, followed by group work using a discussion tool that was developed using feedback from the stakeholder survey. Following the group work, one person from each group came together with other group representatives to consolidate and reach consensus on that particular element. The consensus result was then presented in plenary for final whole-group discussion and approval. This process helped develop trust and consensus building amongst the participants, elements that were lacking going into the workshop.
All participants represented their group at some point in the process, and the majority of participants made a presentation to plenary. This approach helped build ownership of the process and the confidence and presentation skills of individual participants.

On the final day of the workshop, the complete strategic framework was presented to the Minister of Sport. The Minister of Sport responded with enthusiasm for the openness, inclusiveness and transparency of the process and the direction and contents of the plan. He tied the strategic goals to his government’s priorities and direction for sport in Zimbabwe. The involvement of the Minister of Sport provided an excellent vehicle for prompt, direct communication with and endorsement by government. It also generated good photo opportunities for the members of the media who were present. Considerable additional media interest was evident in the days following the workshop.

**ZOC Strategic Framework**

The ZOC strategic framework is presented here.

**Vision**
The Zimbabwe Olympic Committee facilitates the advancement of high-performance sport persons to win Olympic medals in Beijing 2008.

**Values**
The Zimbabwe Olympic Committee believes in:

- Ethical conduct
- Transparency and accountability
- Respect for others
- Integrity
- Commitment

**Mission**
To promote and protect the Olympic and Commonwealth Games Movements in Zimbabwe and to facilitate quality participation in the Games.

**Roles**
1. To promote and support Olympism and high-performance sport.
2. To ratify and enter the Games Team.
3. To implement Olympic Solidarity Programmes in partnership with National Sport Associations and other stakeholders.
4. To promote fair play, anti-doping and equity in sport.
5. To appoint or nominate representatives to IOC and CGF related positions and programmes.

(continued)
CASE STUDY 2  (continued)

Strategic Priorities and Goals (Objectives)

— Games

1.1 To ratify the selection, facilitate the final preparation and lead a quality, medal-winning team to the Games.

— Capacity Building

2.1 To help build the capacity of National Sport Associations in order to increase the number and quality of high-performance athletes.

2.2 To be a key partner in the development of an integrated sport system for Zimbabwe.

2.3 To develop and support Zimbabwean sport persons as international leaders in Regional, Continental and International Federations.

2.4 To increase the knowledge, skills experience and number of coaches and sport administrators.

2.5 To provide opportunities for women and athletes in leadership.

— Facilitating Athlete Development

3.1 To facilitate the access of high-performance athletes to training programmes, international competitions, scholarships and financial resources.

3.2 To educate athletes with respect to Olympism, placing particular emphasis on fair play and anti-doping.

3.3 To facilitate the advancement of female athletes in high-performance sport.

3.4 To involve athletes in decision-making within the ZOC.

— Business Development

4.1 To market the ZOC to all stakeholders and partners.

4.2 To become an organisation that integrates strategic business planning, monitoring and evaluation in all aspects of its business.

4.3 To develop policies, procedures, systems and structures to efficiently manage the ZOC.

4.4 To optimise the use of technology.

4.5 To mobilise the financial and human resources necessary to implement the strategic and business plans of the ZOC.

Action Plan

The Steering Committee reconvened to develop a template and critical path for development of the action plan that would be the engine behind the framework. Strategies identify activities, tasks and approaches to be undertaken in order to achieve the success measure; responsibility, meaning the person or committee responsible for delivering on the success measure; timeline, or the date by which the success measure was to be achieved; and finally, the resources required. The latter was not as well developed as it could have been. Table 2.12 shows the action plan that was developed for goal 1.1 of the ZOC, to ratify the selection, facilitate the final preparation and lead a quality, medal-winning team to the Games.
### Table 2.12  Action Plan for Goal 1.1

<table>
<thead>
<tr>
<th>Success measures</th>
<th>Strategies</th>
<th>Responsibility</th>
<th>Timeline</th>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Athlete performance</strong></td>
<td>Set team selection policy.</td>
<td>Board</td>
<td>8/2003</td>
<td>Human</td>
</tr>
<tr>
<td>National records</td>
<td>Consult with the IOC and IFs.</td>
<td>Technical Commission</td>
<td>4/2003</td>
<td>Human</td>
</tr>
<tr>
<td><strong>Team management performance</strong></td>
<td>Set GTM policy guidelines.</td>
<td>Board</td>
<td>3/2003</td>
<td>Human</td>
</tr>
<tr>
<td>Actual team performance</td>
<td>Implement GTM policy guidelines.</td>
<td>Board</td>
<td>4/2003</td>
<td>Human, financial and material</td>
</tr>
<tr>
<td>General team management (GTM) feedback</td>
<td>Evaluate process and performance.</td>
<td>Board</td>
<td>11/2003⇒</td>
<td>Human</td>
</tr>
<tr>
<td>Performance appraisal</td>
<td>Provide honest feedback on the process and performance.</td>
<td>Board</td>
<td>11/2003⇒</td>
<td>Human</td>
</tr>
</tbody>
</table>
Control and Evaluation

The ZOC Board’s monitoring, led by the Secretary General, focuses on progress towards the success measures. If progress is not being made, action is taken. Strong emphasis was placed on ensuring that the action plan helped keep the ZOC focused on its objectives (strategic goals) by clearly identifying expected PIs (success measures). For this reason, success measures are the first item in the action plan.

The ZOC experienced its best ever results in Athens, including bronze, silver and gold medals in swimming; a semifinal in athletics; and a quarterfinal in tennis. In January 2005, the ZOC recognised that the volume of work created by the implementation of the strategic plan and positive spin-off from the success in Athens required more support than volunteers, especially the Secretary General, could provide. With finances stable and a bright future ahead, the ZOC hired its first CEO, effective March 2005. It is worth noting that in November 2003, the Board, as part of its ongoing monitoring and evaluation, had added the employment of a CEO as a success measure under the business development strategic priority, goal 4.5: “To mobilise the financial and human resources necessary to implement the strategic and business plans of the ZOC”. The ZOC continues to monitor performance against its success measures on a regular basis and take corrective action as required.

This case study shows that planning can be well organised, involve all stakeholders and have adequate time allocated to it. It also shows that other work sometimes interferes with the planning process, such as the Commonwealth Games, and that the process needs someone to champion it, in this case the Secretary General. The process that was followed in order to develop the ZOC’s strategic plan was thorough, inclusive and well planned, and this process can be followed by all types of OSOs. The ZOC sought funding to employ a consultant to help with the process. Although there may have been some delays, the end result has provided the ZOC with vision and direction. The OSO now benefits from planning in that it has objectives to help determine priorities, decisions are based on the strategic framework and the organisation is financially stable.
Managing Human Resources

Objectives

After reading this chapter, you should be able to do the following:

• Understand the role of human resources management in your organisation.
• Develop and implement rules and regulations for good management of your human resources.
• Undertake the development and implementation of a human resources strategy.
• Identify the key principles and actions for attracting, recruiting and motivating human resources.
• Implement a development policy through training.
• Develop the skills to effectively manage people.
Individual members of an Olympic Sport Organisation (OSO) are the main resource of the organisation. Human resources are essential for the efficient operation of the organisation and are necessary to obtain other resources such as money. Human resources management (HRM) is therefore the means of optimising the activities of the members, or human resources, of an OSO so that it can achieve its mission and goals under optimal conditions. In short, it is a way of using individuals for the benefit of the organisation. HRM is a component of general management, and as such it needs to serve the mission and objectives of the OSO.

However, although there is a functional side to HRM in OSOs, which have a mission to promote sport as a means of individual education and development, HRM must conform to the humanistic values that are the basis of sport itself. From this standpoint, HRM is both a means and an end for OSOs. If you agree that sport affords a philosophy of life, then this should be expressed in the activities that your organisation carries out. HRM in OSOs consists of both facilitating the education and development of individual and collective members and organising and engaging them in activities consistent with the values of sport.

OSOs have a number of characteristics that make the management of human resources challenging. Most OSOs are small, informal organisations, as shown by the research carried out by the NOC Relations Department of the IOC in 2005 and 2006. Table 3.1 shows that the majority of NOCs that responded (105 out of 202) have fewer than 20 staff members, and NFs, clubs and leagues are likely to have even fewer. In addition, the human resources of most OSOs are volunteers, with few if any paid personnel. This poses challenges for ensuring a committed, consistent and motivated staff.

Whether the staff consists of volunteers or paid employees, HRM is about matching the available human resources for organising necessary activities (competences) with the time period within which these activities are required (availability). The challenge is for your organisation to benefit from competent and available human resources.

**Table 3.1 NOCs Classified According to Staff Numbers**

<table>
<thead>
<tr>
<th>Continental association</th>
<th>5 or fewer</th>
<th>6-20</th>
<th>21-50</th>
<th>More than 50</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANOCA</td>
<td>7</td>
<td>10</td>
<td>1</td>
<td>2</td>
<td>20</td>
</tr>
<tr>
<td>EOC</td>
<td>3</td>
<td>14</td>
<td>9</td>
<td>8</td>
<td>34</td>
</tr>
<tr>
<td>OCA</td>
<td>2</td>
<td>7</td>
<td>8</td>
<td>4</td>
<td>21</td>
</tr>
<tr>
<td>PASO</td>
<td>9</td>
<td>10</td>
<td>2</td>
<td>4</td>
<td>25</td>
</tr>
<tr>
<td>ONOC</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>24</strong></td>
<td><strong>42</strong></td>
<td><strong>21</strong></td>
<td><strong>18</strong></td>
<td><strong>105</strong></td>
</tr>
</tbody>
</table>
In most OSOs the human resources function does not necessarily correspond to a position on the organisation chart. The position is often assumed by a president or secretary general, who is responsible for the strategic side of HRM, such as overseeing recruitment, salary policy and career advancement, and by the person who manages daily personnel concerns like payroll and leave management. Sometimes this situation reduces the function to the most indispensable tasks, such as those explicitly subject to national labour law.

Despite the unique nature of OSOs, certain management activities, such as HRM, are common to all organisations. This chapter looks at the issues involved in managing human resources effectively. It begins with a discussion of how to organise human resources and then in the second section considers the need to design and implement a human resources strategy. OSOs need to design a general human resources policy that fits with future goals and yet is realistic in terms of the organisation’s present circumstances. The third section reviews the processes needed to recruit new human resources. OSOs also need to retain and motivate existing human resources, and this too is discussed. The fourth section considers the factors involved in developing human resources through training in order to allow people to adapt to changes in the environment and acquire the skills needed to address these changes. The final section of the chapter looks at the personal skills necessary to lead and manage an OSO effectively. The issues dealt with in this chapter are then illustrated by a case study of the Gambia National Olympic Committee. Finally, please note that unless otherwise stated the terms “human resources” and “staff” refer to both volunteers and paid staff.

SECTION 3.1
ORGANISING HUMAN RESOURCES MANAGEMENT

Chapter 1 outlined how an organisation is characterised by the rules governing the way the organisation operates. While no organisation can exist without these rules, the rules vary in number and effect, known as the degree of formalisation in an organisation. One of the challenges in HRM is to establish rules and the conditions that allow these rules to operate in a way that will help rather than hinder the activities of those who work in the organisation.

The purpose of this section is to discuss the key areas for regulation and formalisation within an OSO. Five areas will be examined:

- Formalising the relationship between the organisation and its members
- Formalising individual positions and responsibilities
- Formalising hierarchical and operational relationships
- Formalising hours of work
- Formalising remuneration conditions
In addition, the role of rules in general will be discussed, because the content and application of rules have a significant effect on the operations and equity within an OSO. The section ends with a discussion of the operating procedures of the Barbados Olympic Association.

Formalising Relationships

OSOs should put procedures in place to formalise the membership of its volunteer, elected and salaried staff. For paid employees, this usually involves an employment contract, which outlines the agreement made by the signing parties. The contract usually covers:

- the position of the person representing the organisation at the time the contract is signed;
- the specific nature of the contract, called a "letter of commitment", which summarises the person's status (position and level), the length of the contract (specifying the effective date and the length of the trial period), and the starting salary;
- the conditions for termination, which can be initiated by either party, and the conditions allowing the employer to break the contract and dismiss the employee; and
- notice periods in the event of a breach of contract.

The terms of the contract are confirmed by the signatures of the parties involved.

Procedures similar to those described for salaried employees should also be established for volunteer positions. The document that is used to establish the procedures, the assignment letter, also outlines the nature and length of the assignment, the responsible authority within the organisation, and the resources that will be allocated, such as personnel, premises, equipment, funds and allowances. For elected volunteer members, some OSOs use documents that formally outline the nature of the accepted appointment (contract terms), which are distributed when the individual takes office. In addition, the procedures covering elected members are usually contained in statutes and fall under the control of the ruling authorities, such as the General Assembly or the Executive Committee.

Formalising Positions and Responsibilities

Positions and responsibilities are usually formalised in job descriptions, and detailed job descriptions for each position within the organisation need to be created. Table 3.2 presents the job description for the Director General of the Fédération Française de la Randonnée Pédestre (FFRP, French National Hiking Federation). You can see from this description that the responsibilities of the position are organised into four major categories, which is a common way to structure a job description. A general job description like this one will allow you to outline basic responsibilities and can serve as a foundation for more detailed workload analysis at a subsequent point.
Formalising Hierarchical and Operational Relationships

Every position should be defined within the overall structure of the organisation, and duties should be identified and divided amongst the organisation’s members. Relationships within an OSO can be formalised in an organisation chart (chapter 1) and the internal operating handbook, or staff handbook.

This handbook outlines how the organisation operates as dictated by its statutes and describes the internal regulations that guide the behaviour expected of employees in the professional life of the organisation. It also includes all duties and rights of employees, as well as suggestions for the best way to adapt or apply these rights. An example of an OSO’s staff handbook is provided in illustration 3.1.

Formalising Hours of Work

Modern forms of HRM are more concerned with tasks accomplished than the time taken to accomplish them, especially in the case of skilled workers. However, in many OSOs, it is still common practice to outline the hours of work for staff members. Several elements should be covered:

<table>
<thead>
<tr>
<th>Categories</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>General departmental management</td>
<td>Has the President’s full and complete authority to sign on his behalf.</td>
</tr>
<tr>
<td></td>
<td>Organises and coordinates the development and implementation of yearly action</td>
</tr>
<tr>
<td></td>
<td>plans, following the guidelines of the strategic plan.</td>
</tr>
<tr>
<td></td>
<td>Directs and coordinates the general management activities.</td>
</tr>
<tr>
<td></td>
<td>Divides up responsibilities amongst his colleagues and delegates them accordingly.</td>
</tr>
<tr>
<td>Personnel management</td>
<td>Responsible for managing and recruiting “personnel” and ensuring that the</td>
</tr>
<tr>
<td></td>
<td>organisation chart is revised as needed.</td>
</tr>
<tr>
<td></td>
<td>Sets staff salaries and bonuses, with the input of the “Resource Committee”.</td>
</tr>
<tr>
<td></td>
<td>Maintains relations with personnel representatives.</td>
</tr>
<tr>
<td>Internal representation</td>
<td>Acts as an advisory voice in the Executive Committee and in the Federation Office.</td>
</tr>
<tr>
<td></td>
<td>Is a member by right of the statutory commissions and committees, including the</td>
</tr>
<tr>
<td></td>
<td>“Finance Committee” and the “Resource Committee”.</td>
</tr>
<tr>
<td></td>
<td>Presents the annual management report to the federation authorities.</td>
</tr>
<tr>
<td>External representation</td>
<td>At the request of the President, represents the federation in external organisa-</td>
</tr>
<tr>
<td></td>
<td>tions.</td>
</tr>
<tr>
<td></td>
<td>Guides policy and follow-up measures in the activities of private sponsors and</td>
</tr>
<tr>
<td></td>
<td>public partners.</td>
</tr>
<tr>
<td></td>
<td>At their request, participates in meetings organised by government ministers.</td>
</tr>
</tbody>
</table>

Table 3.2  Job Description for the Director General of the FFRP

Adapted with permission of the French National Hiking Federation.
• There should be agreement on what is to be included, excluded or partially included in the schedule. Daily working hours are usually established, and these can be more or less flexible depending on the needs of the employee or the organisation.

• Maximum daily, weekly and sometimes annual numbers of hours are usually established, along with the conditions under which the hours of work may be changed.

• The conditions for working overtime or for receiving paid time off are defined.

• Leave benefits, such as paid holidays, family leave or study leave, are also established. Rules should be established for each type of leave, defining the length of time off, requesting procedures and conditions for approval.

Of course, the rules established by an OSO exist within the larger framework of the labour laws of the country in question. It is common that conditions for salaried employees within the organisation are more favourable than those outlined in the national labour laws.

While most OSOs formalise the work hours of their salaried workers, they do not always do so for elected members or volunteers. However, for an organisation to function efficiently, it is essential that an activity schedule listing dates of meetings, assemblies and sport events be defined and communicated to all stakeholders, including volunteers. This schedule is generally organised around the busiest periods, such as the annual General Assembly and Executive Committee meetings or sport events that dominate the organisation’s activities.

**Formalising Remuneration Conditions**

The management of human resources is sometimes described as finding a balance between contribution and remuneration, and it is hard to imagine an organisation being able to function for long if a general feeling of inequity prevails amongst its members. When it comes to salaried employees, the points usually formalised to constitute the organisation’s salary policy are as follows:

• A general remuneration scale for every position in the organisation

• The total amount paid for each position

• The form of the remuneration, such as salary, bonuses and benefits in-kind

• Definition of the rules covering changes to the remuneration, such as salary increases based on seniority or individual performance

• The way in which human resources are paid, which may be based primarily on legal statutes, time worked or the results of this work (which can be measured quantitatively or qualitatively, using a short-term perspective, such as staging an event, or a longer-term perspective, such as a quadrennial)

Whatever components make up the remuneration policy, they should be organised in a payment plan, which may cover the aspects outlined in table 3.3.
This table shows various factors that can affect remuneration and the way in which they apply to different categories of staff within an OSO. It also shows that many of these factors can be used in the remuneration of elected members and volunteers, not just salaried employees. You need to develop a general remuneration policy for all members, including volunteers, and you should be aware of the importance of nonmonetary rewards for all staff, paid and unpaid. Section 3.3 discusses nonmonetary rewards in more detail, but it is worth noting that the benefits in-kind outlined in table 3.3 are likely as important to paid staff and volunteers, if not more important, as is monetary remuneration. These nonmonetary rewards can help motivate staff and volunteers to perform at the highest level possible and to stay with the organisation.

### Table 3.3 Sample Payment Plan

<table>
<thead>
<tr>
<th>Remuneration: salaried employees</th>
<th>Base salary</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statutory bonuses</td>
</tr>
<tr>
<td></td>
<td>Performance-based bonuses</td>
</tr>
<tr>
<td>Benefits in kind: salaried employees and volunteers</td>
<td>Moving expenses</td>
</tr>
<tr>
<td></td>
<td>Uniform allowance</td>
</tr>
<tr>
<td></td>
<td>Mobile telephone or laptop computer</td>
</tr>
<tr>
<td></td>
<td>Business vehicle</td>
</tr>
<tr>
<td></td>
<td>Business housing</td>
</tr>
<tr>
<td></td>
<td>Access to medical care</td>
</tr>
<tr>
<td></td>
<td>Educational grants</td>
</tr>
<tr>
<td></td>
<td>Family aid</td>
</tr>
<tr>
<td></td>
<td>Subscriptions or tickets for sport events</td>
</tr>
<tr>
<td></td>
<td>Decorations and medals</td>
</tr>
<tr>
<td>Allowances: volunteers</td>
<td>Compensation allowance, accounting for a true loss of earnings</td>
</tr>
<tr>
<td>Long-term salary: salaried employees</td>
<td>Retirement benefit, paid by the organisation</td>
</tr>
<tr>
<td></td>
<td>Life insurance, paid by the organisation</td>
</tr>
</tbody>
</table>

Role of Rules in HRM

Rules have two important roles to play in OSOs: They serve as a common reference point for all individuals, and they prevent staff from falling prey to decisions based on the quality of interpersonal relationships, which can be unpredictable. When managing human resources within OSOs, clear rules thus have an undeniable effect on operational efficiency and the equity with which individuals are treated. It would therefore be of benefit for OSOs to formalise their procedures for HRM. However, you should also ensure that these rules support the established values and mission of the OSO, as well as its operating efficiency. Although sport organisations are often knowledgeable about sport regulations, they do not always pay close attention to the regulations that govern their internal operations. The conditions in which they operate change, and old rules do not always apply to new situations. Similarly, regulations are sometimes the result of different circumstances that bring something new to the organisation, sometimes resulting in rules that are dense and incongruous.
Beyond the content of the rules and their eventual adaptation to an OSO’s situation, there are three difficulties that threaten every organisation concerning rules and formalisation:

- Excessive rigidity in the application of rules, leading to a mechanical approach to issues that does not take into account the nature of each situation
- Apathy towards the system of rules, which may have been inherited from a former situation
- The arbitrary nature of rules that have been established without the participation of the employees and volunteers who are expected to follow them and who may not always understand the reasoning behind them

In order to avoid these problems, encourage staff to use the HRM regulations in a reasonable way. Respect for the spirit of the regulations should take priority over strict adherence to their content. Motivating the salaried and volunteer staff in an organisation can only be achieved by recognising their ability to adapt to specific situations, by encouraging initiative and innovation, and by seeking their involvement and participation in the life of the organisation.

**KEY RECOMMENDATIONS**

- Encourage your Board to establish contracts for all paid personnel and volunteers.
- Develop job descriptions for all positions in the organisation.
- Create a staff handbook to help staff and volunteers understand what is required of them.
- Revise administrative rules regularly to ensure their continued relevance.
- Closely involve staff members or their representatives in drafting or revising the rules in order to make the rules easier to follow.

The following illustration includes short abstracts from the *Office Rules and Regulations* of the Barbados Olympic Association. It shows how it is possible to give staff a clear view of what they can expect from the organisation and what the organisation expects from them. When reading this illustration, please be aware that there may be rules and regulations that are not relevant for your OSO or that may not be culturally acceptable in your country. This material is provided to give you an example of what could be contained in a staff handbook.

**Illustration 3.1**

*Office Rules and Regulations of the Barbados Olympic Association Inc.*

The Barbados Olympic Association Inc. (BOA) was established as the NOC of Barbados in 1955 and was recognised by the IOC in the same year. However, it was not until 1968 that Barbados participated in an Olympic Games. Since then the Barbados flag has flown at all Olympics with the exception of Moscow in 1980.
One useful tool in the formalisation of HRM in the OSO is the *Office Rules and Regulations* manual. The BOA developed this manual in order to

- establish standardisation, consistency and protection in practices;
- assist in the training of office personnel;
- promote consistency in office performance; and
- aid in performance evaluations.

This manual is a current, practical administrative guide for the BOA (referred to as “the Company” in the manual) and is administered by the Office Manager. It describes specifically how business procedures and operations are conducted within the OSO. The manual’s content and style are determined by the Administrative Committee of the BOA, which is charged with addressing the needs of users of the manual.
Formalising Relationships

The manual covers the following in terms of formalising the relationship between the BOA and its staff. Note how clearly the criteria for eligibility are laid out, as well as the thorough process followed when appointing staff. Although there is no mention of volunteers, the following procedures could easily be applied to unpaid staff.

Probation and Confirmation of Appointments

When interviewing candidates to fill a vacancy, the Company aims to use every reasonable means available to select the best applicant to fill the position.

a. Applicants will be interviewed and may be tested in accordance with procedures laid down from time to time by the Executive Council.

b. Applicants will be required to supply other pertinent information the organisation may require.

c. If the applicant was not previously employed, written references must be obtained from the Principal of the last school attended.

d. If the prospective employee has previously worked, National Insurance and National Registration Identification Numbers are required.

e. Applicants should possess the following minimum educational qualifications: four passes in GCE or CXC “O” level or equivalent, of which English Language is compulsory, and other technical qualifications as may be required for a particular position.

f. An employee joins the Company's staff for a probationary period that is usually three months. The employee may not be confirmed as a permanent employee until this probation has been satisfactorily completed. The letter of appointment will be forwarded by the President.

g. Accurate completion of the employment application form is absolutely necessary, as this becomes an integral part of the employee's permanent record. Any change in this information should be reported to the Office Manager and/or Secretary General.

h. If the applicant will be handling cash, an investigation may be carried out into the individual's employment history.

i. Employees may be required to take a Medical Examination before confirmation of employment is approved, and annually thereafter if the Company so requires. Such an examination is to be undertaken by a doctor specified by the Company and at the Company's expense.

Formalising Positions and Responsibilities

The manual contains copies of all relevant job descriptions, which outline the tasks and responsibilities the positions entail.

Formalising Hours of Work

Expectations regarding work are clearly laid out in the manual.
Office Hours
The Company’s office is to be open from 8:00 a.m. to 4:30 p.m. Monday to Friday with at least one staff member on duty between these hours. All members of staff must average 37.50 hours per week.
Overtime may be paid subject to prior approval and if special circumstances exist. In lieu of overtime pay, compensatory time off may be offered by the Company and each case will be considered on its own merit.

Holidays
Employees should realise that office routine should continue without interruptions and the choice of vacation period is subject to the Office Manager’s and/or the Secretary General’s approval. Employees are asked to submit requests for holidays no later than January 31st of the year in which the holiday will be taken. It is understood that this initial request may change but is necessary for the Office Manager to ensure the office will be manned at crucial work times.

Holidays at Christmas and Easter should be taken on a rotational basis.

A minimum of fourteen (14) days holiday must be taken in a calendar year. Holidays not taken during a calendar year may be carried forward and accrued to be used within the current Olympiad: a four year cycle.

Absences
The Company endeavours to keep its staff balanced with the amount of work to be done.
Everyone has a job to do and if an employee is away, it means another member of staff has to take over some of the absent employee’s duties. We all know it is necessary sometimes to be away. If an employee is ill, he/she should not be at work. Whenever an employee will be away through illness, he/she must notify the Secretary General before 8:00 a.m. on the day he/she will be absent. Simply advising a co-employee or leaving a message on the voice mail is unacceptable.
If an employee is absent for one or two days, an absence report must be submitted immediately upon return to work. If an employee is absent for three or more days, a Medical Certificate must be submitted by the third day of his/her absence.

Formalising Remuneration Conditions
As can be seen by the following content, the BOA uses a number of financial and in-kind benefits to motivate its staff. Perhaps most importantly, the manual outlines exactly how the performance of employees will be evaluated. This will clarify the situation for all involved and will minimise complaints of patronage and favouritism.

(continued)
Merit Increases

At the time of employment, employees will be advised of the category into which the particular post falls. Remuneration will be reviewed annually when inflationary and merit increases may be applied. With the exception of the inflationary increment, merit increases are based on the Office Manager and/or the Secretary General’s report on the progress made in the year under review.

Evaluation

Once an employee is confirmed, his/her performance will be evaluated by the Office Manager and/or the Secretary General on a half-yearly basis. Some of the ways the Office Manager and/or the Secretary General determines an employee’s capabilities and values are on the basis of:

a. The quality of work being done.
b. The amount of work being done.
c. Punctuality and attendance record.
d. The way the employee reacts to new jobs and new instructions.
e. The interest displayed in the work being done and the work of those around the employee.
f. The ability to assume a more responsible place in the Company.
g. The attitude towards co-workers.

Bonuses

These are usually one month’s salary and are paid during the month of December at the discretion of the Executive Council. They are not an automatic right of employees.

Insurance

When an employee’s appointment is confirmed, he/she may select to join and contribute to the Company’s Group Life and Health and Accident Insurance Plans. The Company pays a portion of the cost of these benefits.

Study Leave

It is understood that from time to time employees may register for courses outside of the workplace in an effort to enhance their own professional development.

Employees will be granted one week study leave per annum. Consideration will be given to applications for an extension to this leave. This leave will take into consideration study time and the taking of examinations.
General Rules and Regulations
The rules and regulations manual contains a number of other rules that are designed to guide the behaviour expected of employees. A few of these rules are presented next.

Alcohol and Drugs
Alcohol may not be consumed in the Company’s office, unless on a special occasion. The use of illegal drugs is prohibited by law and the Company will maintain a zero tolerance policy relating to the use of illegal substances.

Mail Procedures
Mail and deliveries are to be received by the Office Manager. In his/her absence mail and deliveries should be received and opened by an assigned employee and placed on the Office Manager’s desk.

All incoming mail must be stamped with the date on which it is received.

All incoming and outgoing mail must be recorded in the Mail Log, which is to be maintained by the Office Manager and kept where it is easily accessible to all employees.

The Secretary General must review copies of all incoming mail. Outgoing mail should be vetted by the Secretary General before submission.

On perusal of the mail and acknowledgement of same by signing, the Secretary General will collate and assign [appropriate responses] to an employee for action.

No smoking
Smoking is not permitted in the Company’s office.

Opening and Closing of the Office
All employees will be issued with keys to the office. The first person arriving on work days should check the office carefully before settling down to work. He/she should also turn on the lights, turn on the door buzzer, turn on the air-conditioner, close the doors to the washroom and kitchen, power up the main system computer and check messages on the voice mail.

The last person leaving the office in the evening must ensure that all equipment, lights (both office and storeroom) and air-conditioner are shut down, the coffee maker/tea pot is unplugged, [and] the doors to the boardroom, kitchen and washroom [are open]. All locks on the door must be locked and the padlock should be fastened on the wrought iron gate.

(continued)
Secretariat Meetings

Staff meetings are a key element in keeping all employees abreast of current work being done in the office. Meetings should be held monthly, but more frequently if necessary.

Sexual Harassment and Violence

The Company will not tolerate any form of harassment or workplace violence on its premises or at any Company sponsored event or activity, by or against any employee, Executive Council Member, contracted service provider or visitor. Persons who think they have been harassed or threatened, or who have knowledge of harassment or threatening behaviour, are encouraged to contact the President.

It is the responsibility of all Executive Council Members and employees to contribute to an environment free of harassment and violence.

As you can see, the objective of the BOA’s Office Rules and Regulations manual is to present the rights and duties of the personnel, provide information on what can be expected from the organisation, and give guidance on behaviours at work. It defines the bases of good practices and could be used as a training tool. However, it is important to remember that the content of such a staff handbook will vary in relation with organisational and cultural differences.

SECTION 3.2
DEVELOPING A HUMAN RESOURCES STRATEGY

Working on the motivations and competences of human beings is a long-term process, and in order for an OSO to manage its human resources effectively, it needs to have an HRM strategy. This will provide a guide for the management of human resources, thus ensuring that resources and activities assist in achieving the objectives of the OSO. The process for creating an HRM strategy is similar to the strategic planning process outlined in chapter 2; however, an HRM strategy is a functional strategy in that it is developed in order to direct the work of the human resources towards the strategic objectives. In the case of OSOs; organisations characterised by educational, cultural, and social missions and objectives; a human resources policy must not only ensure the efficient mobilisation of resources, but must do so in accordance with Olympic values.
This section presents the procedures to be followed in developing an HRM strategy and begins by discussing the process of analysing the human resources that are available to the organisation. This is followed by a discussion of possible HRM objectives, which are then related to action plans. The principles of implementation and evaluation are considered, and the section ends with an illustration of the human resources strategy that the Comité National Olympique et Sportif Français (French National Olympic and Sports Committee) has for its paid employees.

**Analysing Human Resources**

The first step in developing an HRM strategy is to analyse the existing human resources in the organisation. No action can be undertaken without having a clear and broadly shared vision of the current resources. The analysis consists of identifying the organisation's strengths and weaknesses in terms of human resources, and it must include any obstacles to the implementation of the organisation's strategic plan, including any obstacles that contradict the OSO's values. For example, if the OSO wants to stage a major event, does it have the human resources, paid or volunteer, with the right skills to do so?

You could evaluate the overall situation, or you could address the main areas of activity that comprise HRM, including the following:

- Circumstances and practices regarding working conditions
- Recruitment practices, such as a global head count by category, labour turnover by category or recruiting procedures used
- Ongoing evaluation of staff skill levels
- Remuneration practices in terms of material compensation, such as salary scales, individual and collective increases, and additional benefits
- Training practices in terms of the volume and type of training, the staff who have access to training and the rules of access to training
- Internal communication practices, such as the existence of personnel information, nature and frequency of communications, and circulation
- Decision-making practices, such as the relationship between decision-making members and personnel, as well as conditions for developing this relationship

Responsibility for such an analysis will depend on the size of your organisation and the resources it has. It could be the work of a Board member, outside consultant or ad hoc committee within the organisation. In all cases, the secretary general, president or general manager, human resources director (if this position exists within the organisation) and representatives from those who work with the organisation should be involved in this analysis in order to validate its results.
Your organisation’s most valuable asset is its human resources. Here the staff of the New Zealand Olympic Committee gathers for a celebration.

The analysis can be based on internal administrative documents, questionnaires, and individual and group interviews. An in-depth analysis may be carried out every 4 years and updated every year through annual individual interviews. Performing this analysis properly requires a financial and time investment. For example, if you use an outside consultant, financing may be required for the consultant to work 1 or more weeks. In small organisations, as OSOs tend to be, undertaking a human resources analysis is also an opportunity to update member records.

Defining Human Resources Objectives

Setting objectives for human resources involves identifying the actions needed in the relevant areas of HRM, choosing priorities amongst these actions and then precisely describing what the actions cover. When determining your objectives, you should attempt to address the major weaknesses found in the analysis, particularly those with a significant impact on operations. For example, if there is internal conflict between management and elected members, you may wish to implement a communication policy to help increase understanding.

Defining human resources objectives is a major responsibility of the person who is in charge of HRM, and the objectives must have the approval of the Board. Because achieving these objectives will require financial and human resources, the secretary general and general manager should be closely involved. The following are possible HRM objectives for an OSO:
• To ensure that monthly staff meetings have an agenda, in response to staff criticisms of the inefficiency of meetings
• To recruit an information and communication technologies (ICT) officer in the coming year, which is seen as a major need for the development of the organisation
• To carry out training in ICT over the next 4 years in order to implement a computerised process into the administration of the OSO
• To build a framework for yearly performance-review interviews, in response to criticisms regarding a lack of standardisation
• To set rules for career development on an 8-year agenda, in response to criticisms over an absence of rules in that area

Developing the Action Plan

When the objectives have been defined, they must be translated into specific actions. If, for example, you have defined the implementation of an internal communications policy as a priority objective, it may be necessary to recruit someone with the required skills to define the objectives and practices of the policy. If the action plan involves multiple operations, it should be broken down into several basic actions that are developed and carried out by the various departments.

As outlined in chapter 2, an action plan involves an implementation schedule and appropriate resources. For example, training senior managers in time management skills, carrying out a recruiting campaign for volunteers and developing new salary scales within the organisation all require careful planning of actions in order to achieve the end objective. The action plan cannot be put into effect without the approval of the Board since it will affect the global policy and strategy of the organisation.

Executing and Evaluating the Strategy

Once the HRM action plans have been developed, agreed on and appropriately resourced, they need to be implemented into the OSO. This may require the management of change, as outlined in chapter 1. Execution of the plan should be recorded in order to show what has been carried out. For example, if an OSO implements a new internal communications policy, the person in charge should keep track of the process, the practical initiatives to be taken, the reactions that have been observed and any amendments to the initial plan.

Once the plan is in place, it then needs to be evaluated. This could be done by asking stakeholders whether communication has improved, getting feedback on the use of the new intranet and e-mails containing minutes of Board meetings. The evaluation of HRM objectives should follow the principles outlined in chapter 2. You should set performance indicators against the objectives when establishing what you want to achieve, and these should be a mix of qualitative and quantitative measures where possible. For example, consider two of the HRM objectives previously set out:
• To ensure that monthly staff meetings have an agenda, in response to staff criticisms of the inefficiency of meetings: This objective could be evaluated by keeping records of agendas to show they were produced and asking staff if they have helped to reduce the inefficiencies of meetings.

• To carry out training in ICT over the next 4 years in order to implement a computerised process into the administration of the OSO: This objective could be evaluated by keeping records of the people who are training and asking them to evaluate how useful the training was. In addition, you could monitor their work to see what gaps exist in the training programme.

OSOs undertake too many initiatives without seriously evaluating their effects. Even if it is sometimes difficult to develop simple and reliable indicators for evaluating human resources, without such indicators it is impossible to evaluate the success of the HRM strategy and its contribution to the overall direction of the OSO.

**KEY RECOMMENDATIONS**

- Carry out an analysis of your OSO in terms of its head count, skill level and labour turnover.
- In consultation with your Board, develop objectives for your HRM strategy that link into the overall organisational strategy.
- Put actions in place to meet these objectives.
- Evaluate the impact of your HRM strategy on achieving the OSO’s objectives.

The following illustration presents part of an HRM strategy that has been implemented recently in the Comité National Olympique et Sportif Français (French National Olympic and Sports Committee). It concerns only the paid staff of the NOC (around 25 persons) and excludes civil servants from the Ministry of Youth Affairs and Sports operating within the NOC, as well as elected volunteers.

**Illustration 3.2**

*HRM Strategy of the Comité National Olympique et Sportif Français*

The Comité National Olympique et Sportif Français (CNOSF, French National Olympic and Sports Committee) is the umbrella organisation for sport in France. It is responsible for coordinating activities in the association’s sport movement and representing the movement to the public authorities. The CNOSF appointed a Human Resources Director to work under the direct supervision of the Director General. This person was required to prepare an HRM strategy in collaboration with senior management, define the conditions for applying this strategy, coordinate the activities of Department Directors in applying the strategy and ensure good relations with personnel representatives.
Analysing Human Resources

In order to develop the strategy, a human resources analysis was undertaken. This was done in collaboration with heads of departments, took nearly a year to complete and was based on the following:

- Individual personnel interviews
- Interviews with Department Directors and Office Managers
- Consultation with personnel representatives
- Auditing of several departments
- Regular meetings between management and employees
- A satisfaction survey with members of the CNOSF (federations and central bodies of the CNOSF)

From this list, you can see that a thorough analysis was carried out with all key stakeholders. This provided a good underpinning for subsequent strategy development. Using the information gained from these activities, the human resources (HR) staff performed an analysis of the situation, which served as the basis for formulating objectives that relied on the OSO's strengths and offset its weaknesses. The strengths of the CNOSF were as follows:

- Adherence by employees to the CNOSF culture of Olympic values and related operations
- Positive perception of the increasing formalisation of HRM, in particular job descriptions, which were perceived as a safety measure by employees and management
- Motivation of CNOSF employees

The weaknesses were as follows:

- Difficulty in articulating the organisation's values and certain aspects of its practices, such as gender equity and team spirit
- Underrepresentation of women (5 out of 45) and young people on the Board of Directors, where the average age was approximately 58
- Resistance to changes in operating methods, such as computerisation
- Resistance to changes in employee management methods (it was difficult to involve senior management other than the Chairman, General Secretary and Treasurer)
- Lack of understanding of some actions undertaken, which was a result of absent or weak communication about some key actions developed for the ongoing Olympiad

Objectives and Actions of the HRM Strategy

Following are the three objectives that the CNOSF set and the action plans chosen in terms of human resources.

(continued)
Objective 1: To promote efficient employee management and improve communication

This objective required the following actions:

- Develop shared job descriptions to improve coordination amongst employees and facilitate recruitment.
- Assign a person to coordinate the departments (see also the following information on training actions in objective 2).
- Implement weekly coordination meetings, led by the General Manager, with Department Directors or Office Managers in order to manage communication between senior management and department heads.
- Establish a monthly meeting between management and the personnel representatives in order to establish social dialogue.

Objective 2: To organise internal training on critical issues to improve internal communication

This objective required the following actions:

- Organise internal training sessions on public speaking.
- Organise internal training sessions on team management for department coordinators.

Objective 3: To increase the number of women and young people in the organisation

This objective required the following actions:

- Action at the federation level to nominate more women.
- Maintenance of the current balance in full-time staff at the recruitment stage.
- Recommendations to the federations to hire more people younger than 45.
- Recruitment in favour of introducing more young people in the organisation and the establishment of a recruitment plan.

Implementation of the Strategy

The actions outlined here have been implemented into the organisation, and their current status is now presented.

Internal Communication

Internal communication was identified as an area of weakness for the organisation, which led to the development of objective 1. The communication strategy is simple. First, each Department Director is invited to attend the CNOSF Board of Directors meeting to become up-to-date with the strategic options defined by senior management. The Directors’ responsibility is to relay the contents of this policy to the employees in their department.
A weekly meeting is also organised by the Chair’s Cabinet Director and includes a representative of each CNOSF department. This meeting is an occasion to debate implementation of the strategy decided on by the directors, as well for each department to report on its current activities. It is also an occasion for general management and the Executive Committee to report on the strategic options they would like to implement. The dissemination of the minutes of these meetings allows all employees to become familiar with the current general policy. In addition, they can become familiar with all the organisation’s activities and therefore develop a feeling of belonging to a community. Finally, a monthly meeting is held with personnel representatives to allow management to pass on its messages and to allow the departments to report on work in progress.

Training

In order to meet objective 2, training is used as one of the strategic HRM levers. Because certain employees have specific technical skills that may be useful to others, they have been used as trainers. Training is offered for computer skills, public speaking and team management in order to meet the objectives of the HRM strategy.

Recruitment

Careful recruitment helps the CNOSF to meet objectives 1 and 3 and is based on a description of the job’s activities and skills necessary for performing them. This description serves as the basis for each job description. In order to take into consideration changes in the responsibilities of employees in the time since they were hired by the organisation, HR staff interviewed each employee. The purpose of this was to update the job descriptions in order to

- recognise the skills employees have acquired since being hired,
- obtain an accurate picture of each employee’s responsibilities and thereby provide for the most relevant professional changes (internal transfers), and
- avoid conflicts related to misunderstandings in each person’s activities.

These job descriptions were also objective aids to the classification of employees into an organisational structure.

Evaluation of the Action Plans

Although the CNOSF did not set out a specific strategy for evaluation, the development of performance indicators for the objectives would be relatively easy to establish because the objectives are so clear. For example, objective 1 could be evaluated as follows:

Objective 1: To promote efficient employee management and improve communication

- Develop shared job descriptions to improve coordination amongst employees and facilitate recruitment: Have the job descriptions been prepared? Have they improved job coordination and recruitment?

(continued)
Illustration 3.2 (continued)

- **Assign a person to coordinate the departments:** Has this happened? Is this person performing this role effectively?
- **Implement weekly coordination meetings:** Has this happened? Are these meetings improving coordination amongst departments? How could the meetings be improved?
- **Establish a monthly meeting between management and personnel representatives:** Has this happened? Do both parties value the meetings? What would make the meetings better?

The thorough analysis carried out by the HR team allowed clear objectives for HRM to be developed. This meant that detailed strategic actions could then be associated with these objectives, which were subsequently introduced into the CNOSF. Although the appointment of a Human Resources Director was the catalyst for this analysis, this type of activity can be carried out by an OSO of any size. Indeed, smaller OSOs will find this activity of particular value since it may identify skills amongst volunteers that had been unused previously or may identify why the organisation has difficulty getting volunteers to take up particular roles. The key to the process is to identify the strengths and weaknesses of the organisation and then establish plans to use your strengths to overcome the weaknesses. After completing the process once, subsequent strategies will be much easier to develop.

**SECTION 3.3**

**RECRUITING AND MOTIVATING HUMAN RESOURCES**

Once you have developed a strategy, you must ensure that your organisation has the resources to implement it. Even if you work hard to retain your members, the effects of age and other changes in personal circumstances will cause some attrition. In addition, OSOs generally require a regular increase in their human resources to ensure the organisation’s development. For some key activities, such as the staging of events, OSOs also need an increase in human resources for a short period.

Recruitment is therefore of vital importance for OSOs, and this section considers how to determine recruitment needs in an OSO and design a recruitment strategy to meet those needs. It then goes on to look at recruiting procedures. Dedicated and motivated staff are also vital for OSOs, and the second part of this section looks at the rewards that can be used to motivate staff within an OSO. The section concludes with an illustration of what motivates volunteers in the Qatar National Olympic Committee.
Recruiting Human Resources

Recruitment is the process of attracting suitable candidates to vacant posts. Recruitment practices in OSOs vary widely and different procedures apply, often depending upon whether an organisation is recruiting volunteer senior management, salaried administrative employees or volunteer technical staff. The first stage of the process requires you to carry out an HRM audit to identify where you will need to carry out recruitment in the near future.

Evaluating Human Resources Needs

Evaluating HR needs in terms of volunteer and professional staff requires you to define an expected quality of service and identify the human resources necessary to meet this standard. This evaluation must not only take into account existing need, but also address the needs of development projects that fall within the strategic plan. It should also address the impact of the early departure of some staff. This evaluation can be done by listing the human resources that your organisation currently has available and identifying shortfalls in these resources. You will need to make a quantitative assessment in your audit, and one way of presenting the audit is set out in table 3.4.

From this table we can see that the federation requires 14 qualified national coaches. It currently has 10 national coaches, of which only 6 are qualified. The OSO is planning to recruit one qualified staff member each year for the next 4 years and train one existing staff member each year until they are all qualified. This evaluation provides a guide for recruitment and planning and should be carried out position by position in order to identify the necessary skills and the skills actually present, as well as development needs.

Table 3.4  Evaluating Human Resources Needs in an NF

<table>
<thead>
<tr>
<th>Position</th>
<th>Current head count</th>
<th>Qualified staff</th>
<th>Optimal head count</th>
<th>Head-count shortfall</th>
<th>Planned recruitment</th>
<th>Number gaining qualifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>National coaches</td>
<td>10</td>
<td>6</td>
<td>14</td>
<td>4</td>
<td>1 each year during the next 4 years</td>
<td>1 each year during the next 4 years</td>
</tr>
<tr>
<td>Manager</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>1</td>
<td>1 during the next 2 years</td>
<td>1 during the next 2 years</td>
</tr>
</tbody>
</table>
Recruitment Strategies

Optimal recruitment involves selecting an appropriate number of people with the necessary skills to cover the organisation’s current and imminent needs, and then assigning individuals to the departments that need them. Optimal recruitment is rarely achieved by OSOs because it is often difficult to immediately find the appropriate people capable of assuming the necessary positions. However, when a vacancy occurs within an OSO, you have three options. You can recruit someone from outside the organisation, you can fill the position with someone from within the organisation, or you can decide that filling the vacancy is not justified and reorganise instead.

If you choose to fill the vacancy, you need to decide whether to choose a candidate from inside or outside of the organisation. Table 3.5 outlines the advantages and disadvantages of each solution.

However, in many OSOs, the recruitment of staff and volunteers with no prior links to the organisation is extremely rare. Indeed, in many sport federations or clubs, athletes become volunteer coaches or team managers and subsequently are appointed to paid positions within the OSO (figure 3.1).

In larger OSOs, this path to paid employment may take many years. It ensures the worker’s loyalty to the culture and values of the organisation; however, it also often prevents new ideas from coming into the organisation. In addition, moving from one function to another assumes that the person has the skills needed for the new job, which may not always be the case. Thus, it is important to find the best compromise between loyalty and professionalism and to avoid opportunism and nepotism.

Table 3.5  Advantages and Disadvantages of Recruitment Options

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Internal recruiting</th>
<th>External recruiting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candidate’s knowledge of the organisation</td>
<td>Potential for greater innovation</td>
<td></td>
</tr>
<tr>
<td>Low cost and speed of recruitment</td>
<td>Possible rebalancing of staff composition (gender, age)</td>
<td></td>
</tr>
<tr>
<td>Motivation of employees through promotion</td>
<td>Increased head count</td>
<td></td>
</tr>
<tr>
<td>Disadvantages</td>
<td>Limited choice</td>
<td>Longer adjustment time</td>
</tr>
<tr>
<td>Reorganisation to be managed</td>
<td>Uncertainty as to the recruited individual’s knowledge and skills</td>
<td></td>
</tr>
<tr>
<td>Potential for less innovation</td>
<td>Risk of losing existing employees</td>
<td></td>
</tr>
</tbody>
</table>
Recruitment Procedures

Recruitment is a structured process that involves the steps outlined here. If possible, this process should be followed when recruiting both paid staff and volunteers.

1. **Identify needs**: This should be done through analysis of the organisation in order to identify numbers required and skills gaps in human resources.
2. **Meet needs**: Determine the way gaps will be filled, including internal or external recruitment or reorganisation of the service. In addition, determine the procedures you intend to use.
3. **Invite candidates**: Communicate your human resources needs internally and externally by appropriate means, such as using an informal network of employees or advertising, and ask for candidatures to be presented in a standardised format.
4. **Receive and evaluate candidates**: In general, a first selection is made on the basis of written documents, and the selected candidates are interviewed by the HR director, the head of the department concerned, and, in smaller OSOs, the president or general secretary. The evaluation should be done against the skills and knowledge required for the post.
5. **Choose candidate**: The best candidate is selected collectively by the main stakeholders.
6. **Formalise contract**: According to labour law, a formal contract or assignment letter is signed by the candidate and the head of the organisation.
7. **Hire and integrate**: During the first week or month, special treatment to facilitate the smooth integration of new recruits is required to help them to understand their job and the organisation.
In the case of volunteer positions, the recruitment procedure will depend on the organisation's attractiveness and reputation. For more recognised organisations, it may be possible to attract a wide range of candidates for certain volunteer positions and then use a procedure similar to that used for employees. A small local club with a low level of attractiveness will undoubtedly find it difficult to recruit a competent volunteer coach and may only have one candidate. In the case of volunteer managers who are subject to an election, the procedure is different again in that a vote takes the place of the recruiting procedure. Competition is generally lower at the local level and higher nationally.

**Motivating Human Resources**

Following the recruitment of both paid and volunteer staff, a significant aspect of HRM is the motivation of the human resources at your disposal. Motivation refers to motivating workers in an organisation to carry out assigned tasks to the best of their abilities. Pinder (1998, p. 11) has defined motivation at work as follows:

> A set of energetic forces that originates both within as well as beyond an individual’s being, to initiate work-related behaviour, and to determine its form, direction, intensity, and duration.

This definition emphasises several aspects of the motivational process. First, it refers to a set of forces, suggesting that a person is motivated to engage in a task because of several reasons. Bear in mind that not all of these reasons will be obvious. This definition underscores the fact that the motivating forces could be within the person or in the context in which the person is embedded. This distinction between internal and external forces parallels the distinction between intrinsic and extrinsic motivation. Intrinsic motivation comes from within the individual and is usually quite difficult for the OSO to identify, whilst extrinsic motivation comes from factors related to working with the OSO. Finally, the definition suggests that the motivational forces determine how long, how vigorously and in what activities the person will engage in. In short, if workers are not motivated in some way, they will fail to carry out their activities to the best of their ability.

A fundamental responsibility of HRM is therefore to ensure that the internal forces within a person are triggered into action, and to make the organisational context such that it encourages motivation. There are a number of ways that this can be done, making use of both extrinsic and intrinsic rewards. In an OSO, the main factor used to enhance motivation is the rewards systems instituted with the organisation. In many cases, this system is primarily for paid staff; however, many aspects of the intrinsic reward system can be applied to volunteers. The key is to understand what motivates people and why.
Intrinsic Rewards

The extrinsic rewards just discussed are material rewards that involve financial outlay by the organisation, whilst intrinsic rewards are administered and experienced by the staff themselves. A significant feature of intrinsic rewards is that the more the intrinsic reward acts as a motivator, the more the person values the reward. That is, once staff members experience achievement and a sense of growth, they want to experience it even more. In contrast, the value of monetary rewards tends to decrease with the more financial rewards you get.

OSOs need to place greater emphasis on intrinsic rewards, particularly for their volunteer workers. By definition, volunteer workers are not there for monetary benefits. The only way to retain volunteers is to offer them opportunities to enjoy intrinsic rewards. Of course, their altruistic orientation and the purposes of the OSO are sources of intrinsic satisfaction. However, the organisation must go beyond these basic rewards and create an environment wherein volunteers can experience other intrinsic rewards and be motivated further to work on behalf of the organisation.

There are several activities that support or act as intrinsic rewards. They are not only important for volunteers, but also motivate paid employees. Intrinsic rewards can take the following forms.

- **Direct feedback**: Staff members should receive immediate and concrete feedback when their work has been evaluated. In some cases, the feedback can be built into the job itself. For example, a volunteer worker recruiting members for the sport organisation gets direct feedback every time the membership fee is collected.

- **New learning**: OSOs may provide their staff with the opportunity to gain knowledge and learn new ways of doing things. This could entail assigning progressively more challenging jobs to staff. For example, the OSO may assign a new recruit the task of keeping account of the day-to-day income and expenses. Progressively, this person may be asked to master double-entry bookkeeping and preparing a balance sheet. As these tasks are mastered, the person may be asked to become conversant with the tax laws that govern the finances of the OSO, including donations and sponsorships.

- **Control over scheduling**: It is possible that an OSO may permit some of its staff to schedule their own work within some broader limits. For example, flexible work time requires that an employee be in the office between 10 a.m. and 12 noon and then between 2 and 3 p.m. This covers only three hours in a day, and the employee is permitted to schedule the rest of the time with the provision that over a period of time, such as a week, the employee must spend the minimum time required, such as 40 hours. This allows an employee to spend the stipulated minimum 3 hours in one day and spend 12 hours the next day as desired.
• **Control over resources:** Staff members may be given control over the material and human resources required to do their job. For example, the technical director of an OSO may be allotted a certain amount of travel money for the year and allowed to decide on the trips to make that year.

• **Direct communication authority:** Staff should be allowed to communicate directly with those who provide input to their work and those who use their output. For instance, the public relations manager of an OSO should be permitted to communicate directly with media personnel, government agencies, and regional or provincial counterparts.

• **Personal accountability:** Staff must feel personally responsible for the outcome of their work. This will enhance a sense of responsibility, which has a motivational impact.

To summarise, recruiting and motivating human resources are key issues for an OSO. Without people who have the right skills and who are motivated to do their best for the organisation, OSOs will fail to meet their strategic objectives. Both aspects of management should be based on a comprehensive evaluation of the needs of the organisation and expectations of the existing human resources. This requires consultation with both volunteers and paid staff to find the ways to implement these tasks efficiently.

**KEY RECOMMENDATIONS**

- In consultation with your Board, evaluate your human resources needs on a regular basis. Do this for both paid personnel and volunteers.
- Have a fair system of recruitment that allows you to choose the most appropriate people for vacant positions.
- Make sure you know what motivates your staff and ensure that these factors are present in the OSO.
- In particular, provide intrinsic motivators because these are more powerful than extrinsic, or material, rewards.

The following illustration highlights how a better understanding of volunteers' motivations could help the management of volunteers in the Qatar National Olympic Committee.

**Illustration 3.3**

*Motivations of Volunteers in the Qatar National Olympic Committee*

Every year several international state-of-the-art sport events are organised in Doha, the capital city of Qatar. As a consequence, Doha has become known as the sport capital of the Middle East. However, apart from the challenges of technical event management and operations, when Qatar organises multisport events, it faces difficulties in recruiting dedicated volunteers.
Upon questioning sport managers about volunteering in Qatar, it seemed that most organising committees had major problems finding the necessary number of volunteers, primarily because no attention was given to recruitment in the early stages of event organisation. Volunteers were mostly recruited in the last minute amongst family members of the leadership of the federation and amongst sport fans. Only the Qatar Tennis and Qatar Golf Federation have a comprehensive list of some 300 volunteers each that they count on every year. As a result, research was carried out by the Qatar National Olympic Committee (QNOC) to determine what would encourage people to volunteer for major sport events.

**Description of the Project**

The aim of this work was to identify motivational and other elements that would enhance volunteering for multisport events organised in Qatar. Information was collected through a review of literature and through documentary analysis of previous events. Additional information was collected through interviews taken from organisers of national sport events.

Based on this information, a questionnaire was designed to assess volunteering. The questionnaire was completed by 800 people, 100 per gender from the following four main groups in the population of Qatar: Western expatriates, expatriates from non-Arabic-speaking nations in Asia, expatriates from Arabic-speaking nations in Asia and Africa, and Qatari nationals. All 800 questionnaires were subject to statistical analysis to detect intragroup differences, as well as differences between the two genders.

**Questionnaire Results**

The questionnaire contained questions that aimed to establish the frequency of respondent volunteering, the types of activities people would be most likely to volunteer for, what motivated them and what rewards they would expect. The questionnaire identified the following factors.

(continued)
Participation in Volunteering

Less than 29% of the 800 people surveyed had ever volunteered for a sport event in Qatar in the past. This percentage is low compared with the 45% to 50% of people that volunteer in Western populations. There was also a difference in the frequency of volunteering of men (33%) and women (25%). The gender differences were mainly found in the Asian, Arab and Qatari groups; women in these groups volunteered significantly less frequently than Western women.

Activities

In general, it was found that Western men would choose to volunteer in the fields of management and accreditation, while Asian men would volunteer in significantly higher numbers as drivers, porters, cleaners and maintenance workers. Both Arab and Qatari men would volunteer in the fields of public relations and escorting.

Western women would volunteer in public relations, while Asian women would volunteer in the fields of public relations, cleaning and maintenance. Arab as well as Qatari women were more likely to volunteer in the field of administration. Analysis of educational aspects showed that Asian women who finished secondary school would volunteer in the fields of administration and public relations, while those who had less education would volunteer in the fields of maintenance and cleaning.

When comparing the results of the Qatari men and women, it was found that the men were more interested in volunteering in the area of public relations and as escorts, while women scored much lower in these fields. The women were more interested in management and administration.

Motivations and Rewards

Nearly all men who responded to the questionnaire indicated that they would volunteer if they received a job that satisfied them and had responsibilities, which are intrinsic motivational factors. The significant difference was that Western men were more motivated to volunteer if they received respect for their contribution, their expenses were paid and they were given a uniform to wear. Asian men were motivated by good social interaction, and Arab men were motivated by financial rewards, such as having their meals and local transport costs covered and receiving pocket money. Qataris were motivated by free entrance to the sport facilities as well as having their meals and local transport costs covered.

Western women were also motivated by intrinsic factors, such as a role with responsibilities and good social interaction, and also expected a uniform and their expenses to be paid. They were also keen to receive respect for their work. Asian women, unlike their male counterparts, wanted their expenses paid and extra pocket money. Arab women were motivated if their meals and local transport were paid for as well as their expenses and if they could work in a quiet environment without too many problems. Qatari women were motivated to volunteer if they were asked by a relative, as well as if they received free access to the sport facility, free meals and free local transport.
Many of these factors have limited financial costs, and those that do have costs are the traditional factors expected to be provided to volunteers (free meals, free entrance). From these findings, it would appear that it should be relatively easy to develop a package that would encourage people to volunteer for sport events. However, it is interesting to note that Qatari men and women expected a salary, or a daily allowance. This suggests that altruistic volunteering is not yet embedded as a concept in this group and highlights the fact that for some countries, sport organisations and events may not be staffed by individuals giving their time for free or for notional expenses.

Although the questionnaire did not provide any solutions to the potential problems faced by QNOC, it was a structured approach to identifying a problem and gathering information to address this problem. The results show that you must understand individual motivations of volunteers and the related intrinsic and extrinsic rewards. It is important to take culture, nationality and gender into account. As you can see from this research, some volunteers are motivated by intrinsic factors whilst others are motivated by material rewards. The research suggests that some groups should not be targeted for voluntary activity since they will lead to increased costs to the OSO. This highlights the need to carry out research that identifies the motivating factors of each group of volunteers and to manage these factors properly. An example of how to do this is provided in chapter 6.


SECTION 3.4
DEVELOPING HUMAN RESOURCES THROUGH TRAINING

OSOs are facing increased demands of professionalism from their members and from the public or private partners that support them. Addressing these demands, whether they are internal or external, functional or ethical, requires OSOs to invest in staff training. Training furthers the development of individuals or groups by allowing them to acquire the skills necessary for their activities and, more broadly, their continued development.

The purpose of training in an OSO is to help individuals acquire the skills they need in order to ensure that the organisation fulfils its mission and day-to-day activities. Training staff to meet development needs provides an alternative to hiring new people who already have the skills being sought. Training may be preferred for ethical reasons, such as to ensure the personal development of members, or for functional reasons, such as to promote internal mobility and careers within the organisation, with a view to member retention.
Committing to a deliberate training process requires OSOs to fulfil a certain number of stages, which will be presented in this section. The first stage is an assessment of the needs of the organisation and its human resources, as well as the level of skills demanded of its staff. The second stage involves preparing a training plan to address identified needs in order of priority and according to a schedule. The third stage implements the required training and monitors its success, and the fourth stage evaluates the training that has been carried out and its effects on individuals and the organisation. These stages are discussed in more detail in the following section, which concludes with an illustration of the training plan developed by the National Olympic Committee of Albania.

Assessing Training Needs

Assessing training needs in an OSO means identifying shortfalls in skills that impede the organisation's functioning and the fulfilment of its mission and objectives. A qualitative evaluation of the status of human resources within an OSO begins with an assessment of its global activities and its capacity to attain its goals. When carrying out this assessment, you must identify areas of weaknesses within your organisation that might suggest a training need. This can be done by using the following questions to analyse any problems that arise.

- What does the problem consist of?
- Is it a permanent or one-time problem?
- How does the actual situation differ from the desired one?
- What are the consequences of this problem for the organisation?
- What factors explain this problem?
- What role does a shortage of skills play in these factors?
- What is the nature of the skills gap to be resolved?
- Which employees and staff are affected?
- What are the reasons for the skills gap? Is it a lack of appropriate human resources or an inability to mobilise these resources?

For example, when evaluating the performance of an NF the following difficulties might be identified:

- Inability of the federation to regularly inform its members about the competitions it organises
- Inability of the federation to submit a credible development plan to a funding body, which is a prerequisite for obtaining funding
- Failure of a regional league to qualify for a national championship

Analysis may show that these failures are due to skill failures, which need appropriate action (table 3.6).
Such problems may arise from a shortfall in skills in a number of areas. For instance, they may be due to the lack of skills of a person holding a key position. This is the case, for example, if the NF lacks a person capable of designing and promoting a communication programme. The skills gap may also occur within a group, such as the committee responsible for creating a development strategy for the federation. Finally, the skills gap may occur in a group of people associated with the organisation. This is the case with coaches of clubs in a regional league that have been unable to qualify for a national championship.

In the case of paid employees, it is generally possible to ensure that staff receive training to deal with skills gaps. This is not always true for elected members, whose full-time professional activities may leave them with little time for training, or who, having the legitimacy of being elected, do not always acknowledge their shortcomings. You will need to convince such members of the need to address any skills gaps that are identified.

To ensure the success of any training, it is important to obtain the support of those affected. You will need to promote the benefits of training, which may involve symbolic compensation, such as the satisfaction of serving the organisation more effectively or of successfully performing a difficult task, thereby increasing self-esteem. It may also involve immediate material compensation, such as a salary increase, or deferred compensation, such as enhanced career prospects. You must also ensure that the method of reducing the skills gap will allow training goals to be attained and is consistent with the individuals’ availability.

Table 3.6  Training Needs As a Result of Performance Analysis

<table>
<thead>
<tr>
<th>Analysis of operations</th>
<th>Human resources analysis</th>
<th>Proposed actions</th>
</tr>
</thead>
</table>
| Information on competi-
| tions organised within
| the federation is not dis-
| seminated to the clubs
| concerned. | The department responsi-
| ble for member communica-
| tions and information is
| not operating effectively. | Train a responsible person
| with the requisite skills. |
| No development plan was
| presented to the authori-
| ties to justify a subsidy. | Planning procedures have
| not been mastered by the
| members of the commit-
| tee responsible for this
| task. | Implement training in
| planning for committee
| members with the support
| of an outside consultant. |
| No regional team quali-
| fied for the national
| championship. | Nonqualification is due to
| the inexperience of the
| coaches responsible for
| the teams. | Implement a programme
| to improve the coaches’
| skills and knowledge. |
Preparing and Implementing a Training Plan

Once training needs have been assessed, you can select the training procedures and choose and implement a training programme.

Selecting the Training Procedures

There are two principal types of training: formal training and informal training. Formal training is organised to meet a training need, and it is often carried out with the support of a specialised professional as part of a programme prepared in advance. Informal training is an apprenticeship process that relies on practical experience in the activity, with no formalised plan and no specialised personnel. Most OSOs restrict training to what is known as formal training, or an activity that requires the trainees to leave their jobs in order to go to a special location for a specific period of time.

However, formal training often has major weaknesses. It cannot always be used to significantly change the skills of a person whose growth is vital to the organisation. Similarly, it cannot always help people acquire mastery of a tool whose use is indispensable to the organisation, such as training in IT for members of a department in the process of being automated. This is because formal training programmes do not always address the specific needs of those being trained; they often ignore the skills that people already have, how much knowledge they will need to do their job and the ways that they prefer to learn. Gaining skills through formal training in these cases is difficult because the training is often general and poorly contextualised.
Consequently, you should try to incorporate the training process into the organisation as much as possible. This may include some off-site training in activities that directly relate to the jobs of the individuals in question; however, most training should involve skills that are available within the organisation. For example, a management coaching relationship could be developed where an experienced and competent staff member advises, guides or supervises a learner, or coachee. Occasionally, when money is available, a consultant may lead this type of training. Other ways of providing training within the OSO may include the following:

- One-hour sessions on various topics, held every other week or every month, led by different people in the organisation
- One- or two-day intense training sessions on one topic (e.g., how to use the new computer system)
- Regular consultation, guidance or supervision by an experienced and competent staff member within the organisation

Choosing a Training Programme

In addition to general training procedures, training is further enhanced when there is a clear description of the skills to be transferred and an accurate appraisal of the skills in advance. In addition to a detailed training programme, conditions must be defined for assessing the acquisition of these skills by the participants. The preparation of a training plan should cover the aspects described in table 3.7.

If the training is aimed at improving the organisation’s performance in the mid-term, it must not result in poor organisation in the short term. A training plan must be organised in such a way as to ensure that all relevant personnel are trained. For reasons of both fairness and functionality, it is desirable for all personnel to have access to training in turn. Of course, this does not prevent priority activities related to the organisation’s operations from being carried out.

<table>
<thead>
<tr>
<th>Objectives</th>
<th>These need to address the training programme’s expected results (learn ICT techniques, master planning methods) and should be defined in terms that facilitate assessment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population to be trained</td>
<td>Should be defined in terms of demographic characteristics (gender, age, status), motivation, and professional experience and prior training.</td>
</tr>
<tr>
<td>Choice of teaching methods and resources</td>
<td>A range of appropriate methods should be identified, such as distance learning or management coaching. Trainers should be prepared for the characteristics of the population. Customised teaching methods are important.</td>
</tr>
<tr>
<td>Assessment conditions</td>
<td>Should be customised to the objectives of the training activity, the population and the environment (feasibility).</td>
</tr>
</tbody>
</table>
Evaluating Training

Evaluation of training is an essential part of the process because it validates what has been carried out or shows where corrections are needed. Evaluations may be made via objective factors, such as the measurable transformation of a job, or subjective factors, such as participants’ views of the training they engaged in. It may relate to the effects of the training on the individual, on the team or department, or on the organisation as a whole. Three levels of evaluation may be envisioned:

- **Acquired skills and knowledge**: Have the trainees acquired what corresponded to the training objectives?
- **Skills building**: Have the trainees been able to use the acquired resources in their daily activities?
- **Impact on the organisation’s operations**: Have the acquired skills resulted in the better functioning of the OSO?

Most training programmes provide for an assessment of the activity by the trainees, often carried out at the end of the programme by the trainers themselves. However, it is also important that in-house training, such as an apprenticeship scheme, is also evaluated. Both types of training can be evaluated by means of a questionnaire that includes, for example, the following criteria:

- Physical and logistical conditions
- Choice of teaching methods
- Clarity of objectives
- Applicability of the acquired skills to the work situation
- Relevance of the acquired skills to training needs
- Quality of the trainers
- Maintenance of the motivation to learn
- Assistance in the transfer of skills in the work environment

In order to assess the impact of training on skills and the OSO itself, it is possible to perform an annual assessment of an individual’s training through a review interview. This is generally carried out by the immediate supervisor to measure the perceived impact on the trainee and the way the trainee sees changes occurring in daily professional activities.
OSOs as Learning Organisations

Learning organisations facilitate the ongoing development, mobilisation, training, assessment and dissemination of the knowledge needed for their operations, and this is what OSOs should aspire to. Continual learning is necessary in order to successfully address changes in the environment and requirements of key stakeholders. Although every organisation should have a stable framework and rules of operation, it is sometimes problematic when routine is the guiding force because this works against innovation and responsiveness. OSOs, which are often anchored in tradition, sometimes tend to reproduce their activities without necessary assessments and changes in response to the operating context. Each problem encountered should be viewed as an opportunity to develop new knowledge.

The steps towards becoming a learning organisation are relatively straightforward. First, you need to identify resource persons, or paid staff and volunteers with recognised skills who are prepared to share their skills with the other members of the organisation. These skills then need to be formalised to ensure their lasting retention and eventual large-scale transfer. OSOs often give little importance to this formalisation of knowledge, but one of the ways these skills may be formalised is by a collection of best practices in a standardised format. This can then be made available to all members of the organisation through a system that ensures accessibility, guidance and effective communication. Learning organisations thus turn training into a process that enhances the value of the expertise developed within the organisation.

**KEY RECOMMENDATIONS**

- Identify areas of skill development by careful analysis of problems that occur in the OSO.
- Ensure that training needs are identified by regular skills audits supported by the Board.
- Develop a range of training methods and activities to suit the skills required and those who are to be trained.
- Evaluate each training session to see if it is meeting its objectives.
- Develop the OSO as a learning organisation by passing on skills and knowledge to all involved.
The following illustration presents a training programme that was developed by the National Olympic Committee of Albania in response to a lack of opportunities for sport administrators.

Illustration 3.4
Training Policy for Sport Administrators of the National Olympic Committee of Albania

The National Olympic Committee of Albania (NOC of Albania) was created in 1958. Since then, Albania, a country of about 3.5 million inhabitants, has regularly participated in all major sport events, including the Olympic Games. The fall of the communist regime in the beginning of the 1990s introduced a new organisation for sport, with more autonomy for sport federations and clubs in relation with the state. Subsequently, a need for qualified managers to lead those organisations was identified. Although efficient training and education for coaches had been provided by the Academy of Physical Education and Sport and by NFs, nothing existed in the country to train sport administrators and managers.

In 2002, the NOC of Albania decided to undertake a consultation exercise with its members, which included the 13 Olympic Sports Federations, their local clubs and the local sport authorities, to identify their needs and their willingness to involve participants in a training programme for sport administrators. The consultation showed a strong demand for the programme, resulting in the training programme outlined next. The goal of the programme is to establish a sustainable system of training for sport administrators in Albania in order to meet current and future needs. The programme is targeted at leaders of national, regional and local sport associations, as well as those who are ready to lead, either as volunteers or as salaried personnel.

Competences Covered
The competences to be developed by the programme are at three levels.

Basic Level
- Understanding the functioning of a sport organisation
- Improving the understanding of the administrator’s role and responsibilities in a sport association
- Improving the level of management and communication in a sport association

Intermediate Level
- Mastering the juridical structure of a sport organisation
- Administering the budget for a sport association
- Conceiving a development plan for a sport club
- Leading a sport association

Advanced Level
- Improving the organisation’s level of autonomy in its socioeconomical context
• Overcoming conflicts in a sport association
• Promoting social integration of young people through a sport association
• Mastering the organisation of a local, national and international sport event

All competences are addressed in modules that make up the detailed content of the training programme.

**Administrative Framework**

The programme is run under the responsibility of the NOC of Albania, the Ministry of Sports and the Academy of Physical Education and Sport. The dissemination of information concerning the programme is the responsibility of the NOC, as is the receipt of candidates. The three main stakeholders are responsible for the selection of an average of 30 candidates a year and, based on evaluation questionnaires filled in by participants, for the adaptation of the programme.

**Programme Format**

The training programme is a 1-year, part-time, partly distance-taught adult education programme. Participants receive written course materials, and they also meet once a month, usually on the last Saturday of the month, which represents 72 contact hours. The contact hours are organised in the capital city, Tirana, mostly in the facilities of the Academy of Physical Activity and Sport. Lectures are given by local specialists in management and by senior sport managers who are experienced and trained in the relevant areas.

**Training Methods**

The intention of the training is to reflect as closely as possible the daily situations encountered by sport administrators. These situations are also used to apply the principles covered in the programme to the sport context. The programme is underpinned by an organisation-based project defined by each participant and carried out under the guidance of a tutor. The participants receive written materials in advance and must take part in the monthly sessions. During the remaining period of time, they are required to implement their new knowledge directly into practice. During the monthly training sessions, they share their experiences and make comparisons with other OSOs to identify good practices.

**Validation and Certification**

Participants are evaluated on the basis of a report presented both in a written and oral form. They receive certification given in cooperation by the NOC of Albania and the Academy of Physical Education and Sport.

(continued)
Illustration 3.4  (continued)

The training programme of the NOC of Albania is perhaps more interesting because of its global coherence in linking the skills required by sport administrators than because of the exceptionality of the content. The programme represents a rational response to existing needs and to an identified demand. The mix of work-based training and lecture sessions meets the needs of the participants and makes the best use of their time. The programme is based upon and responds to the daily situations administrators face in their organisations in the new political, economical and social conditions that prevail in the country. For this reason it successfully integrates the basic principles of administration and management in order to develop the competences of sport administrators.

The validation procedures ensure the practical mastery of those principles and competencies in real-life situations. The partnership involves all the authorities that are required to give recognition and sustainability to the programme. The evaluation of the programme by all stakeholders, including the participants themselves, assures improvement of the programme. The recruitment of trainers qualified in both the academic and practical fields, alongside the collective exchange of experience and sharing of good practices, promote the progressive establishment of a proper organisational knowledge within the Albanian sport system. In addition, the Albanian experience has inspired in Olympic Solidarity the concept of an advanced sport management course, to be supported by this text.

SECTION 3.5
DEVELOPING SKILLS
FOR MANAGING HUMAN RESOURCES

To make an OSO more effective, and more specifically to make its human resources more effective, you need high-level management skills. These will help you to plan, organise, recruit, motivate and develop the volunteers and paid staff who work with your OSO. Even as you develop these skills, you will want to use some of the training methods discussed in section 3.4 to ensure that others in the OSO also develop these skills.

This section considers the skills that are needed to effectively manage the human resources of an OSO. It focuses on the key skills of decision making, problem solving, communicating, managing time and managing conflict, because these skills underpin all management of human resources. The management of conflict will be illustrated by a discussion of conflict resolution within a European NF.
Decision Making

The management of OSOs requires decision making. You need to make decisions about everything from the allocation of resources to the colour of team uniforms. Decision making is often difficult because of the turbulent environment within which OSOs operate. Often you cannot be sure of the exact consequences of the decisions you make and thus will make few decisions about which you are certain. You will also have to make risky decisions, which occurs when you have an idea of the choices available but no definite idea of the outcomes. Thus, there is a risk to making decisions, which you should try to reduce by collecting additional information and relying on previous experience. For example, if your junior athletes have never travelled out of the country before, there is a risk that the situation will be so daunting that they fail to perform as expected. You can assess the likelihood of this happening by considering the previous experiences of junior teams, or by asking the team how they feel about the trip.

You will make decisions where you have no clear idea of the alternatives and therefore the outcomes. This does not happen often, but it does arise in situations where there has been no precedent. Gathering additional information about the issue can help to reduce uncertainty, as can seeking help from others. Your organisation may never have staged a major event for a certain sport, but seeking assistance and information from those who have will allow you to make a more certain decision.

Obviously, decisions about which you are certain are the safest for the organisation. However, since there are few opportunities to make such decisions, the risk of decision making needs to be reduced, particularly for major decisions such as whether to invest in facilities or services. One way to reduce this risk is to adopt a rational decision-making process. In order to make rational decisions, you need to be clear about the choices available and the criteria against which you can choose. Sufficient information in order to assess decisions against these criteria needs to be obtained. This information then should be used to come to a decision. This process, outlined in figure 3.2, is important when significant resources are involved.

For example, you may have a limited budget and have to decide whether or not to enter a junior team into a competition that is being held in another country. There are four options: to enter them into the competition, to not enter them, to seek appropriate competition in your own country or to use the money for an alternative event for the team, such as a training camp. There are costs and benefits associated with these options, such as the experience to be gained from the competition, the cost of travel, the experience to be gained from travelling to another country and the money to be saved by not going. The criteria used to make the decision might include monetary cost, other opportunities lost if the team is entered, how much schooling the team will miss, the benefits of exposing juniors to international competition, how this competition fits within your development plan and the level of competition expected. From these criteria, you can make a decision about entering the competition.
Problem Solving

Much work in OSOs is related to problem solving, and having a structured approach to problems will help the organisation become more effective. The rational decision-making process outlined previously will help with problem solving. However, you first need to be aware that there is a problem, and this is not always as easy as it sounds. The volunteers and paid employees who work for the organisation may hide the fact they are struggling with their work, or sponsors may be disappointed in the publicity they are getting but may not tell you this. It is only when something goes wrong or when a sponsor withdraws support that you may become aware of the problem. Once you are aware of the problem, the problem can be dealt with; however, it is often easy to confuse the symptoms of the problem with the problem itself, for example, trying to raise money to deal with a loss of sponsorship rather than establishing why the sponsorship was lost.

---

**Figure 3.2** Rational decision making.
You need to gather information from the people who perceive that there is a problem and on possible causes of the problem. This is best done in consultation with others since other people may have a different perspective on a problem and talking to them may allow you to identify a better solution. When the problem is one of sponsorship, you should speak with those responsible for obtaining sponsorship, those who benefit from the sponsorship and, if possible, the sponsors themselves in order to identify why sponsors have withdrawn their support.

Once you know what the problem is and have an idea of why it has arisen, you need to determine various ways to solve the problem. If the problem involves sponsorship, alternative sponsors could be sought, or you could attempt to reengage the sponsors you have lost. You may choose not to seek new sponsorship, instead raising money from other sources, such as increased membership fees. The implications of these alternatives also need to be considered because some decisions may solve the problem but may also cause greater problems. Raising membership fees is likely to be unpopular and lead to a decline in membership, and some available sponsors, such as tobacco companies, may not be considered appropriate by other sponsors, leading them to remove their sponsorship.

The next step is often the hardest. You have to make a decision and then communicate it to all of those affected, such as funding bodies, athletes, members and other sponsors. The decision must be unambiguous, communicated appropriately and implemented well. Finally, you should check to see that the problem has been solved. For example, have funds increased as a result of your decision? Occasionally you may need to change the decision in order to achieve the best result. You may even have to admit that you made a mistake and start again.

This is clearly a lengthy process and is not likely to occur for all problem solving; indeed, it is not appropriate for all problems. It is important, however, to take a structured approach when the problems are so significant that they can fundamentally affect the organisation or the people working within it.

Communication

The ability to communicate is arguably the most important skill required of those responsible for managing human resources, and there are many advantages of good communication. Communication increases efficiency; the volunteers and paid staff who work for the organisation make fewer mistakes because they know exactly what tasks have to be achieved, why they have to be completed and how to go about completing them. Not only is this motivating, it also reduces costs to the organisation since fewer errors are made. In addition, in order to engage stakeholders you need to establish what they want, which is particularly important for sponsors and funding agencies. Finally, the end result of greater motivation, involvement and reduced mistakes is better service to stakeholders.
Effective management involves the ability to make decisions, solve problems and communicate clearly.

Information can be communicated in written (paper or electronic) or verbal form, and three factors affect the form of communication you choose. The purpose of the communication is important, and written information tends to be more formal than verbal information. For example, an offer of employment must be made in writing, while an offer of additional training could be made verbally. Although e-mail is often used in an informal manner, it is important to realise that some people consider it to be a written form of communication, and therefore it carries an element of formality.

The target audience also needs to be considered. It is appropriate to verbally pass information on to volunteers and paid staff; however, agreements with sponsors should be written. In addition, information needs to be communicated in an appropriate language and form. This may mean that information should be available in a foreign language, in large print or even in pictures if you're trying to communicate with children. Finally, the length of the communication is important. Verbal communication is appropriate for short messages, whilst lengthy and complex information is better disseminated in writing so that people can return to it to assist with understanding.

The ability to listen is also a vital communication tool. If you can show that you are interested in what is being said and have heard and understood the message, the people communicating with you will be more satisfied. There are a number of ways to do this:

- Maintaining eye contact with the person who is talking
- Encouraging the person to continue talking by nodding or agreeing with what is being said
- Summarising what has been said before answering
- Not interrupting
Listening is particularly important for appraisal interviews, discipline and grievance interviews and when counselling staff members or athletes.

**Time Management**

Managing time is one of the major problems facing those who work in OSOs. It is often difficult to say no to additional work, particularly if it appears to be of value to the organisation or yourself. However, if time is not managed properly, you run the risk of being unable to complete your work to the proper standards. Alternatively, you may become so overburdened that you cannot complete all your work. Therefore you need to be skilled at time management in order to manage yourself and your organisation’s human resources effectively.

A time management strategy is required to ensure that you have enough time to do the work required. First, however, you should be aware of the activities that cause time to be lost, such as the following:

- **Lack of preparation**: Not spending enough time prioritising tasks or making sure you know what has to be achieved
- **Procrastination**: Putting off tasks because they are too difficult or boring
- **Poor prioritisation**: Working on tasks that are simple rather than important
- **Confusing what is urgent with what is important**: Responding to the person who is the most persistent rather than doing the most important task
- **Poor delegation**: Trying to do everything rather than getting someone to assist, or delegating so poorly that the staff member has to continually ask for help
- **Poor communication**: Giving out incorrect or poorly expressed information so that time is wasted by having to provide more information or correct errors that have come about as a result of poor information
- **Lengthy phone calls, meetings or conversations**: Taking more time with these than is required because the purpose is not clear or information is missing
- **Taking work home after a full day**: Working inefficiently because of tiredness or conflicts with other demands

A time management strategy is a useful way of handling these distractions. You should record all commitments, including meetings, tasks to be completed and deadlines. This record will allow you to carry out regular work planning and to ensure that plans are followed. Where this information is recorded is not important; you may choose to record it on paper or electronically or ask someone else to record it. What is important is that the record is kept.

You need to be clear about what has to be achieved. It is not possible to do everything, so assess the tasks that are essential in terms of achieving the objectives of your work. It is more important to seek the information needed to complete a strategic plan than to respond to information about a social event, although the latter may be more enjoyable. This will allow you to prioritise the tasks that you have been asked to complete. It is easy to get sidetracked and to waste time on things that are interesting but not essential.
You also need to learn to structure your time. Time should be divided into blocks and allocated to certain activities, such as writing reports, attending meetings, working with colleagues or performing administrative duties. Tasks requiring concentration and research should be allocated to the time when you feel most alert, such as first thing in the morning. Alternatively, you can leave phone calls, paperwork and e-mail for times when it is more difficult to concentrate on work, such as after lunch. In addition, it is important to identify time periods when you can and cannot be disturbed by those who work with you, which you should then communicate to all who may be affected.

Finally, and most important, learn to say no. Rather than making you appear lazy, the ability to turn down requests for work when overloaded or faced with other priorities is an indication of efficiency. If you refuse to organise a team-building event because of your workload, this will indicate to others that you have a large workload and are able to prioritise your tasks, and they will allow you to complete the work. If the team-building event cannot wait until your workload is reduced, delegate the task to someone else.

Over time you will develop time management strategies that work best for you. Different techniques, such as delegation, using a "to do" list or working from home, will suit different occupations, management styles and organisations. The key point is that once time has been lost, it is impossible to get it back.

Managing Conflict

Conflict between individuals and teams is a part of every organisation. Individuals and teams compete for financial resources, time from managers, equipment and even customers. This competition will occasionally result in conflict within the organisation. Conflict within organisations is not always a bad thing, and constructive conflict can serve a variety of functions. Conflict can encourage people to work together to fight a common enemy. It can help define roles and increase understanding of others' feelings; for example, debate over who should be captain of a national team will highlight what is important to those having the debate and the skills of those under consideration.

Constructive conflict can increase understanding of the problem, since conflict usually arises when individuals are not aware of the concerns of all involved. Thus, constructive conflict is to be welcomed in an OSO. Alternatively, destructive conflict is usually detrimental to the organisation because it tends to be based on personality differences or concerned with the preservation of power. You want to be able to identify destructive conflict and have a strategy for dealing with it.

There are several issues to consider before tackling conflict. The first question to address is whether it is worth intervening. If the conflict is not affecting the work of those involved and looks like it will resolve itself, your intervention may inflame the situation. You will also need the personality characteristics and communication skills to be able to deal with the conflict in a calm, rational and fair manner. If you lack these skills, it is often better to have someone else deal with the situation.
Finally, the timing of the intervention is important. Intervention must come at a time when it can actually be of use, rather than too early or too late, when intervention may escalate the conflict or inflame it. For example, if you see an argument between a chief coach and an assistant coach and attempt to intervene, you may look ridiculous if the argument was over something minor or was unrelated to the job. Alternatively, if you ignore a number of arguments, team performance may be negatively affected. The skill is to intervene after the right number of arguments!

Once the decision has been made to intervene, a strategy to deal with the situation is required. This involves the following:

1. **Identifying the problem:** It is necessary to identify who is involved in the conflict, why the conflict has arisen and the issues involved.

2. **Examining the relationships that the protagonists have within the organisation:** This will allow you to identify other people who may help resolve the problem.

3. **Identifying the problems and the costs of the behaviour:** This may be in terms of time wasted, the demotivating effect on others on the team or an unpalatable atmosphere.

4. **Approaching those involved in the conflict:** Work together to search for a solution.

5. **Implementing the solution and then evaluating the situation:** After implementation, evaluate the situation on an ongoing basis until the conflict has ended.

Although handling conflict is often an unpleasant task, if it is ignored there are likely to be negative consequences for the organisation. The best strategy is to be aware of where conflict may arise and to develop plans to prevent it from arising. This strategy can be facilitated by the fair allocation of resources, equitable and fair treatment of all involved with the OSO, and awareness of relationships and tensions that may be occurring within the organisation. Preventing conflict is not always possible, however, and once conflict is identified, it needs to be managed efficiently and effectively.

All of these skills are necessary for the effective management of OSOs. The ability to make decisions and communicate these and to organise and complete a full workload is essential for OSOs to meet their objectives. Fortunately, all of these skills can be developed or improved by personal development activities, using the methods outlined in the previous section. Therefore it is important for you to evaluate your level of skill in these areas and then improve your skills if necessary.
The following illustration shows how conflict has been managed in a European NF. When reading this illustration, be sure to consider any similarities to situations you have faced within your organisation. The illustration provides a brief description of the federation, and then it goes on to describe the conflict that occurred. The conflict resolution strategy and style are analysed. The federation has been kept anonymous to preserve the confidentiality of those involved.

Illustration 3.5

Managing Conflict in National Federations

The federation was founded in the 1930s and is the main governing body for the sport. It has more than 70,000 members, and its clubs are structured on a regional basis. Most regions have professional staff to assist the voluntary regional Board.

The Conflict

The start of the conflict cannot easily be pinpointed. A discussion about restructuring the federation resulted in a series of proposals that were presented to and discussed by the members of the NF’s General Assembly (GA). One of the main reasons for proposing the restructuring of the NF was because of a decline in the number of members and affiliated clubs. The Board wanted to modernise and rationalise the organisation so that it would be better equipped to meet the needs of the players and clubs, but this programme of change had met tough resistance from two of the eight districts. A new President was elected, who continued the modernisation process; however, the GA did not appear to trust him as much as it had trusted the former President.

In September, three years after the President’s election, the GA discussed a definitive proposal for the reorganisation of the NF. It involved the abolition of the regions, leading to a complete restructuring of the NF, which would have required the statutes of the NF to change radically.
Before there could be a vote on the proposals, one of the regions resisting the changes proposed a motion of no confidence in the Board, accusing the Board of sloppy work, withholding financial information and neglecting the interests of the members. However, a large majority of the GA supported the Board, and the original proposal for the restructuring was accepted, albeit with the agreement that several crucial topics required further elaboration. A representative of one of the supportive regions stressed that the trust and communication between the Board and the two dissenting regions had to be restored as soon as possible.

In March the following year, members of the Board visited all eight regional meetings, where further details of the change and the implementation of the decisions of the GA were discussed. Several proposals and suggestions were sent to the Board after these meetings, which were discussed by the Board during May and June. In June and September, the GA convened to discuss progress. As a result, several Working Groups were convened to investigate and report on outstanding issues, including the financial questions that had been put forward.

In December, the GA reconvened, and on this occasion a motion was made to halt the entire reorganisation process. This was proposed by one of the dissenting regions due to a perception of failing communication between the Board and the GA, as well as a lack of crucial financial information. This time, the motion was accepted due to the inability of the Board to establish confidence amongst members of the GA. Unsurprisingly, the Board considered this to be unacceptable and stepped down.

The Board’s Management of the Conflict
The Board’s handling of the conflict can be analysed by considering their strategy for managing the conflict and the style that they adopted.

Identify the Problem
The changes proposed by the Board would have led to a decrease in the power of the regional Boards, and as a result, two regions of the federation did not support the modernisation programme. This led to an initial motion against the Board, which was made on the basis of perceived poor communication and financial irregularities. Although the motion was lost, it created a schism within the federation, and other regions began to question the plans. The failure to identify the real problems that led to the conflict resulted in another challenge at a subsequent GA.

Examine the Relationships That the Protagonists Have Within the Organisation
Although the Board had theoretical control over the regions, because regional Board members were also delegates of the GA, the regions had the power to affect Board decisions. In this instance, the Board was initially supported by the other six regions. It was clear, however, that the other regions felt that the Board had to make an effort to restore trust and communication with the two dissenting regions. In the end, the regions supported each other.

(continued)
Identify the Problems and the Costs of the Behaviour

Overtly, there were concerns about the cost of the restructuring process, and it was felt that the Board was not communicating effectively enough. Covertly, however, it is likely that the main problem was the loss of power that the regions would face as a result of restructuring. These problems undermined the change process, resulting in the motions against the Board.

Approach Those Involved in the Conflict and Work Together to Search for a Solution

In an attempt to overcome the perceived communication problems, the Board met with each of the regions to discuss the modernisation process, and proposals put forward by the regions were discussed by the Board. In addition, Working Groups were established to deal with outstanding issues in an attempt to deal with the concerns expressed by the regions.

Implement the Solution and Then Evaluate the Situation

The proposed solutions were not perceived to have addressed the issues that led to the conflict, and as a result of the inability of the Board to gain the confidence of the GA, a motion against the change was won and the Board resigned. No change was made to the structure of the NF; the decline in membership continued and the financial situation gradually deteriorated. At this point in time, the conflict was clearly not resolved.

Conflict Management Style and Summary

In terms of conflict management style, notice that the conflict was managed in a number of different ways. When the conflict first emerged, indicated by the original motion of no confidence, the Board’s approach to the conflict was to collaborate and compromise as members visited the regions and considered their suggestions. This is an appropriate way to handle conflict, particularly conflict that arises as a result of proposed major changes. However, as a result of a failure to identify an acceptable solution to the problem, this approach was not adequate. Once the lack of trust in the Board became apparent, the Board stepped down, thereby avoiding the conflict and giving up their responsibility.

This illustration demonstrates how important it is to fully understand the issues involved in creating conflict. In this situation, lack of understanding meant the conflict was not successfully resolved. Problems that were expressed overtly, such as lack of communication and concerns about finances, were likely to be hiding greater concerns regarding loss of power and control on behalf of the regions. Failing to fully understand these underlying concerns, the Board did not manage to find a suitable solution to the conflict even though their style of handling the conflict was appropriate. Arguably, this conflict could have been anticipated, and by working more closely with the dissenting regions before the GA met, the Board would have been able to identify the absolute resistance of the regions to the proposed change and thus seek an alternative solution.
This illustration also shows how necessary it is to have a strategy for dealing with conflict. It also shows that getting this strategy right may, in fact, be more important than the style adopted in order to deal with the conflict. Of paramount importance is the ability to establish exactly what the problem is. This was not done thoroughly enough in this situation, which meant that the conflict was never fully addressed despite the Board adopting an appropriate conflict management style.

The following case study applies many of the points covered in this chapter to the Gambia National Olympic Committee. The purpose of this case study is to demonstrate how the principles of HRM can be applied to OSOs. Although your organisation may not be the same type of OSO, the case study will highlight how the concepts covered in this chapter can be put into practice.

**CASE STUDY 3**

Human Resources Assessment and Design for the Gambia National Olympic Committee

The Gambia National Olympic Committee (GNOC) was established in 1980 as an Olympic and sport committee and takes the lead in organising activities sponsored by the IOC. The Committee retains exclusive powers of representation of the Gambia in all games patronised by the IOC.

In meeting the challenges of improving the management structure of the NOC, the GNOC decided to conduct a human resources assessment. With the support of Olympic Solidarity, Sahel Invest Management International was contracted to conduct a diagnostic review of the organisation’s HRM. The consultants were required to conduct a human resources assessment and design a human resources development plan for implementation by the GNOC. The following text presents some of the key issues presented in the final report in April 2005. It is an overview of HRM diagnosis in an NOC and shows how a development plan and an action plan might be defined on the basis of this diagnosis.

**Organising Human Resources**

Representation in the GNOC is broad based and voluntary. The General Assembly is the highest body within the GNOC and comprises all members of the NOC. This body meets at least once a year to review activities of the GNOC. The Assembly meets at congress to elect the Executive Bureau once every 4 years. The Executive Bureau is supported by Technical Committees to facilitate smooth conduct of business. The Bureau is responsible for the overall policy and strategic direction of the GNOC, albeit within the context of the Olympic Charter. Day-to-day administration is the responsibility of the Administrative Secretariat under an Executive Director.

(continued)
The organisation was hierarchically structured with a simple reporting line and basically no staff functions apart from the administrative responsibility conferred on the Executive Secretary. This simple structure had been serving the needs of the organisation; however, with an increase in its activities, it was determined that the existing structure and staff complement were inadequate, leading staff to suffer from work overload. This decision was made taking into consideration the task variety, task significance and overall job content of the staff.

Analysis of Human Resources

The analysis conducted by the consultants considered the main human resources functions of recruitment and selection, training and development, performance appraisal, and motivation. An assessment of these showed that despite laudable achievements, the OSO had no clearly defined human resources policies. This situation had much to do with the history of the organisation; the focus had always been external, on the human resources development needs and requirements of the NFs. This external focus had been at the expense of the skills and knowledge required to progress the NOC.

The Bureau members, as articulated by the President, were very clear about the future development of Olympic sport and the required growth and development of the GNOC, both in terms of supporting activities and management requirements. This had not, however, been translated into an HRM policy document. The absence of such a policy framework meant that there was little attention on the staff development needs of the GNOC, and consequently HRM was reactive and incremental.

Current Administration and Human Resources Planning

The absence of an expressed HRM policy framework meant that one of the most important functions, planning, had not been given much attention. The GNOC was externally oriented, and this had created the lack of focus on staff development. Another factor was that the capacity to plan was inhibited by the number of activities the Secretariat had to undertake with a very small staff complement. An absence of a strategic or long-term plan aligned with the quadrennial programmes of Olympic Solidarity was also observed. This meant that the GNOC mainly focused on its annual programmes and activities, and therefore the long-term HRM needs of the GNOC became secondary, if not omitted all together.

Assessment of Human Resources Administration

An assessment of the human resources functions revealed the following:

- Recruitment and selection: The consultants could not establish that there was a recruitment and selection policy in use. Existing staff were recruited based on the requirements of the GNOC at the time, so there was no policy articulated for this function.
• **Training and development:** The GNOC had concentrated on meeting the training requirements of the National Associations (NAs) for their various developmental needs. Little attention, however, was placed on the training and development requirements of the existing staff. Once again, there was no training policy in place for GNOC staff members, although some off-site training had been extended to both the Development Officer and Confidential Secretary.

• **Performance appraisal:** There was no formal performance appraisal system for the staff. However, the Executive Secretary had always brought staff weaknesses to their attention and had also given praise where it was due. This process was informal; hence records had not been kept for staff performance, and neither had the outcome been linked to any reward or sanction regime.

• **Motivation:** Staff were well rewarded when compared with similar organisations within the Gambia, the major weakness being once again the absence of a structured pay and reward system. The staff had access to facilities like loans and access to medical treatment, which was administered in an ad hoc manner. This was due largely to the absence of administrative and financial manuals detailing the entitlements and responsibilities of the staff by the organisation and vice versa.

**Conclusions on the Human Resources Function of the GNOC**

The absence of an effective HRM strategy was largely due to the fact that there were shortcomings in the planning subsystem of the GNOC and its elements. This meant that the GNOC had been rather incremental in its approach to HRM rather than being proactive and matching increases in job content with staff requirements and adequately planning for development of human resources. In other words, there was no proper fit between organisational development and the environment. Furthermore, stakeholders had many expectations of the GNOC, but these expectations had to be delivered by a three-person Secretariat, which was overstretched. Therefore the weakness of the organisation in planning, postprogramme follow-ups and evaluation was in part a consequence of the quality and number of staff.

**Human Resources Development Plan**

An assessment of the human resources function suggested that the GNOC needed to be functionally structured given the nature of the organisation. Furthermore, the staff complement needed to be augmented to reduce the work overload of the existing staff, particularly the Development Officer and Executive Secretary.

The main activities of the GNOC are as follows:

• Training and development
• Finance
• Administration
• Infrastructure development
• Facilitation

(continued)
It was recommended that these activities be placed in three main units of the GNOC, namely development, administration and finance. It was thought that this proposed structure would help define the roles and activities to be undertaken by each unit.

**Staffing Needs**

Given the various activities and tasks of the GNOC, the consultants recognised that the development unit needed to be strengthened and its activities rationalised. It was therefore recommended that additional staff be recruited to support the activities of the unit. The positions that were identified included an Administrative Officer, Development Assistant and Accounting Assistant. Although this was a substantial increase in staff numbers, the consultants recommended that these vacancies should be filled by the beginning of 2006, culminating in the movement of the GNOC office to its new head office.

Using the audit technique outlined in section 3.2, table 3.8 presents the human resources requirements that were perceived to be necessary for the GNOC. It shows the new positions that were proposed and what the new staffing complement would be.

**Table 3.8 Proposed Staff Complement for GNOC**

<table>
<thead>
<tr>
<th>Position</th>
<th>Current</th>
<th>Proposed</th>
<th>Total</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Secretary</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>Rename as Executive Director</td>
</tr>
<tr>
<td>Development Officer</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Development Assistant</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>New position</td>
</tr>
<tr>
<td>Admin. Officer</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>New position</td>
</tr>
<tr>
<td>Accounting Assistant</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>New position</td>
</tr>
<tr>
<td>Confidential Secretary</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Librarian</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>New position</td>
</tr>
<tr>
<td>Driver</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Messenger</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Typist/Telephonist</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>New position</td>
</tr>
<tr>
<td>Cleaner</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>New positions</td>
</tr>
<tr>
<td>Watchmen</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>New positions</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5</strong></td>
<td><strong>9</strong></td>
<td><strong>14</strong></td>
<td></td>
</tr>
</tbody>
</table>
As can be seen from the table, the consultants recommended a substantial increase in the staff complement of the GNOC. This presented a challenge for the GNOC in terms of financing these new posts, particularly given the speed with which it was felt the new staff should be recruited. An audit of human resources and any proposed change in staff complement needs to be realistic within the resource constraints of the organisation. Establishing that you need more staff but not being able to meet those needs is demotivating for all concerned.

► Developing Human Resources Through Training

The consultants carried out a skills-gap assessment of the GNOC, which indicated the current qualifications of staff and what was required for them to effectively contribute towards the development and management of the GNOC in particular and the development of sport in general. In order to minimise the training requirements of the staff, it was proposed that the staff to be recruited in the future must meet the job requirements and person specification, which outlines the personal and interpersonal skills required of the job, before being recruited.

The need for continuity and management succession in any organisation cannot be overemphasised. It was recommended that the GNOC put in place an effective succession mechanism to allow for a smooth transition between outgoing and incoming staff. The consultants recommended the following:

1. An Executive Secretary should be recruited within the next 2 years.

2. The Development Officer needs a qualified assistant who has the requisite management experience to assure continuity.

3. The Confidential Secretary should be trained in IT to anticipate the future ICT requirements of the GNOC, particularly in documentation, Web updates and database management.

4. The current typist should be given permanent tenure and trained in secretarial studies to prepare her for possible succession to the Confidential Secretary.

5. The Development Officer needs to be prepared as a future deputy to the Executive Secretary.

► Action Plan for Human Resources Management

The consultants produced an action plan for the organisation and HRM of the GNOC. This was intended to fulfil the GNOC’s primary objectives for human resources development as highlighted in the consultancy report. The recommendations contained in the report were translated into activities in the action plan. The matrix includes monitorable outputs, and it was recommended that the Bureau should ensure that an evaluation exercise is undertaken in 2007 to assess whether all the targets have been met. Please note that table 3.9 only includes those strategies that related to the human resources function of the GNOC.
The plan is now in place, and the need for formalisation of the organisation has been taken into account through the production of an operational manual of administrative policies and procedures and financial management. You can see from the previous discussion that the human resources planning process covers the main dimensions of the human resources domain. The challenge then is to create a system that allows the development of a new culture for the organisation and to make these activities part of the daily life of the organisation.

Table 3.9  HRM Plan for GNOC

<table>
<thead>
<tr>
<th>Policy/ objectives</th>
<th>Strategies/ measures</th>
<th>Time frame</th>
<th>Implementer</th>
<th>Expected output</th>
</tr>
</thead>
<tbody>
<tr>
<td>To improve organisational efficiency and human resources development</td>
<td>Adopt and implement the proposed organisation and human resources management plan.</td>
<td>July 2005</td>
<td>The GNOC Bureau</td>
<td>Well-articulated human resources policy framework in place</td>
</tr>
<tr>
<td>To enhance the day-to-day accounting capacity</td>
<td>Appoint Accounting Assistant.</td>
<td>Jan. 2006</td>
<td>Executive Secretary</td>
<td>Staffing complements enhanced and efficiency improved</td>
</tr>
<tr>
<td>To establish a well-defined staff development and training programme capacity of the GNOC</td>
<td>Prepare and adopt a long-term staff development training programme.</td>
<td>Oct. 2005</td>
<td>Executive Secretary</td>
<td>Well-articulated organisation and staff development plan in place</td>
</tr>
<tr>
<td>To motivate GNOC staff</td>
<td>Prepare a staffing function policy (recruitment).</td>
<td>Oct. 2005</td>
<td>Executive Secretary</td>
<td>To motivate GNOC staff</td>
</tr>
<tr>
<td></td>
<td>Prepare and put in place performance appraisal system.</td>
<td>Oct. 2005</td>
<td>Executive Secretary</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prepare and adopt a well-defined pay structure for GNOC staff.</td>
<td>Nov. 2005</td>
<td>Executive Secretary</td>
<td></td>
</tr>
</tbody>
</table>
Objectives

After reading this chapter, you should be able to do the following:

• Communicate the need for good financial management and integrate it into the governance system of your OSO.
• Inform the Board of its responsibilities in terms of the OSO’s finances.
• Develop a financial plan in line with the strategy of the OSO.
• Prepare necessary budgets to achieve the financial plan.
• Put in place procedures for accounting for finances.
• Monitor and evaluate the success of the financial plan.
• Report the financial performance of the OSO accurately and transparently.
No matter how great the potential within an Olympic Sport Organisation (OSO), how well designed its internal structure or how good the athletes it produces, an OSO with poor financial management will experience problems at several levels. Finances are the lifeblood of an organisation. Simply put, if finances are out of control, so is the organisation.

This chapter is broken into five sections. The first section introduces the financial management cycle and outlines why OSOs need sound financial management. The second section outlines the financial planning process, and then the third section focuses on the key areas of budgeting. The fourth section looks at how you can account for your organisation’s finances, followed by the final section, which considers the principles of evaluation and reporting. The chapter concludes with a case study that draws on the experiences of the Swiss Olympic Association in its need to develop a uniform financial reporting system for all of its affiliated sport associations.

**SECTION 4.1**

**GOOD FINANCIAL MANAGEMENT**

Financial management can be defined as monitoring and communicating an organisation's cash flow prudently and in accordance with the law. It requires both a broad strategy from a planning perspective and articulate implementation and recording. Financial management is the process by which an OSO conceives, budgets for, implements and reports its activities on a regular basis. Ideally, financial management should be a component of a strategic plan. Managing funds transparently, efficiently and effectively is essential to ensure continued income and growth for your OSO.

This section presents a number of factors that make up the financial management process. It begins by considering the roles and responsibilities of those involved in the finances of an OSO. It then presents the financial management cycle and defines key terms associated with finance. The section concludes with a discussion of the principles of financial management adopted by the Papua New Guinea Olympic Committee.

**Roles and Responsibilities**

All Board members and staff of an OSO are responsible for its financial management. From the boardroom to a team in the field, everyone has to be attentive to the ethical and accurate use of funds. Few people are more important in the process than the chair of the Board of Directors, treasurer or finance director, executive director, and team manager. Please note that the term “treasurer” will be used in this chapter to describe the person who is managerially responsible for finance in an OSO. This may not be the title you use, and in your OSO the treasurer may also have another role on the Board. The chair of the Board often sets the overall ethical and visionary tone of the organisation. In this regard the chair can affect the manner in which money is allocated. The executive director administers all financial activities in the office at an organisational level. The team manager helps ensure that spending in the field occurs in conformance with official policies. It is, however, the treasurer who has the greatest responsibility for financial management and whose actions in this area have the greatest effect on the organisation.
Treasurers play a crucial role in establishing realistic budgets and keeping them under control. The treasurer, who in many OSOs is an elected member of the Board, must be the principal contributor to the financial planning process and the architect of financial planning. The Queensland Government’s Sport and Recreation Initiative (2006) describes the tasks of the treasurer as follows:

- Maintaining accounts and all financial transactions
- Assisting in the preparation of budgets
- Supervising income and expenditures, including acting as a signatory for all expenditures
- Preparing regular bank account reconciliation statements for presentation to the Board
- Preparing and presenting financial statements on a regular basis to Board meetings
- Recommending and managing investment strategies for surplus funds
- Handling payroll and income tax payments for employees, if applicable
- Preparing all necessary financial statements for inclusion in the annual report
- Ensuring that annual returns and audited financial statements are filed with the relevant government departments, if applicable

Although the Board and staff must work together to run an OSO effectively, it is the treasurer who will set the financial tone of the organisation regarding income and expenditure. A good treasurer will ensure that an OSO stays solvent, grow the organisation’s assets and strike a healthy balance in the organisation’s annual cash flow. Financial management is the responsibility of the entire organisation; however, ultimate responsibility lies in the hands of the treasurer and associated financial staff.

Financial Management Cycle

The financial management cycle can be divided at the macro level into four stages: planning, budgeting, implementation and accounting, and evaluation and reporting. The first two stages concern primarily the OSO Board and lead to the latter two stages, which concern the OSO’s stakeholders. Figure 4.1 illustrates the four stages of the cycle, each driven by a commitment to the vision, mission and objectives of the organisation.

The successful execution of the first stage, planning, requires a holistic approach, one that is somewhat intangible but comprehensive in nature. It facilitates functionality, increases performance and is inextricably linked to other aspects of the OSO, such as mission, programming and governance. It is essential that your vision, mission and objectives are in place in order for any spending to occur, because these will show you where to place your funds.
If your organisation is experiencing problems, do not jump to the conclusion that the source of the problems is financial in nature. The financial problems may be symptomatic of more difficult governance or philosophical issues. However, because power is germane to money, good financial practices can help maintain good power structures and thus assist with the governance of the OSO. Therefore, do not try to fix problems by simply increasing expenditure; having a lot of money without a financial plan for its spending can empower problematic individuals or philosophies within your sport system.

How and when does an OSO strike a balance between what it wants to do and how it gets there? The answer lies in

- how the OSO decides to spend its money by developing a financial plan related to belief in its mission,
- how the organisation budgets and its ability to realize a concept financially through funding and implementation,
- how the OSO accounts for spending its money carefully by being accountable to stakeholders, and
- how the organisation evaluates and reports spending, which will reflect the integrity of its governance system.

Figure 4.1 Four-stage financial management cycle.
Effectively managing these four stages will help increase the opportunities your organisation has to function and grow.

**Key Definitions**

Some of the following definitions will be obvious and well known to you. However, one of the main steps towards good financial management is to have clear understanding of what is being discussed when finances are being reviewed. It is therefore important to ensure that everyone with financial responsibility in an OSO understands the following terms.

- **Assets**: Something of value that the OSO owns or has the use of. These can be current assets, which are only owned for a short time, such as cash, or fixed or long-term assets, such as a building, which the OSO owns for a long time.

- **Liability**: Something owed to someone else; liabilities refer to the debts of the OSO. Again, these can be current liabilities, which must be paid within a fairly short time, such as the money owed to travel agencies, or long-term liabilities, such as the money owed to a bank for a mortgage on OSO headquarters.

- **Overheads**: Costs needed to run an OSO’s daily operations. These are not service or project specific and include the cost of heating, electricity and rent.

- **Surplus**: An excess of income over expenditure.

- **Deficit**: An excess of expenditure over income.

- **Liquidity**: The amount of money you can access immediately to pay your debts.

- **Reserves**: The amount of unspent funds at any given point.

- **Balance sheet**: A list of all assets owned and liabilities owed by the OSO at a given date. It is a snapshot of the OSO’s financial position at a particular point.

- **Profit and loss account**: A record of income generated and expenditure incurred over a given period. This account shows whether your OSO has a surplus or a deficit.

- **Capital expenditure**: Expenditure that results in the acquisition of fixed assets, such as a building. It can also be expenditure on an improvement in the earning capacity of a fixed asset, such as an extension to a building that can be hired out.

- **Revenue expenditure**: Expenditure incurred on the operations of the OSO or on maintaining the earning capacity of fixed assets, such as maintenance on a building that is hired out.
MANAGING OLYMPIC SPORT ORGANISATIONS

The following illustration considers the principles that the Papua New Guinea Olympic Committee has developed to underpin the financial management of the OSO.

Illustration 4.1
Principles of Financial Management: Papua New Guinea Olympic Committee

The 2006-09 strategic plan for the Papua New Guinea Olympic Committee (PNGOC) outlines several principles under which the OSO will operate, and a section on financial management was included in the plan. Clearly, the organisation has a commitment to the principles of good financial management as shown by the following key result area (KRA) of the strategic plan (figure 4.2).
KRA 2: Financial Management

Objective: Increase the amount of financial support to our membership

Rationale: Adequate funding to the membership of the PNGSFOC is vital for ongoing success of PNG sport. We will ensure adequate funding is provided by:

- Capitalising on investment opportunities and increasing the amount of corporate support we receive
- Reducing the reliance on both government and non-government sources of income
- Striving to achieve cost effective utilisation of different sources of income toward our strategic priorities
- Maintaining transparent financial protocols to ensure accountability to our membership

<table>
<thead>
<tr>
<th>Categories</th>
<th>Strategic priorities</th>
<th>Key performance indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Administration</td>
<td>2.1.1 Maintain sound financial budgeting and reporting practices across the organisation</td>
<td>Develop new and more efficient financial practices</td>
</tr>
<tr>
<td>2.2 Accountability</td>
<td>2.2.1 Communicate financial information to relevant stakeholders</td>
<td>Annual budget and financial report distributed to key stakeholders</td>
</tr>
<tr>
<td>2.3 Funding</td>
<td>2.3.1 Provision of financial support to our membership</td>
<td>Support provided in 2005 exceeded annual allocation</td>
</tr>
<tr>
<td></td>
<td>2.3.2 Administer and report against funding received more efficiently</td>
<td>Funding policy developed and endorsed</td>
</tr>
<tr>
<td>2.4 Investment</td>
<td>2.4 Sustain and grow investment sources</td>
<td>Revenue increased by 10% over 4 years</td>
</tr>
</tbody>
</table>

Figure 4.2  Principles of financial management in the PNGOC. The acronym used in this figure, PNGSFOC, refers to the new name of the NOC, Papua New Guinea Sports Federation and Olympic Committee, pending approval.
First, the inclusion of financial management in the strategic plan shows an awareness that finances must support the mission and objectives of the organisation. It also shows that the evaluation of financial performance is important to the PNGOC as there are clear key performance indicators associated with the strategic priorities. There is also a statement of the desire for accountability to sponsors and membership, indicating a stakeholder-oriented approach, evaluated by the distribution of the annual budget and financial report to key stakeholders. Although sound practices are in place, there is awareness that these could be more efficient, and this is a key area of future performance. Finally, the PNGOC has committed to ensure that it uses its funding sources in a more effective way, aiming to reduce reliance on external funding.

These clear statements of principled financial management communicate to others that the PNGOC will manage its finances in a sound and prudent manner. This is a very public statement of how the OSO will operate and demonstrates that the OSO will be accountable for its financial dealings. The public nature of these statements shows the strength of the commitment to good financial management within the PNGOC.

### SECTION 4.2

**FINANCIAL PLANNING**

Financial planning is the process that helps you take stock of your organisation's financial situation, determine your goals and objectives and develop strategies to help take control of the organisation's finances in order to achieve its goals. Financial planning starts with the recognition that an organisation has distinct needs and goals. Comprehensive financial planning includes a number of critical areas, including cash management, budgeting, project management, insurance, capital expenditure and tax planning.

This section considers the process of financial planning and begins with a discussion of the need to determine your OSO's priorities in order to guide planning. It goes on to discuss the assets that an OSO might have and then presents some important concepts to assist with the financial planning process. It concludes with a discussion of the financial planning system of British Swimming.

Good financial management encompasses handling money in a manner that advances an organisation's growth. Conversely, financial mismanagement encompasses handling money in a manner that inhibits an organisation's growth. To ensure that your OSO employs good financial management, all four stages of the financial cycle summarised in figure 4.1 should be kept under tight control.
Even when there is tight control, financial mismanagement can occur due to deliberate misconduct. Thus, the integrity of those overseeing the control mechanisms is crucial. However, deliberate misconduct is not the only way financial mismanagement can occur. Although deliberate misconduct poses a serious threat to all OSOs, a systemic attitude problem regarding the availability of money and how it should be spent is often more difficult to overcome.

It is not the obligation of a prospective sponsor to support Olympic activity simply because of the strong brand integrity represented in the Olympic rings. Misspending money for whatever reason is of real concern to any stakeholder regardless of the perceived integrity of the agenda or context. Misspending is particularly threatening because it can happen involuntarily and even without subterfuge at a variety of levels in the OSO simply because the people spending the money are not guided by the organisation’s mission or empowered with the information necessary to help them maximise the yield from the resources.

Good financial management is linked to a myriad of nonfinancial factors that make interpreting the financial health of an organisation impossible just by reading a spreadsheet. For example, fraud is not necessarily apparent when reviewing financial accounts because accounts can be doctored. Money must be spent keeping in mind the context in which your OSO operates, both in terms of its membership in the Olympic Movement and the condition and attributes of your country, sport and stakeholders. Only then will you be able to determine the financial integrity of your organisation.

Understanding Your Assets

Your OSO is likely to have various assets that have the potential to generate revenue. Some of these assets will be current and some will be fixed, and the ratio between these needs to be carefully managed so that you have enough cash to run the OSO and deal with any emergencies that arise.

Cash Versus Value In-Kind Assets

Current assets fall in two broad categories: cash and value in-kind. Cash assets are those that arrive to your organisation in the form of cash, cheque or bank transfer and can be used to buy products or services in support of a given activity. Your organisation should distinguish between cash provided for a specific purpose and cash provided for general use. Cash given for a specific purpose must be spent accordingly; otherwise you are engaging in misappropriation. In order to change the way in which such cash is used, you may need to receive written consent from the investor.

For example, the IOC and Olympic Solidarity provide a subsidy for the Olympic Day Run to all NOCs. This subsidy is intended to support any number of costs associated with the run. An administrative subsidy is also provided to all NOCs annually that can be used to cover general overhead expenses. It is good financial practice to keep these two accounts separate in order to avoid using the Olympic Day Run subsidy to pay for general office expenses not associated with the run.
Value in-kind contributions are those that come in the form of paid-for services, activities or equipment where a third party has been paid directly by the investor or sponsor to support a given budget item. In the case of Olympic Solidarity, value in-kind contributions are those such as scholarships for athletes and coaches, which are paid directly to the training centre, and scholarships for the MEMOS programme. Just because these contributions are not cash does not mean that they do not have value. You must report them in your earnings and should factor them into your financial planning. Always seek to include a broad array of cash and in-kind assets in your financial planning, which creates flexibility and facilitates the ability of the organisation to cover the costs of all services.

**Infrastructure**

There are other forms of assets that might be in an organisation’s possession, such as built infrastructure, that have monetary value as a fixed asset. These assets are of less importance to the discussion in this chapter because it is principally concerned with cash and in-kind assets that are moving in and out of an OSO annually. However, remember that liquidity is always more than what the organisation has in the bank, and your OSO might be confronted with the need to sell fixed assets to pay debt. If you have been monitoring your cash flow carefully, though, this will rarely be needed.
Sources of Income

Be sure to know how much money is actually within your system when you start the financial planning process. You should identify where your revenue comes from, such as Olympic Solidarity, your government, sponsors and members. Then decide which activity is most suitable for each source to support. In some instances you will have no choice since some funds are provided for specific projects and must be used for these projects, as in the Olympic Day Run subsidy outlined earlier. Try to determine how much money over time each source has put into the system and gauge how much benefit the stakeholders, including your OSO, have received as a result. This will help you determine whether it is worth pursuing some sources of income or not.

Key Concepts in Financial Planning

Many factors are important in financial planning, and several of these are outlined here. The objective is not to offer you a financial plan; such a plan will be affected by your environment and is therefore something that only your organisation can create. However, the points do highlight some factors that you need to consider regarding the handling of money.

Finance as an Extension of Planning

Ultimately, financial planning is an extension of an OSO's broader planning process. Financial planning must be connected to the design and implementation of the OSO's objectives; otherwise spending will be ad hoc and run the risk of putting the organisation into deficit. A sound strategic plan will serve as a guide for managing finances more effectively [see chapter 2].

Time Frame

The time frame of a financial plan is determined by the agenda outlined in an OSO's strategic plan. NOCs may wish to work on a 4-year cycle in line with Olympic quadrennials, but clubs or leagues may find an annual planning cycle to be more appropriate. However, all finances must be monitored frequently and should be reported at least annually. Certain items have to be realised before others, whilst others are more complex and require more funding, and those should be the items for which the OSO seeks resources most vigorously. It is advisable that OSOs working on a 4-year cycle seek to implement programmes in 1- or 2-year time blocks, unless there are compelling reasons not to do so. This will allow regular evaluation in the 4-year cycle. Even in the event of a long-term development initiative, such as an athlete's high-performance career, it is usually practical to break down the larger time block into smaller components, such as a period ending with a major championship.
**Cost Estimating**

Once you have decided what the organisation wants to do, you have to decide how much it is going to cost. To estimate costs accurately, you should think about every possible scenario in the OSO's programmes and have a corresponding budget line. If you fail to do this, when an issue arises for which there is no budget line, you will be stuck with the problem of reallocating resources. It is better to run to a surplus than a deficit at the end of the year, although doing this too regularly will call into question the accuracy of your budgeting. The balance of funds can be returned to funders, or with their permission it could be redistributed towards the cost of other programmes or carried over within the same budget line for the next fiscal year.

Programming is always more expensive than at first glance, albeit comparatively affordable to most major infrastructure. Costs associated with running OSO programmes include design, printing, venues, gala dinners, transport, insurance, room, board, mailing, rent, electric, water, training, indemnities, membership dues, legal counsel and medical expenses. So when thinking about your OSO's programmes, consider those that are essential to its function and those that it could survive without.

If the OSO does not have the internal resources to estimate costs accurately, then it should outsource this work to a professional. This will reduce the risk of overspending, especially on infrastructure projects, once work begins on any given activity. Cost estimating for infrastructure projects should be provided by the professional company being hired for implementation. If any of the companies under review does not include professional cost estimating within the scope of services for the project, the OSO should avoid using it.

Once a service provider is selected, you need to negotiate a contract that defends the OSO's ability to stick to the budget. If the project runs over cost, it should be the problem of the contracted professional, not the OSO, to deliver the final product for the agreed-upon amount. It is important to work only with people holding professional registrations or licences to estimate or with significant professional experience in the appropriate field. Your partners should understand the need to estimate and agree contractually upon the cost of any activity in advance of commencing work. It is not advisable to work with any service provider who wants to settle costs after work commences.

**Distribution of Resources**

Distribution of resources should also be determined by the strategic plan, which, if the plan is sensible, will ensure a broad base of investments. The most essential resources are those that go towards initiatives designed to meet organisational objectives and, in the long-term, the mission of the OSO. For example, high-performance activities tend to be expensive per capita and affect fewer athletes. It therefore may not be appropriate for an OSO whose mission is junior development to put all its resources into a few elite athletes at the expense of its junior development programme.
Types of Expenditure

Another concern is the funding of programmes versus infrastructure. Although infrastructure is necessary in many cases, it is not necessarily the priority. Smaller investments in development programmes, phased over time, usually produce a higher return on investment in the size and quality of the athlete pool whilst contributing to higher athlete retention. Infrastructure projects require significant resources but do not guarantee any improvement in performance in the absence of sound programming.

Area of Focus

Assuming the Board wants the organisation to perform at both the national and international level, it needs to consider a variety of factors that affect the allocation of finances. At the national level, these factors can include the following:

- Size of junior, senior, elite and masters programmes
- Number of federations and clubs within the system
- Overall income from membership dues
- Total cost of expenditures to support the system
- Resources available to support all stakeholders
- Flow of money between stakeholders within the sport system.

At the international level, factors to consider include the following:

- Other countries that participate in the sport
- How much the other countries spend annually on their sport relative to the number of athletes they have
- Opportunities for international cooperation in training and competition
- Travel and insurances
- Number of events for which the OSO is eligible versus those in which it will actually participate

Regardless of the level at which you work, you will need to be aware of the costs of these factors. If this information is not available, you will need to set up a system for collecting it before you can make many strategic financial decisions about how best to spend money in the future.

Organisational Efficiency

Be sure to evaluate the internal efficiency of your OSO. Pay particular attention to making sure that you have adequate and appropriately skilled human resources and that your marketing and promotion strategies are effective. Organisational structure also affects efficiency, as do the governance procedures under which the OSO operates. The evaluation of organisational efficiency can be done using the principles of auditing outlined in chapters 1 and 2.
The following illustration outlines the financial planning process followed by British Swimming. It shows how planning occurs on a 4-year process and is linked with a strategic plan.

**Illustration 4.2**

*Financial Planning in British Swimming*

British Swimming is the National Governing Body for swimming, diving, disability swimming, synchronised swimming, water polo and open water in Great Britain. The members are the three Home Country Swimming Associations of England (Amateur Swimming Association), Scotland (Scottish Swimming) and Wales (Swim Wales.) British Swimming focuses on the high-performance aspects of the sport and is a member of the European Governing Body (LEN) and the World Governing Body (FINA.)

In line with good practice, British Swimming receives funds from a number of sources. The infrastructure of British Swimming is funded primarily from contributions from the three Home Country Swimming Associations and UK Sport. The performance programme for each discipline is funded primarily from the UK National Lottery fund, which is managed through a subsidiary company of British Swimming: High Performance Swimming Ltd.

The performance funding is awarded on a quadrennial basis against detailed four-year operational plans that link into the overall corporate plan and vision for swimming. The plans are compiled by the technical experts for each discipline, led by the relevant National Performance Director, and full costs are apportioned for each activity resulting in a four-year budget that includes the expected income and expenditure month by month.

The central British Swimming budget is produced annually with an overview of the following three years. The annual budget is broken down into monthly income and expenditures.
Management accounts are produced on a monthly basis by qualified accountants for both British Swimming and High Performance Swimming Ltd and all variances are accounted for. Rolling forecasts are produced for both companies, ensuring all budget holders are confident of the final year-end and quadrennial-end figures. Regular reports are made to UK Sport to show expenditure against the grant.

The accounts for both companies are audited annually by an external audit firm and the final accounts published in the annual report following approval by the Board and acceptance by the members attending the annual meeting. In addition to the annual external audit, an internal audit process has been introduced into the day-to-day operation.

The financial planning of British Swimming demonstrates several of the concepts that have been discussed in this section. Financial planning is linked to the strategic and operational plans, which allow finances to be distributed and managed effectively. The control of finances is good, as they are subject to both an internal audit process and a thorough external audit. Finances are monitored and reported to key funding bodies and the Board on a regular basis. For governance purposes, final accounts must be approved by the Board and accepted by the members before publication. From this description, it would appear that British Swimming carries out sound financial planning.

**SECTION 4.3
BUDGETING**

Budgeting is the process by which an OSO agrees upon the cost distribution of its programmes and services for any given year or project. It includes planning as an inherent precedent. Effective budgets can only be established once the financial planning has determined the permissible range or type of spending that will occur within the OSO. Once a budget is established, it is crucial to stick to it. For this reason, constant communication between the Board members, especially the treasurer, and other staff, such as the financial controller and project managers, is necessary.

The Board must agree to the budget and communicate its nature and volume to staff if there is to be successful organisational compliance. If an OSO does not adhere to its budget, the delivery of its programmes and services will be negatively affected. Stakeholders are likely to become discontented as programmes and services break down, financial stakeholders will become concerned about a potential decline in reputation, and trust will be broken, thereby making all future actions and relationship building more difficult for the OSO.

This section looks at how to compile a budget and then control it. It considers the types of budget an OSO might have and ends with a discussion of the budgets of the Comité Olímpico Ecuatoriano (Ecuador Olympic Committee).
Compiling a Budget

A budget is probably the most important tool an OSO can have. It provides a plan for not only long-term business operations, but day-to-day operations as well. A budget can help your OSO meet its goals, and it tells stakeholders how much you want to spend and in what time frame. This provides an immediate idea of the degree of reason within your OSO’s planning because the budget breakdown gives investors more detail about how the money will be spent. It also allows them to see if your OSO has distributed its budget appropriately.

However, budgets are not just about expenditure. They should also contain the income-generating aspects of OSOs, such as membership fees, competition entries, ticket sales, advertising revenues and broadcasting rights (see chapter 5). Therefore, it is important not to make the budget simply a list of expenses, but to present the information in a manner that meets the needs of all stakeholders, particularly financial ones. The person preparing budgets should be knowledgeable about finances and the OSO. This person could be the project director, a staff member involved with the project or the person who handles the organisation’s finances.

The creation of a budget is a relatively straightforward process. You need to determine how much money you have coming in, how much money you are spending and how much money you should be spending. This requires you to identify the following:

- Sources of revenue, or how much money is coming in, including in-kind contributions
- The costs of the services the OSO delivers
- Overhead costs, including salaries, rent and electricity
- Any other costs, such as investment in equipment, maintenance, fringe benefits, employee benefits and payroll taxes

Once you have this information, you can develop a budget, outlining areas where revenue will be spent. When calculating expenditure, remember to consider inflation or increases in costs, such as rent increases or annual salary increases. When developing a budget, most organisations allocate funds to specific “pots of money” with an associated numerical code. For example, a budget for salaries may be created and associated with the number 4421. This becomes known as the budget code for salaries, and all expenditure that is relevant to salaries should be coded as 4421.

You want to avoid

- spending resources without a budget;
- starting initiatives for which there is no budget allotted in the respective calendar year;
- reallocating budget resources from one line item to another, because this denotes lack of financial control;
- asking funders for more resources because you did not estimate your budget accurately;
• multiplying charges to seek additional revenue by having more than one funder cover any given budget item, such as charging travel costs to both the club and the federation;
• large price tags on “miscellaneous/other” budget line items; and
• large overhead budgets, which include unreasonably high salaries or unnecessarily high rent.

Such behaviour sends the signal that your OSO is not fiscally responsible and will lead funders to shy away from investing in it.

You control expenditure of the budget with regular reporting on the differences between actual and budgeted results. The differences are usually called “variances” and are categorised as favourable or unfavourable. This analysis helps you to

• identify quickly whether things are going as expected;
• identify where corrective action is required;
• review plans, policies and decisions in light of performance;
• revise budgets if necessary;
• plan and coordinate the use of resources; and
• predict potential problems.

Budgeting and budgetary control can be effective management tools. The key to making them effective is to ensure that all relevant managers are involved in the process and that the right amount of information is presented, in the right amount of detail, at the right time.

Types of Budgets

The three main categories of budgets the treasurer should assist in developing are the annual budget, project budgets and capital budgets.

Annual Budget

The annual, or operating, budget is the total estimated cost of running an organisation and its programmes in any given financial year. The annual budget is composed of several project budgets plus the overhead of running the OSO. It includes income, expenditures and the net sum calculated from the two. Table 4.1 presents the annual budget of a local badminton club, which shows the budget items required by a small OSO.

Note that the budget is in deficit (expenses are projected to be higher than income). This means that additional funds will have to be found elsewhere. In an organisation of this size, fundraising activities may address the deficit, as will an increase in membership fees. Alternatively, costs could be reduced and perhaps new equipment could be purchased at a later date. In addition, the telephone costs appear high, so there may be a possible reduction in this budget line.
Project Budgets

Project budgets allot a given amount of financial resources towards the achievement of a stated organisational objective. These budgets are broken into two sections, income and expenditure, which each comprise a variety of budget lines corresponding to cost items. Table 4.2 presents a sample budget for the preparation and participation of a Palestinian national team candidate in the 2006 Senior World Rowing Championship.

You can see that the budget has a line for living expenses and then for each major championship attended during the year. German classes were included as a developmental activity for the athlete, and the bike was essential to keep the costs of commuting between the athlete’s residence and the club to a minimum. It is necessary to include all items associated with a project, rather than simply those that are immediately obvious. The budget also includes an exchange rate, which should be included in budgets if funding is received in a currency different from that which is to be used for expenditures.
<table>
<thead>
<tr>
<th>Budget season 2005/06, in €</th>
<th>MONTHS 2005-2006</th>
<th>Comment</th>
<th>Per unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent and living expenses</td>
<td>2,250</td>
<td>2,250</td>
<td>2,250</td>
</tr>
<tr>
<td>Training camps in winter</td>
<td>1,575</td>
<td>1,575</td>
<td>2,800</td>
</tr>
<tr>
<td>World Championship</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>German language courses</td>
<td>1,200</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>Training camp World Champi-</td>
<td>1,313</td>
<td>1,313</td>
<td></td>
</tr>
<tr>
<td>onship</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>World Cups</td>
<td></td>
<td></td>
<td>1,000</td>
</tr>
<tr>
<td>Travel U.S.–Europe (inc-</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>luding insurance)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Club membership</td>
<td>400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competitions, Germany</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Bike</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>6,525</td>
<td>5,125</td>
<td>5,863</td>
</tr>
</tbody>
</table>

**INCOME FROM GRANTS**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6,525</td>
<td>5,125</td>
<td>5,863</td>
<td>7,463</td>
</tr>
</tbody>
</table>

Exchange rate: € 1.25

Data from the Palestinian Rowing Federation.
Capital Budgets

When you need to spend more substantial funds, a capital budget for a certain period of time, such as a 4-year period subject to annual review, can be used. Table 4.3 shows the capital budget that could be developed for improvements to a club’s facilities that are put out for hire to raise revenue. Although this budget includes maintenance items, such as painting, it is a capital budget item because the expenditure will improve the revenue-earning capacity of the clubhouse.

Budget Income

An OSO should be sure to raise its finances from a variety of sources. It should also ensure that each budget line for which it is obtaining resources is targeted at the appropriate source. For example, different items might be covered by government funds, charitable organisations, private investors or supporters, and corporate sponsorship. OSOs should decide what funding they have, how much they need and the degree of difficulty in obtaining each budget line from a given investor. When trying to identify a source of funds for any given budget line, an OSO should think about the value it has to offer (see chapter 5).

You should avoid depending on one or two sources for all your income because this leaves the organisation financially vulnerable if one source of funds ends without an alternative having been identified. You need to carefully target where funds will come from and for what projects. Not targeting your funders sends the message that you simply want money but have not really considered how it should be spent. This will not create confidence in your OSO’s financial management.

Table 4.3  Capital Budget for Improvements to a Clubhouse

<table>
<thead>
<tr>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total (AUS)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AMOUNT (AUS)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refurbish lounge area</td>
<td>7,000</td>
<td>5,500</td>
<td></td>
<td></td>
<td>12,500</td>
</tr>
<tr>
<td>Repaint exterior of building</td>
<td>10,000</td>
<td></td>
<td></td>
<td>12,500</td>
<td>22,500</td>
</tr>
<tr>
<td>Replace HVAC system</td>
<td></td>
<td>21,000</td>
<td></td>
<td></td>
<td>21,000</td>
</tr>
<tr>
<td>Upgrade gymnasium equipment</td>
<td></td>
<td>7,500</td>
<td>7,500</td>
<td></td>
<td>15,000</td>
</tr>
<tr>
<td>Replace and upgrade car park lighting</td>
<td></td>
<td></td>
<td>30,000</td>
<td></td>
<td>30,000</td>
</tr>
<tr>
<td>Rectify car park drainage problem</td>
<td>15,000</td>
<td></td>
<td></td>
<td></td>
<td>15,000</td>
</tr>
<tr>
<td>Clubhouse extension</td>
<td></td>
<td></td>
<td>120,000</td>
<td></td>
<td>120,000</td>
</tr>
<tr>
<td>Fit out clubhouse extension</td>
<td></td>
<td></td>
<td></td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>32,000</td>
<td>26,500</td>
<td>37,500</td>
<td>127,500</td>
<td>296,000</td>
</tr>
</tbody>
</table>
One matter to highlight here that is often overlooked is grant writing. In many countries, the economic situation is not conducive to large-scale investments in sport, and OSOs have limited budgets. In such circumstances it might be worth the effort to explore the options available through foundation or foreign government funding such as the Ford Foundation, United Nations Development Programme and United States Agency for International Development. These organisations have guidelines to help you in the application process. In addition, the Internet provides a wealth of information and guidance on how to write successful grant applications. Just do a search on any search engine, using key words such as sport, funding, grants and development.

Budget Expenditure and Control

Budget expenditure can be large or small, but the important thing is to be sure that it does not exceed projected income (see table 4.1). If it does, your OSO has to find ways to generate income in other areas, such as through increased membership fees or ticket sales, to offset the difference. Try to avoid spending more than you receive in income, reallocating budget lines to offset overspending, not declaring liabilities and misrepresenting the financial solvency of your organisation. These are bad practices that have a compounding effect and generally encourage the use of illegal financial practices.

If money goes missing, it usually does so in small amounts. However, small amounts can accumulate over time and constitute a significant loss. For this reason, regular and clear balancing of the books and reporting to the Board are necessary to demonstrate transparency and spending according to the financial plan. In most cases, it is satisfactory for an organisation to have one person sign for financial transactions. However, in the event that a particularly large sum of money needs to be spent or obtained by the organisation, it is recommended that the treasurer (or financial controller) and one other person, normally the president or secretary general of the Board, have to sign. This will avoid the responsibility of a large sum of money resting on one person’s shoulders.

KEY RECOMMENDATIONS

- In consultation with the Board, identify all sources of income and expenditure, no matter how small or irregular.
- Allocate funds to appropriate areas of expenditure, in particular taking into account income that has been provided for an explicit purpose.
- Ensure that the Board regularly assesses actual performance against budgeted performance.
- Make changes to financial plans if necessary.
- As a last resort, adjust the strategic intentions of the OSO.

The following illustration shows how the Comité Olímpico Ecuatoriano (Ecuador Olympic Committee) raises revenue and then allocates it to its plans.
The Comité Olímpico Ecuatoriano (COE, Ecuador Olympic Committee) was recognised by the IOC in 1959. In 1998, Danilo Carrera Drouet assumed the COE presidency. He had a strong history in sport and important links to the private business sector. This was important because when he was elected, the organisation was essentially bankrupt. There was no stable source of income, and only 12 NFs were members of the COE.

The first task for the new administration was to identify a permanent source of income. The organisation sought a reform of the telephone laws to resolve this dilemma. Through negotiations between the public and private sector, a 5% tax was applied to all calls on the nation’s phone networks that would be paid to sport organisations in the country. In 2005 the tax generated approximately US$50 million. The law now requires that 10% of the tax money go to the NFs. From this 10%, the NFs are required to contribute 10% to the NOC (or 1% of the total tax income). Since the number of NFs has grown from 12 to 45 under Carrera Drouet’s leadership, as outlined in table 4.4, the sum generated for the COE now constitutes well over 10% of its annual income.

In addition to the income from the NFs’ share of the phone tax, the COE receives an additional 1% of the phone tax as income. These two sources of income combined provide the NOC with 2% of the total phone tax income annually, which was approximately US$1 million in 2005. A provision in the law stipulates that not more than 30% of the income from a public fund can be spent in any given budget year. Thus, the COE is required to find a way to spend the US$1 million that it receives over several years. This results in a prudent approach to spending across a variety of services, as outlined in table 4.5.

The tax on phone calls and a subsequent change in legislation regarding the ministerial budget were essential to generate a stable source of income for the COE. However, more funds were needed to realise other development plans. The obvious source would be sponsorship, but the COE had a legacy of uncooperative interaction with the private sector. In addition, it did not have a product to offer in exchange for advertising opportunities because athletes belong to NFs and the NOC can only offer a product once every 4 years: participation in the Olympic Games.

To resolve this dilemma, the COE developed a new product in the form of an annual Olympic Festival. The COE also remarketed the Olympic Day Run, which previously had been poorly supported. These two activities are now major annual sport events in Ecuador, with sponsorship from a national beer company (Cervecería Nacional), two banks (Banco del Pichincha and Banco de Guayaquil) and a yoghurt company (Industrias Lácteas Toni). The products of these companies are sold and advertised at sport events and used on the national uniforms and team equipment for the Olympics, in line with the terms established by the IOC and IFs.
The COE developed an annual Olympic Festival, which contributed to bringing in additional revenue from new sponsors.

Table 4.4 shows the origin of all funding sources, categorised as public and private funding. Private funding is further categorised as local and international. The table not only provides an overall figure but also shows itemised amounts for the overall total. Thus, the amount that is raised from each source is immediately transparent. Under local income, the amount provided by each sponsor of the Olympic Festival is also made transparent. It is also clear that these funds must be spent on the Olympic Festival. This level of detail is extremely valuable for accountability and control purposes.

Expenditure is also provided in great detail, and you can see from table 4.5 that it has been divided into departmental expenses, institutional expenses and the High Performance Olympic Centre (HPOC). Departmental expenditure is budgeted against the various functions required to run the OSO and primarily goes towards salaries. Notice also how the overhead is allocated to each department, rather than being an overall figure for the OSO. This allows stakeholders to identify where overheads are highest, which is important for accountability and control.

(continued)
Table 4.4  Consolidated Annual Budget for the COE: Income, 2006

<table>
<thead>
<tr>
<th>Description</th>
<th>Values in US$ dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Itemised</td>
</tr>
<tr>
<td><strong>Income—public funding</strong></td>
<td></td>
</tr>
<tr>
<td>1% of the 5% telephone tax</td>
<td>530,000</td>
</tr>
<tr>
<td>10% Ecuadorian Sports Federations</td>
<td>530,000</td>
</tr>
<tr>
<td>Ecuadorian Olympic Fund—National Federations</td>
<td>583,000</td>
</tr>
<tr>
<td>Grants</td>
<td>318,000</td>
</tr>
<tr>
<td>Olympic Festival</td>
<td>106,000</td>
</tr>
<tr>
<td>High Performance Olympic Centre and others</td>
<td>106,000</td>
</tr>
<tr>
<td>Federation sports support</td>
<td>53,000</td>
</tr>
<tr>
<td>Income retained by federations</td>
<td>33,300</td>
</tr>
<tr>
<td>Funds earmarked for 2005</td>
<td>300,000</td>
</tr>
<tr>
<td><strong>Total income—public funds</strong></td>
<td>1,976,300</td>
</tr>
<tr>
<td><strong>Income—private funding</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Local income</strong></td>
<td></td>
</tr>
<tr>
<td>Ecuadorian Olympic Committee advertising</td>
<td>85,000</td>
</tr>
<tr>
<td>Cervecería Nacional (National Brewery)</td>
<td>25,000</td>
</tr>
<tr>
<td>National Lottery</td>
<td>25,000</td>
</tr>
<tr>
<td>Industrias Lácteas Toni (Toni Dairy Industries)</td>
<td>25,000</td>
</tr>
<tr>
<td>Banco del Pichincha (bank)</td>
<td>10,000</td>
</tr>
<tr>
<td><strong>Other income</strong></td>
<td>50,000</td>
</tr>
<tr>
<td>Banco del Pichincha (bank): lease</td>
<td>30,000</td>
</tr>
<tr>
<td>Miscellaneous income: rentals</td>
<td>20,000</td>
</tr>
<tr>
<td>Olympic Festival advertising</td>
<td>70,000</td>
</tr>
<tr>
<td>Banco de Guayaquil (bank)</td>
<td>12,500</td>
</tr>
<tr>
<td>Cervecería Nacional (national brewery)</td>
<td>25,000</td>
</tr>
<tr>
<td>Alcaldía de Salinas Industrias</td>
<td>10,000</td>
</tr>
<tr>
<td>Industrias Lácteas Toni (Toni Dairy Industries)</td>
<td>12,500</td>
</tr>
<tr>
<td>Aguapen (waterworks company)</td>
<td>10,000</td>
</tr>
<tr>
<td><strong>Subtotal local income</strong></td>
<td>205,000</td>
</tr>
</tbody>
</table>
### Table 4.5  Consolidated Annual Budget of the COE: Revenue Expenditures, 2006

<table>
<thead>
<tr>
<th>Description of expenses</th>
<th>Values in US$ dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Itemised</td>
</tr>
<tr>
<td><strong>Departmental</strong></td>
<td></td>
</tr>
<tr>
<td>Executive Committee Chair</td>
<td></td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>28,700</td>
</tr>
<tr>
<td>Overhead</td>
<td>5,035</td>
</tr>
<tr>
<td><strong>Management</strong></td>
<td></td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>27,580</td>
</tr>
<tr>
<td>Overhead</td>
<td>0</td>
</tr>
<tr>
<td><strong>Accounting</strong></td>
<td></td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>21,280</td>
</tr>
<tr>
<td>Overhead</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Press and PR</strong></td>
<td></td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>26,320</td>
</tr>
<tr>
<td>Overhead</td>
<td>36,350</td>
</tr>
<tr>
<td><strong>Technical</strong></td>
<td></td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>4,200</td>
</tr>
<tr>
<td>Overhead</td>
<td>22,900</td>
</tr>
</tbody>
</table>

(continued)
Illustration 4.3 (continued)

**Table 4.5 (continued)**

<table>
<thead>
<tr>
<th>Description of expenses</th>
<th>Values in US$ dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Departmental</strong></td>
<td></td>
</tr>
<tr>
<td>Library</td>
<td></td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>5,600</td>
</tr>
<tr>
<td>Overhead</td>
<td>0</td>
</tr>
<tr>
<td>COEDI (Ecuadorian Olympic Records and Information Centre)</td>
<td>9,800</td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>9,800</td>
</tr>
<tr>
<td>Overhead</td>
<td>0</td>
</tr>
<tr>
<td>Administrative, security and maintenance</td>
<td>132,560</td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>35,560</td>
</tr>
<tr>
<td>Overhead</td>
<td>97,000</td>
</tr>
<tr>
<td>Museum</td>
<td>4,500</td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>4,200</td>
</tr>
<tr>
<td>Overhead</td>
<td>300</td>
</tr>
<tr>
<td>Systems</td>
<td>20,120</td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>15,120</td>
</tr>
<tr>
<td>Overhead</td>
<td>5,000</td>
</tr>
<tr>
<td>Medical</td>
<td>4,728</td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>3,360</td>
</tr>
<tr>
<td>Overhead</td>
<td>1,368</td>
</tr>
<tr>
<td><strong>Women's Sports Centre</strong></td>
<td>10,806</td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>10,290</td>
</tr>
<tr>
<td>Overhead</td>
<td>516</td>
</tr>
<tr>
<td><strong>Subtotal departmental expenses</strong></td>
<td>365,479</td>
</tr>
<tr>
<td><strong>Institutional</strong></td>
<td></td>
</tr>
<tr>
<td>Staff expenses—Women’s Sports Centre</td>
<td>6,000</td>
</tr>
<tr>
<td>Overhead</td>
<td>180,047</td>
</tr>
<tr>
<td>Legal expenses</td>
<td>10,000</td>
</tr>
</tbody>
</table>
### Description of expenses

<table>
<thead>
<tr>
<th>Description of expenses</th>
<th>Values in US$ dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Itemised</td>
</tr>
<tr>
<td><strong>Departmental</strong></td>
<td></td>
</tr>
<tr>
<td>Sundry operational expenses</td>
<td>180,448</td>
</tr>
<tr>
<td><strong>Subtotal institutional expenses</strong></td>
<td>376,495</td>
</tr>
<tr>
<td><strong>High Performance Olympic Centre (HPOC)</strong></td>
<td></td>
</tr>
<tr>
<td>Staff expenses—salary and employee benefits</td>
<td>41,720</td>
</tr>
<tr>
<td>Services rendered: medical, technical and host staff</td>
<td>114,120</td>
</tr>
<tr>
<td>South American Games</td>
<td>80,000</td>
</tr>
<tr>
<td>Basic services</td>
<td>58,013</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>30,425</td>
</tr>
<tr>
<td>Transportation expenses</td>
<td>7,800</td>
</tr>
<tr>
<td>Publications</td>
<td>14,533</td>
</tr>
<tr>
<td>Repairs</td>
<td>20,000</td>
</tr>
<tr>
<td>Materials for new buildings</td>
<td>85,358</td>
</tr>
<tr>
<td>Training program</td>
<td>38,400</td>
</tr>
<tr>
<td><strong>Total High Performance Olympic Centre</strong></td>
<td>490,369</td>
</tr>
<tr>
<td><strong>Departmental, institutional and HPOC expenses</strong></td>
<td>$1,232,343</td>
</tr>
</tbody>
</table>

The remaining expenditure is allocated to the services offered by the COE. Once again, in most instances, the budget shows excellent detail. Stakeholders may wish for more details on the sundry operating expenses that are part of the institutional budget. In addition, there appear to be two areas of expenditure allocated to staff for the Women’s Centre. This is, however, likely to be due to different types of staff that have been accounted for in a different way.

The budgets of the COE have a clear structure, with departments and services having their own budget lines. For example, all costs associated with the HPOC, including staff expenses, are allocated to one area of the budget. Sources of income and areas of expenditure can be easily identified and are itemised appropriately. Overheads are allocated to relevant budgets, rather than as their own budget line, which makes control easier. Finally, all matters pertaining to the budgeting of the COE are published publicly in an annual report and audited yearly by PricewaterhouseCoopers, as required by the principles of good governance and sound financial management.
SECTION 4.4
ACCOUNTING FOR FINANCES

Implementation of a budget means raising and spending the money included in it. Accounting is the process of tracking and cataloguing the income and expenditures. This accounting makes the information easily retrievable in the future. It is part of good financial management, but it is also part of prudent risk management. A critical reason to record all income and expenditure is so that other individuals or organisations can see that the OSO spends its resources according to its expressed intent. Thus, transparency, risk management and functionality are all inherent to the accounting process.

A vital part of implementing an organisation's finances is managing financial risk whilst implementing programmes and events. This section addresses the structures that must be in place in an OSO in order to spend money with minimal risk. It also outlines how you can track and account for spending. The section concludes with an example of a risk management tool, the waiver used by the United States Olympic Committee at their Olympic Training Center.

Managing Risk With Legal Documentation

As outlined in chapter 1, sport includes risks that vary from minor legal disputes to death. It is therefore part of sound financial management to accept these risks and take prudent measures to control them in advance. An OSO’s primary concerns are to minimise the potential for lawsuits that could bankrupt it and its Board members and to conduct business in a manner consistent with the law. The principles of risk management outlined in chapter 1 are crucial, particularly the use of a risk register. There are, however, other tools that are valuable, and these are presented next.

**Insurances**

If available to you, an important measure to reduce risk is holding insurance policies. There are at least two categories of insurance to consider in an OSO. One insurance category limits the liability of the Board of Directors, which runs the OSO. Members of any Board have a responsibility to their organisation that includes its financial solvency. Therefore, protection of individual Board members' personal financial assets is part of sound financial management. If possible, an OSO should consider taking out a policy of directors and officers liability insurance (DOLI) in order to protect the Board members from financial ruin. DOLI also secures a pool of money for legal fees in the event of a lawsuit.

The other insurance category to consider includes the various insurance options you could offer to members, athletes, coaches and officials. Since OSOs provide services with an inherent risk, membership in the organisation could include insurance against equipment damage, health insurance, accidental death or dismemberment insurance, or DOLI. At the very least, these policies could be offered at an additional charge.
If such insurance policies are not available to your OSO, you need to be confident that the management and accountability systems that are in place in the organisation can provide protection against the need for such policies.

**Conflicts of Interest**

To reduce the risk of being charged with financial mismanagement during the implementation of finances, you need to make sure you are not operating with a conflict of interest. Such conflicts occur in several situations. Of primary concern are those that arise out of financial interests between members of the Board of Directors of an OSO and anyone providing contracted services. For example, if a Board member owns a clothing company, it would be a conflict of interest for that member to decide which company should supply team uniforms.

Financial conflicts of interest may exist where a Board member or other stakeholder (known as an “interested party”) of the OSO directly or indirectly profits as a result of a decision, policy or transaction made by your OSO. Examples include situations in which your OSO

- contracts, buys or leases goods, services or properties from an interested party, such as leasing your headquarters from a Board member;
- employs an interested party other than a person who is already employed, such as employing a Board member to carry out consultancy work;
- provides substantial gratuities or favours to an interested party, such as offering free education to the children of sponsors;
- gratuitously provides use of the facilities, properties or services of your OSO to an interested party, such as allowing the club that your president is a member of to train at your high-performance centre free of charge; or
- adopts policies that financially benefit an interested party, such as including a staff member’s husband on your approved list of suppliers.

Conflicts of interest may also occur when

- an interested party obtains a nonfinancial benefit or advantages that they would not have obtained without a relationship with the OSO,
- an interested party tries to obtain preferential treatment for another interested party,
- an interested party makes use of confidential information for personal benefit or for the benefit of another interested party, or
- an interested party seeks to take advantage of an opportunity or enables another interested party to take advantage of an opportunity that would be of interest to your OSO.
In many countries it is illegal to have a conflict of financial interest within your organisation because such conflicts are a primary source of corruption and a threat to a nation’s economy. In the event that there are no laws regarding conflicts of interest in the country in which an OSO operates, it is still prudent for the Board to voluntarily adopt an internal policy on conflicts of interest. This should require members of the Board to agree to and sign an “interests register” that outlines clearly other interests that they have that may conflict with their role on the Board. This will limit the possibility of an interested party directly or indirectly benefiting or profiting as a result of a decision, policy or transaction made by the OSO’s Board.

**Indemnification and Waivers**

If possible in your legal system, every contract you sign should indemnify your OSO of any illegal behaviour on the part of a contracted service provider. Also, it is helpful to only permit membership to people who agree in writing to an indemnification clause. Similarly, you might require athletes to sign waivers of liability before participating in your OSO’s events. Clubs recognized by an NF must require all participants in a sporting activity to sign waivers of liability. Unfortunately, if you don’t take these actions, you may put your organisation at risk.

An indemnification clause releases a party from the legal responsibility for the reckless or illegal behaviour of another party, such as members or contractors, with whom you have a legal relationship. This type of clause is a good idea to embed in waivers and contractual agreements in order to minimise the financial risk to your organisation in the event of a lawsuit.

Waivers of liability are often used to reduce the possibility of a lawsuit brought by a member of an OSO in the event of injury or death as a result of participating in an activity of the organisation. Typically, a waiver asks the member to acknowledge the risk of injury or death and release the OSO from any legal responsibility should such injury or death occur. Signing waivers of this nature is often a condition for an athlete’s participation in an event.

**Financial Record Keeping**

Accounting is the method by which an organisation records all transactions, principally payments and investments, and classifies or files them such that they are easily retrievable in the future. They may be retrieved later on for any number of purposes, such as audits, reports or investor relations. It is crucial for your OSO to maintain nationally and internationally acceptable accounting procedures so that your financial management is transparent and auditable. Without good accounting procedures firmly in place, your OSO will be undermining its financial stability from the inside out. Unless you maintain retrievable records, you will not be able to demonstrate that resources have been spent according to intent, and funding sources might begin to withdraw their support.
For example, the money generated by the broadcasting rights of the Olympic Games is distributed by Olympic Solidarity to all member NOCs. Olympic Solidarity is essentially the custodian of this money, which rightfully belongs to the member NOCs. However, the fact that the money belongs to the NOCs is no excuse for skirting good financial management practices and not having a clear accounting system in place. It is because Olympic Solidarity is a good custodian of the money that it requires accounting evidence of the funds that are distributed as a precondition for the receipt of further funds. Thus, the NOCs are required to justify their spending for any OS-approved activities. If an NOC does not have a good accounting system, then it may not be able to demonstrate how the resources were used and, therefore, may not receive any additional subsidies.

**Generally Accepted Accounting Principles**

The process of filing and reporting financial transactions relies on the development and adherence to generally accepted accounting principles (GAAP). GAAP are financial principles established by your organisation that are in conformance with the laws in the country in which the OSO is officially registered. These principles include how to set up your profit and loss accounts, to and from whom income and expenditure are reported, and the step-by-step procedure for cataloguing financial transactions for internal or external review. If you operate under GAAP, your accounts and financial practices will be consistent over time. This will make it possible to compare performance from year to year.
Accounting systems are set up according to local laws and organisational culture; however, there are some basic international standards that all countries are encouraged to meet. These standards are defined by the International Accounting Standards Board (IASB), which has a website, www.iasb.org, that you can use as a reference tool for good accounting procedures. A large amount of information on the subject is available for free, and paying members have access to even more information.

If your OSO has experienced difficulty setting up an accounting system, it will be useful to use the summaries of the International Financial Reporting Standards and International Accounting Standards available on the site. This portion of the site offers definitions of key concepts and ways to deal with them in your accounting process. In addition, the site offers a variety of documents regarding peripheral matters, such as how to deal with interested-party disclosure statements and financial investments in activities.

**Receipts**

The majority of accounting is about keeping legally acceptable receipts of transactions on record. The term "legally acceptable" varies from country to country, but for the most part it is good practice to have a receipt from a vendor that indicates the vendor's name, address, telephone number, vendor number [as registered with the government], and date and type of transaction. The receipt should indicate the kind of payment used and the amount of change given, if any. It is the responsibility of the team manager to ensure that the appropriate paperwork is collected and passed on to the accountant.

Because successful accounting relies on people in the field, it is vital that all employees spending the organisation's money are informed of organisational procedures. It is helpful to supply a receipt pouch or envelope to these individuals with an additional compartment for change. Having a drop box for such pouches in the office facilitates prompt return of the receipts. This way everyone who travels and is spending the organisation's money knows that there is one place where they should deliver their financial records. Emptying the drop box should be done only by a person with responsibility for the OSO's finances in order to limit the chances for loss or questions about tampering.

Although this collection system for receipts and change sounds simple, everyone can probably recall forgetting to request a receipt from a vendor. Therefore, it is perfectly appropriate for your financial controller to remind all staff regularly about collecting receipts and to review the classification procedures with them. For example, the financial controller may wish that all receipts be broken down into spending categories according to the published office codes prior to submission. Such categories could be food, medical expenses and communication and could be listed on a form that is distributed electronically or with the receipt pouch. The form could also include fields for amount of cash provided, amount of cash spent as per receipts, amount of cash returned and amount of cash that is unaccounted for. The latter should occur infrequently and only in small amounts.
Currency Conversion

When travelling in a foreign country, one often has to deal with currency conversions. This can be confusing because the conversion rates change daily, and sometimes people spend more than they think they are spending. At times, delegations run out of money and require an expensive wire transfer through Western Union or a local bank to rectify this. Thus, a good delegation head will stay on top of the spending and collect receipts from the delegates daily in order to avoid running out of cash. Ultimately, the financial controller will determine the internationally acceptable conversion rate to use in the final classification, but when delegations are in the field it is wise to use Internet-based conversion software, such as www.oanda.com, or a local bank to help you track your spending. When converting currencies, just be sure to indicate the date on which the funds were actually spent so that the correct conversion rate for the corresponding date is used and the calculation is accurate.

Auditing Accounts

It is in line with the principles of good financial management and governance to have your accounts audited once a year. This should be done by an external, independent individual or organisation. For larger OSOs, this may involve an auditing company, whilst clubs may ask a member who is not involved in the operation of the club to audit the accounts. If your accounting system is accurate, the audits will be straightforward, simple and nothing to fear. If you have a poor accounting system, an audit will tell you this and recommendations will be made on how to improve the accounting procedures. Remember, it is not the end of the world if you fail an audit; it is simply an opportunity to implement changes that will ultimately strengthen your organisation.

Auditing is necessary for producing a credible annual report to investors. If you cannot afford an independent auditor, you should at least have internal audits produced by your treasurer and approved in writing by every member of the Board. Unfortunately, the problem with internal audits is that they are considered less reliable by funding sources, and their formats can be inconsistent from year to year. If you have limited financial resources, you can try to find a certified public accountant (CPA) to contribute your audit for free (perhaps someone who enjoys your sport), but be sure the CPA is licensed so that the audit is credible.

KEY RECOMMENDATIONS

- Ensure that your OSO has adequate and appropriate insurance for its activities.
- Avoid conflicts of interest by annually asking all Board members, staff and volunteers to complete an interests register.
- Make liability waivers part of your competition entry requirements.
- Account for all finances in a consistent and transparent manner, following GAAP.
- Put in place procedures to help field staff account for expenses.
OSOs invest time and money in preparing athletes for major competitions. In many cases OSOs spend even more money once athletes are selected for a competition since expenditure is required for kit, travel and accommodation. However, even more costly in terms of image and sponsorship is an athlete who is selected for a major event, such as the Olympics or Paralympics, who then does not continue to train for the event, or is caught up in a scandal.

The following illustration shows how the United States Olympic Committee has attempted to avoid such events by requiring participants at their Olympic Training Center to sign waivers that release the OSO from liability.

**Illustration 4.4**

*United States Olympic Training Center Waiver and Release of Liability*

The United States Olympic Committee (USOC) attempts to minimise the risk of legal action against the organisation by requiring participants to sign the waiver that is presented in figure 4.3. The waiver and release of liability is a legal document that takes effect once it is signed by an athlete. All participants at the Olympic Training Center are required to sign the document before they can take part in any activities. The document is relatively short but outlines clearly the basis on which participants can take part in activities organised by the USOC.
The waiver is comprehensive in that it covers risk of legal action from all possible sources, such as family and agents. It covers most of the risks likely to be faced by an athlete, ranging from death to harassment, and covers all of the activities associated with participation. It is renewed annually and covers all USOC facilities. In addition to this waiver, participants are also required to sign a medical and travel release and a code of conduct. These documents significantly minimise the risk to the USOC.
SECTION 4.5
EVALUATION AND REPORTING

Reporting is a two-step process. First, you need to evaluate the organisation's activities and spending to determine if the cost–benefit ratio was favourable. You have to ask whether the outcome of your efforts and spending was worth the investment. A variety of evaluations can produce quantitative data that can be combined with qualitative data. Once you have a good picture of the results of your efforts, you need to put everything together in a report that is available to the public. Certain financial components of that report should be audited so that it is credible to readers. The final product should also be easy to read and include some form of anecdotal notes or journalistic highlights to give the report flavour and make it enjoyable to readers, especially past and future investors.

This section considers how you can evaluate your activities and then report the evaluation. It outlines the role of reports and final accounts and then concludes with an illustration of how the Palestinian Rowing Federation reported on its training camp activities.

Evaluation

Throughout the period of operations you should have been in control of the budget through good accounting. Department managers should have provided monthly reports, and the Board should have viewed monthly and annual reports. The objective of evaluating your work is to determine whether the money spent achieved the objectives.

In order to perform a solid evaluation, you should first write up a summary of the objectives, activities to be evaluated and budget lines supporting those activities. There are many areas of an OSO to evaluate, and these should all be included on the list. Your evaluations should be both quantitative and qualitative in nature and should be combined to generate information indicating the degree of success or failure in the initiative.

Financial data is part of the quantitative aspect of the evaluation because it comprises numbers that express a quantity of money owed or owned by your OSO. These data are hard facts, not subjective indicators. Qualitative data may include feedback, suggestions and complaints. For example, assume your OSO is developing a new sport and has launched a test phase for introducing the sport at the community level. There will be several areas to evaluate qualitatively, such as media coverage to support the initiative and parent, athlete and volunteer satisfaction. These factors can be evaluated through interviews and questionnaires.
Each qualitative factor can also be matched with a quantitative evaluation. Having used media to promote the programme, you can then quantify the types of media coverage in number of articles and television reportage, and you can quantify the outreach within the community in number of readers or viewers. The impact can also be assessed by the number of people now aware of the sport. Parent, athlete and volunteer satisfaction can be represented as percentages to provide quantitative data; for example, 65% of parents were satisfied with the programme and 88% of athletes were satisfied with the programme.

You should always evaluate your athletes’ performance and maintain a comprehensive database of the results. This database is necessary to gauge improvement and determine who might be eligible on the basis of athletic merit to receive training subsidies. Ultimately, when you get to the reporting phase you will want to highlight some of the performance quantitatively for your investors. For example, you could point out that athlete X at the local level was slowest last year but is now in the top third of the squad. In this instance you would provide competition times as quantitative data to support the claim. Another example could be athlete Y, who recently placed fifth in the continental games of his region and is now looking to be an Olympic hopeful. These types of quantitative evaluations are important motivators for some investors because they indicate success, and they can be included as feature stories in an annual report.

**Reporting**

Reporting is essential to good financial management. There are several levels and kinds of reporting that take place. At the project level, project managers must report monthly to the department heads about the financial status of their projects. The critical information in these monthly reports is whether the project is on budget. Thus, these reports include a financial summary table showing the spending for any given month compared with the spending year to date and the original budget. As outlined in section 4.3, the difference between year-to-date spending and the budget is referred to as the variance and is represented as a percentage. In monetary terms, this corresponds to a positive cash surplus or a negative deficit. Table 4.6 provides an example of a monthly report for a volleyball club. Note that the figures in round brackets ( ) denote a deficit and that this is the usual way of reporting deficits.

The information provided to the department heads or project managers is passed to the financial staff within the OSO. They then classify and file the information so that it is easily retrievable in the future. Monthly reports should be supported by receipts and other financial records for the month and should continue throughout implementation of a project. When a project is concluded, it is necessary for the project manager to write the final project report. The report will include all evaluations and a summary table about the financial status of the project.
### Table 4.6 Monthly Financial Report for a Volleyball Club

<table>
<thead>
<tr>
<th></th>
<th>This month</th>
<th>Year to date</th>
<th>Original budget</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant</td>
<td></td>
<td>3,002.40</td>
<td>10,000.00</td>
<td>6,997.60</td>
</tr>
<tr>
<td>Sale of shirts</td>
<td>21.00</td>
<td>110.45</td>
<td>500.00</td>
<td>389.55</td>
</tr>
<tr>
<td>Affiliation fees</td>
<td>100.00</td>
<td>225.00</td>
<td>500.00</td>
<td>275.00</td>
</tr>
<tr>
<td>Interest</td>
<td>2.50</td>
<td>2.50</td>
<td>20.00</td>
<td>17.50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>123.50</td>
<td>3,340.35</td>
<td>11,020.00</td>
<td>7,679.65</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td>80.52</td>
<td>579.50</td>
<td>2,000.00</td>
<td>1,420.50</td>
</tr>
<tr>
<td>Stationery and postage</td>
<td>43.50</td>
<td>821.45</td>
<td>2,000.00</td>
<td>1,178.55</td>
</tr>
<tr>
<td>Telephone</td>
<td>176.30</td>
<td></td>
<td>500.00</td>
<td>323.70</td>
</tr>
<tr>
<td>Insurance</td>
<td>115.25</td>
<td>263.40</td>
<td>500.00</td>
<td>236.60</td>
</tr>
<tr>
<td>Equipment</td>
<td></td>
<td>2,000.00</td>
<td>1,000.00</td>
<td>(1,000.00)</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>186.00</td>
<td>2,000.00</td>
<td>1,814.00</td>
<td></td>
</tr>
<tr>
<td>Cost of shirts</td>
<td>400.00</td>
<td>300.00</td>
<td></td>
<td>(100.00)</td>
</tr>
<tr>
<td>Travel</td>
<td>21.69</td>
<td>775.26</td>
<td>2,000.00</td>
<td>1,224.74</td>
</tr>
<tr>
<td>Sundries</td>
<td>10.05</td>
<td>30.15</td>
<td>100.00</td>
<td>69.85</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>271.01</td>
<td>5,232.06</td>
<td>10,400.00</td>
<td>5,167.94</td>
</tr>
<tr>
<td><strong>Surplus (deficit)</strong></td>
<td>(147.51)</td>
<td>(1891.71)</td>
<td>620.00</td>
<td>2,511.71</td>
</tr>
</tbody>
</table>

© 2006 State of Queensland (Department of Local Government, Planning, Sport and Recreation).

The level of detail in a final report should always be comprehensive and include qualitative and quantitative information. Reports should also be easy to read and include the most important information up front in summary form. This means that there should be an easily readable spreadsheet or financial table summarising all cash flow and including a consolidated budget. You can also include an evaluation summary in table format across a variety of categories to give the reader a quick idea of the content of the report.

An OSO should produce financial quarterly reports, to be shared with the Board of the organisation. Such reports normally remain confidential; only annual reports become public documents available to everyone, including staff. Staff responsible for specific projects will obviously know some financial information. However, they should be reminded by the Board, executive director or financial controller that they are not supposed to share financial information about their project unless necessary to complete work required by the OSO.
Figure 4.4 presents a simple three-tier controlling and reporting structure that is recommended to manage the finances associated with implementing programmes and services. The reporting structure, supported by accounting records, helps ensure transparency in implementation. Transparency is the process by which an organisation records its decision making and financial spending and earnings such that others can verify the accuracy of the information. As outlined in chapter 1, transparency in decision making permits an OSO to measure the effectiveness of its work and to problem solve when necessary.

Being transparent does not mean that an organisation cannot have confidential material. OSOs should have transparent structures as ultimately this means that they are representative in nature. However, confidentiality is also an essential element in reporting. In the same way that Olympic Solidarity respects the confidentiality of financial affairs relating to its constituent NOCs, organisations or individuals within a given system should respect the confidentiality of certain matters as defined by the Board.
This does not mean that Olympic Solidarity does not divulge any financial information about its dealings with NOCs. Olympic Solidarity publishes an annual report that reveals how much it allocates to NOCs across various programmes. It also publishes the total amount of money available at the start of its quadrennial. However, this does not mean that the details of every financial transaction are available for Olympic Solidarity to reveal to anyone who calls the office. The details can only be shared with the consent of the NOC in question. In a system with so many competing stakeholders at so many different levels, it may be important to keep certain matters confidential, at least for a period of time. Table 4.7 suggests the confidentiality of various items in the workplace.

An important way to maintain confidentiality in an organisation is to have all persons working with or for the organisation sign a nondisclosure agreement as a condition of employment. Violation of the nondisclosure agreement could be cause for immediate dismissal. Nondisclosure agreements could be used as standard practice, but they are particularly useful in situations where sensitive information about an organisation or individual’s finances could be passed to parties that would use it with malicious intent, such as competitors in the market. It is also recommended to use nondisclosure agreements in high-profile projects and projects with large budgets, such as a bid package for an international championship.

### Table 4.7  Transparency Versus Confidentiality of Information

<table>
<thead>
<tr>
<th>Document</th>
<th>Produced by</th>
<th>With help of</th>
<th>For whom</th>
<th>Time of distribution</th>
<th>Confidentiality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agendas</td>
<td>Chair</td>
<td>Meeting participants</td>
<td>Participants</td>
<td>Before meeting</td>
<td>Medium</td>
</tr>
<tr>
<td>Minutes</td>
<td>Appointee</td>
<td>Scrutineer</td>
<td>Participants</td>
<td>After meeting</td>
<td>Medium</td>
</tr>
<tr>
<td>Mail</td>
<td>Sender</td>
<td>N/A</td>
<td>Recipient</td>
<td>Upon arrival</td>
<td>Highest</td>
</tr>
<tr>
<td>Planning</td>
<td>Planners</td>
<td>Appointed staff</td>
<td>Board</td>
<td>Before Board meetings</td>
<td>High</td>
</tr>
<tr>
<td>Planning</td>
<td>Planners</td>
<td>Appointed staff</td>
<td>Board</td>
<td>Before Board meetings</td>
<td>Highest</td>
</tr>
<tr>
<td>Monthly</td>
<td>Project manager</td>
<td>Staff on project</td>
<td>Controller</td>
<td>Monthly</td>
<td>High</td>
</tr>
<tr>
<td>Quarterly</td>
<td>Controller</td>
<td>Project managers</td>
<td>Board</td>
<td>Before Board meetings</td>
<td>Highest</td>
</tr>
<tr>
<td>Annual</td>
<td>Board</td>
<td>Controller, Executive</td>
<td>Public</td>
<td>First quarter</td>
<td>Low</td>
</tr>
<tr>
<td>reports</td>
<td></td>
<td>director</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Midterm</td>
<td>Controller</td>
<td>Project managers</td>
<td>Board</td>
<td>Before Board meetings</td>
<td>Highest</td>
</tr>
<tr>
<td>reports</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>Board</td>
<td>Executive director</td>
<td>Staff</td>
<td>After annual reviews</td>
<td>Highest</td>
</tr>
</tbody>
</table>
Be sure to remind paid and unpaid staff to discuss confidential information only in designated areas, such as a closed conference room. Staff should not discuss sensitive information in the common areas of the office like the kitchen or bathrooms or close to another person who is on a telephone. Accountants or treasurers should not speak about their work with anyone other than the Board or executive director in the office. Only those needing it should have access to sensitive information.

Final Accounts

Thus far we have reviewed information on how an OSO can develop, budget, account for and report on its financial plans. The final stage in this process is the preparation of annual, hopefully audited, final accounts. The two main accounts that need to be presented to the General Assembly are the operating statement and the balance sheet. These accounts will give members a feel for the financial stability of the organisation.

Operating Statement

Also known as the profit and loss account, the operating statement is an analysis of how the capital or net worth of an organisation has changed over a given period. It is a record of income generated and expenditure incurred over a given period, as can be seen in table 4.8, which is the operating statement of the Amateur Swimming Association (ASA). The account shows whether the OSO has more income than expenditure, that is, a surplus or a deficit.

These accounts must show the following:

- Turnover
- Income from rents
- Income from investments
- Equipment hire charges
- Depreciation charges and how they are arrived at
- Auditor remuneration
- Interest on loans
- Tax charge (if applicable)
- Transfers to and from reserves
- Any exceptional accounting adjustments

Balance Sheet

A balance sheet is the list of assets and liabilities an organisation has at a given time (table 4.9). Reading, interpreting and explaining a balance sheet is not solely the domain of trained accountants, and you should be able to articulate the meaning of a balance sheet. The purpose of a balance sheet is to put a value on the net worth of an organisation. To do this requires a list of those things of value (assets) that the organisation owns, such as buildings and cash, and a list of those things that the organisation owes to others (liabilities), such as loans. The difference between these two figures is the net worth, or equity, of the OSO.
<p>| Table 4.8  Operating Statement of the Amateur Swimming Association |
|-----------------|-----------------|-----------------|-----------------|-----------------|
|                | Actual 2004/05 (£000s) | Budget 2004/05 (£000s) | Actual 2003/04 (£000s) | Actual 2002/03 (£000s) |
| OPERATING INCOME |                  |                  |                  |                  |
| Awards scheme (net) | 1,642            | 1,696            | 1,599            | 1,517            |
| Membership fees    | 942              | 902              | 1,155            | 1,159            |
| Education          | 619              | 550              | 611              | 619              |
| Grants from Sports Council and government agencies | 2,612 | 2,485 | 453 | 348 |
| Competition income | 217              | 159              | 180              | 152              |
| Sponsorship and marketing fees | 355 | 364 | 293 | 250 |
| Management charges | 69               | 130              | 142              | 169              |
| Crystal Palace scheme (net) | 68 | 25 | 9 | 17 |
| Swimfit           | 6                | 0                | 11               | 0                |
| English programme contributions | 67 | 0 | 0 | 0 |
| Sundry            | 55               | 6                | 9                | 15               |
| Total             | 6,652            | 6,317            | 4,462            | 4,246            |
| OPERATING EXPENDITURE |                  |                  |                  |                  |
| Staff and related costs | 1,770            | 1,828            | 1,686            | 1,645            |
| Competition costs | 452              | 424              | 387              | 390              |
| Contribution to ASFGB Ltd. | 381 | 368 | 357 | 341 |
| Contribution to HPSE Ltd. | 1,350 | 1,340 | 0 | 0 |
| Office costs      | 380              | 386              | 259              | 230              |
| Education         | 258              | 255              | 255              | 315              |
| Insurance         | 268              | 264              | 229              | 243              |
| Nonrecoverable VAT | 86              | 145              | 68               | 122              |
| Development       | 445              | 319              | 159              | 104              |</p>
<table>
<thead>
<tr>
<th>Category</th>
<th>Actual 2004/05 (£000s)</th>
<th>Budget 2004/05 (£000s)</th>
<th>Actual 2003/04 (£000s)</th>
<th>Actual 2002/03 (£000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASA district grants</td>
<td>49</td>
<td>66</td>
<td>135</td>
<td>108</td>
</tr>
<tr>
<td>ASA regions</td>
<td>165</td>
<td>210</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Committee meetings</td>
<td>105</td>
<td>104</td>
<td>135</td>
<td>141</td>
</tr>
<tr>
<td>Publications</td>
<td>91</td>
<td>100</td>
<td>57</td>
<td>110</td>
</tr>
<tr>
<td>Depreciation</td>
<td>57</td>
<td>56</td>
<td>58</td>
<td>80</td>
</tr>
<tr>
<td>Office equipment and IT services</td>
<td>65</td>
<td>36</td>
<td>73</td>
<td>81</td>
</tr>
<tr>
<td>Swimfit costs</td>
<td>8</td>
<td>0</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>Sponsorship and marketing costs</td>
<td>178</td>
<td>231</td>
<td>167</td>
<td>70</td>
</tr>
<tr>
<td>Grants to other bodies</td>
<td>64</td>
<td>70</td>
<td>64</td>
<td>64</td>
</tr>
<tr>
<td>Legal and professional fees</td>
<td>76</td>
<td>96</td>
<td>102</td>
<td>66</td>
</tr>
<tr>
<td>HR training and recruitment</td>
<td>70</td>
<td>81</td>
<td>47</td>
<td>56</td>
</tr>
<tr>
<td>Grant-funded project costs</td>
<td>576</td>
<td>489</td>
<td>143</td>
<td>9</td>
</tr>
<tr>
<td>Other expenses</td>
<td>51</td>
<td>53</td>
<td>54</td>
<td>58</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,945</strong></td>
<td><strong>6,921</strong></td>
<td><strong>4,453</strong></td>
<td><strong>4,250</strong></td>
</tr>
<tr>
<td>Operating surplus (deficit)</td>
<td>(293)</td>
<td>(604)</td>
<td>9</td>
<td>(4)</td>
</tr>
</tbody>
</table>

Reprinted with permission of the Amateur Swimming Association.

The balance sheet must contain the following:

- Corresponding amounts for the immediately preceding financial year
- Breakdown of the capital employed
- Details of freeholds and leases
- Value of patents and trademarks
- Valuation of fixed assets and how the figures were arrived at
- Details of any investments and their value
- Loans
- Cash and debts
- Stock and the basis of its valuation
- Total bank loans and overdrafts
## Table 4.9  Balance Sheet of the Amateur Swimming Association

<table>
<thead>
<tr>
<th></th>
<th>2005 (£000s)</th>
<th>2004 (£000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freehold properties</td>
<td>165</td>
<td>168</td>
</tr>
<tr>
<td>Fixtures and fittings/IT</td>
<td>105</td>
<td>62</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>20</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>290</td>
<td>230</td>
</tr>
<tr>
<td><strong>INVESTMENTS AT COST</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unquoted</td>
<td>85</td>
<td>85</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank and cash balances</td>
<td>850</td>
<td>1,467</td>
</tr>
<tr>
<td>Sundry debtors</td>
<td>1,111</td>
<td>531</td>
</tr>
<tr>
<td>Loan to ASA Swimming Enterprises</td>
<td>145</td>
<td>145</td>
</tr>
<tr>
<td>Stock</td>
<td>161</td>
<td>141</td>
</tr>
<tr>
<td></td>
<td>2,267</td>
<td>2,284</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sundry debtors</td>
<td>(712)</td>
<td>(520)</td>
</tr>
<tr>
<td>Deferred income</td>
<td>(831)</td>
<td>(685)</td>
</tr>
<tr>
<td>Charitable donation</td>
<td>(3)</td>
<td>(3)</td>
</tr>
<tr>
<td></td>
<td>(1,546)</td>
<td>(1,208)</td>
</tr>
<tr>
<td>Amounts due from Amateur Swimming Federation of Great Britain Ltd.</td>
<td>184</td>
<td>184</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>1,280</td>
<td>1,575</td>
</tr>
<tr>
<td><strong>RESERVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated fund</td>
<td>1,197</td>
<td>1,500</td>
</tr>
<tr>
<td>Premises reserve fund</td>
<td>83</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>1,280</td>
<td>1,575</td>
</tr>
</tbody>
</table>

Reprinted with permission of the Amateur Swimming Association.
Because each organisation has different needs, the financial practices adopted therein will be a reflection of those needs. However, problems can occur when there is too much variation in the reporting of member organisation finances. These problems are especially acute if liabilities are not reported and financial collapses occur suddenly. This is why audited final accounts are necessary.

**KEY RECOMMENDATIONS**

- You and your Board need to evaluate the OSO’s performance in qualitative and quantitative terms.
- Ensure that you report on finances on an annual basis.
- Ensure that financial information is kept as confidential as appropriate.
- Produce annual, audited accounts to demonstrate financial probity.

The following illustration shows how the Palestinian Rowing Federation evaluated and reported the activities of its coaching development programme.

**Illustration 4.5**

*Evaluation of the Coaching Development Programme of the Palestinian Rowing Federation*

The Palestinian Rowing Federation (PRF) is one of the youngest rowing federations in the world. Founded in 1998, it faces formidable development challenges characterised by a volatile political situation and weak investment in sport in general. In order to develop a national coaching programme to lay the foundation for the future expansion of rowing in Gaza, the PRF sought and obtained funding from Olympic Solidarity to send a group of coaches to the International Training Centre for Rowing in Seville, Spain.

When reporting on the success of the venture and accounting for funds, as suggested in this section, the PRF carried out qualitative and quantitative evaluation of the training events, which were 2 months long. Qualitative evaluation of the programme was carried out through interviews with the coaches and administrator and through evaluation of the daily logs maintained by attendees whilst at the training centre. In addition, an evaluation questionnaire was also completed.

From this data and the accounts kept of the event, and in order to account for the funding received from Olympic Solidarity, the PRF provided a detailed report that was prefaced by the report summary outlined in table 4.10.
### Table 4.10 Evaluation Summary Submitted to Olympic Solidarity (OS)

<table>
<thead>
<tr>
<th>Category</th>
<th>Evaluation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Training objectives</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Train coaches in touring boats</td>
<td>0</td>
<td>Coaches used training boats, but not touring/ocean boats specifically.</td>
</tr>
<tr>
<td>Train coaches in racing boats</td>
<td>4</td>
<td>Coaches learned how to use racing shells.</td>
</tr>
<tr>
<td>Train coaches in rigging</td>
<td>4</td>
<td>Coaches learned necessary rigging skills.</td>
</tr>
<tr>
<td>Train coaches in weightlifting technique</td>
<td>2</td>
<td>Coaches were introduced to basic weight training techniques.</td>
</tr>
<tr>
<td>Offer participants travel opportunity out of the Gaza Strip</td>
<td>2</td>
<td>Only 50% of intended participants travelled.</td>
</tr>
<tr>
<td>Offer coaches cultural experience in line with principles of Olympism</td>
<td>2</td>
<td>No structured programme.</td>
</tr>
<tr>
<td><strong>Time</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Punctuality of commencement of programme</td>
<td>3</td>
<td>Three days late due to border passage problems.</td>
</tr>
<tr>
<td>Schedule</td>
<td>2</td>
<td>Adapted on location to be more manageable and mesh with schedule at Centre, Coaching Level 1 curriculum, and adjust for communication difficulties with language.</td>
</tr>
<tr>
<td><strong>Participants</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of male coaches</td>
<td>4</td>
<td>All male participants attended (2).</td>
</tr>
<tr>
<td>Number of female coaches</td>
<td>0</td>
<td>No female participants attended (2 intended).</td>
</tr>
<tr>
<td>Community administrator</td>
<td>4</td>
<td>All administrators attended (1).</td>
</tr>
<tr>
<td>Chaperone (for females)</td>
<td>0</td>
<td>No chaperone attended (1 intended).</td>
</tr>
<tr>
<td><strong>Cash spent</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FISA budget</td>
<td>2</td>
<td>38.9% of budget spent (€2,526.56 out of €6,489.36).</td>
</tr>
<tr>
<td>PRF budget</td>
<td>2</td>
<td>29.5% of budget spent (US$3,106.88 out of US$10,535.00).</td>
</tr>
<tr>
<td>OS budget</td>
<td>1</td>
<td>29.6% of budget spent (€5,804.60 out of €19,598.40).</td>
</tr>
<tr>
<td>Category</td>
<td>Evaluation</td>
<td>Comments</td>
</tr>
<tr>
<td>-----------------------</td>
<td>------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Overall evaluation</td>
<td>2</td>
<td>Final rating 2.2 on a scale of 0 (low) to 4 (high), with 2 as intermediate. The programme was a success, scoring above intermediate in critical dimensions, training objectives were achieved and the lower-than-expected score is based on 50% participation and, therefore, not a reflection of the integrity of the curriculum, module design and so on.</td>
</tr>
</tbody>
</table>

**Points for improvement**

<table>
<thead>
<tr>
<th></th>
<th>PRF</th>
<th>Visa process needs to be faster/better organised, ensure attendance of female coaches in the second module, respond to assignment from FISA more promptly, and submit module report more promptly.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FISA</td>
<td>Confidential.</td>
</tr>
<tr>
<td></td>
<td>OS</td>
<td>No need for improvement—does not affect implementation.</td>
</tr>
</tbody>
</table>

**Next step**

<table>
<thead>
<tr>
<th></th>
<th>PRF</th>
<th>Use courier service for visa application process to consulate, identify a pool of female coaches and put them through a competitive selection process for Seville, seek a written guarantee of attendance from female coaches and their respective chaperones, utilise technology more effectively to overcome physical barriers in the territories (perhaps by improving federation intranet), set mutual deadline with OS and FISA for submission of module report, adhere to schedules.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FISA</td>
<td>Confidential.</td>
</tr>
<tr>
<td></td>
<td>OS</td>
<td>Confidential.</td>
</tr>
</tbody>
</table>

**Legend**

0 = low; 1 = limited; 2 = average; 3 = satisfactory; 4 = high

*FISA stands for Fédération Internationale des Sociétés d’Aviron (International Rowing Federation). (continued)*
Illustration 4.5 (continued)

This report summary provides an evaluative overview of the event in terms of its objectives, budget and participants. Each of these factors is evaluated on a scale from 0 to 4, and comments explaining performance are provided. The report also provides an overall summary score, plus areas of improvements. By presenting the information in this manner, the PRF was able to provide a succinct report to its stakeholders, allowing them to identify the key information first: performance against objectives and against budget. This structure allowed stakeholders to gain an impression of the overall evaluation of the event and determine quickly whether the cost–benefit ratio was favourable. The summary was then reinforced by more detailed information in the remainder of the report.

This type of reporting makes good use of qualitative and quantitative information. It is based on research with participants, which increases the reliability of the evaluation and accounts for expenditure against key areas of interest. It also provides meaningful information for stakeholders who may be too busy to read a detailed report and therefore demonstrates the accountability of the PRF.

The following case study discusses the GAAP developed for Swiss OSOs. In recent years, two Swiss NFs filed for bankruptcy, and another federation faced a major financial crisis. These matters, combined with growing pressure from governmental donors, encouraged the Swiss Olympic Association to develop a uniform reporting procedure for all associated sport organisations in the country. The case study that follows is an ongoing initiative that is expected to evolve through at least 2012.

CASE STUDY 4

Generally Accepted Accounting Principles:
Swiss Olympic Association

In 1998 the Swiss Olympic Association (Swiss Olympic) began an initiative to resolve problems with the finances of the OSOs under its patronage. Swiss Olympic needed to finance all associations using federal money whilst ensuring reporting for spending across competitive, popular and particularly junior development initiatives.

However, discrepancies in financial reporting amongst the 81 Olympic and non-Olympic sport associations in the country had led to the inability of Swiss Olympic to provide credible, reliable and accurate financial information to government and private sector investors. This inconsistency resulted in a real threat to Swiss Olympic’s funding. The message was clear: Swiss Olympic needed to develop a uniform financial reporting system of generally accepted accounting principles (GAAP) in order to reinforce weakening trust over the financial practices of the organisation’s affiliates.

The objective of the project was to secure sufficient funding for Swiss sport in the 21st century in accordance with the goals and objectives that the organisation had set. In addition to securing financial stability, Swiss Olympic would also achieve two important yet previously elusive objectives:
• The development of a transparent, financial reporting structure across all 81 sport associations
• The generation of uniform standards for data collection

The structure and standards would result in a financial information bank that could be used to compare and evaluate performance and growth over time.

In addition, the Swiss Sport GAAP would require that all Swiss sport associations stop doing their accounting voluntarily. The GAAP would provide a description of the accounting process to be followed and the categories to be included when compiling a balance sheet. This would introduce uniformity across all organisations. The GAAP project was an example of Swiss Olympic taking the lead on providing mutually beneficial systems and training to its member associations. Swiss Olympic would get what it needed to secure its funding, and the sport associations would receive training on how to conform with the expectations of their governing IFs.

The Project

The project team consisted of members of Swiss Olympic, the Zurich University of Applied Sciences Winterthur and the private financial consulting firm of PricewaterhouseCoopers (PwC). The process followed and the time frames involved are outlined in figure 4.5, and from this it is apparent that the project was somewhat lengthy.

It was, however, a thorough process. The first step in the process was to collect as much data as possible on the financial statements of all national sport associations, starting with the largest in order to set the standard. These sheets showed that different sports were funded in different ways and amounts. For example, football earned a high volume of cash from a wide competition range. In contrast, the only source of income for paragliding was issuing certification for gliders. Consequently, the balance sheets of associations were quite different.
### Detailed Process Between 2003 and 2006

<table>
<thead>
<tr>
<th>Date</th>
<th>Key Events</th>
</tr>
</thead>
</table>
| 1 November 2003 | - Start data gathering: 81 sport associations  
- Analysis of annual reports and financial statements  
- Development of Swiss Sport GAAP manual  
- Development of Swiss Sport GAAP manual  |
| 1 February 2004 | - Development of Swiss Sport GAAP manual  
- Objective to develop: Manual to standardize transparent, financial reporting structure  
- Financial information bank  
- Developing comparable income statements  |
| 1 April 2004    | - Development of Swiss Sport GAAP manual  
- Objective to develop: Manual to standardize transparent, financial reporting structure  
- Financial information bank  
- Developing comparable income statements  |
| 1 August 2004   | - Informative meeting for Presidents of associations  
- Discuss Swiss Sport GAAP  
- Sensitize for targets  
- Gather support  |
| 1 September 2004| - Kick off meeting for finance managers  
- Objectives: Establish targets  
- Key topics  |
| 15 October 2004 | - Workshops for finance managers  
- Starting active support during implementation  
- Type of support: IT (software) support  
- Legal support  
- Individual support  
- Providing methods of resolution  |
| 15 October 2004 | - Reasons support needed:  
- Guidelines for revision of Swiss Sport GAAP  
- Establish long-range goals for revision for 2009-2012 quadrennial  |
| 1 January 2006  | - Kick off meeting for finance managers  
- Objectives: Establish targets  
- Key topics  |

**1998 - October 2003**

- Preliminary research  
- Theoretical models  
- Expert financial knowledge  
- Adherence to Swiss law  

**1998:** SOA mandates Dr. Thomas Held to study sources and applications of funds for Swiss sport  
**1999:** SOA determines to launch reform of financial reporting process of affiliated sport associations  
**2003:** ZUW and PwC join initiative  
**2003-2004:** Develop manual  
**2004:** Implementation of Swiss Sport GAAP  
**2006:** Annual report and financial statement mandatory after guidelines of Swiss Sport GAAP  
**Milestone in Swiss sport achieved**

**1998 - October 2003**

- Preliminary research  
- Theoretical models  
- Expert financial knowledge  
- Adherence to Swiss law  

**1998:** SOA mandates Dr. Thomas Held to study sources and applications of funds for Swiss sport  
**1999:** SOA determines to launch reform of financial reporting process of affiliated sport associations  
**2003:** ZUW and PwC join initiative  
**2003-2004:** Develop manual  
**2004:** Implementation of Swiss Sport GAAP  
**2006:** Annual report and financial statement mandatory after guidelines of Swiss Sport GAAP  
**Milestone in Swiss sport achieved**

**SOA**

- Collaboration on Swiss Sport GAAP

**ZUW**

- Relationship network

**PwC**

- Expert financial knowledge
- Adherence to Swiss law

**Figure 4.5**

- Swiss Sport GAAP time frame and process.
After collecting the data from the balance sheets, PwC reconciled the information from all the associations’ balance sheets with the Swiss Code of Obligation regarding limited liability corporations. This was necessary to verify the accuracy and legality of the reported direct costs of sport activities and their associated overhead. The information was used to determine how much money Swiss Olympic needed to target from investors, such as the national lottery, government and sponsors from the private sector.

The data collection process proved the perceived wide discrepancies. For example, not all sport organisations performed audits. Amongst those that did, some performed internal audits, whilst some performed external audits with private companies or through private contacts. Many of the accountants from the sport associations had been copying their accounting principles from the business units of private corporations from which they had been hired. They had applied the principles to sport despite the fact that the two were not compatible. Ultimately, much of the material that was collected was not comparable, thereby reinforcing Swiss Olympic’s conviction to develop a uniform system of reporting.

The comprehensive data collection process lasted five months before the GAAP manual was developed. This ensured a reliable basis for the manual. The training associated with the project was targeted, and the first phase aimed to communicate the need for the GAAP to Presidents of the associations. Intended to gain commitment and support for the GAAP, this initial phase was followed by communication with and training for Financial Managers. Although the Presidents needed to be committed to the GAAP, Financial Managers would be implementing it. They needed to understand what was required, and thus the training for this group was much more detailed.

Classification Codes, Accounting Instructions and Other Tools

Aside from reconciling the financial practices of the associations with Swiss law, the Swiss Olympic GAAP project resulted in the publication and distribution of the Manual for the Establishment of Annual Accounts. This includes a set of classification codes, accounting instructions and other tools for income and expenditure that all associations had to adopt. A summary of these items as outlined in the GAAP is presented in table 4.11.

From this table, we can see that the GAAP model requires that all cost items be categorized by cost element, such as salary; cost centre, which can be multiple, such as championships; and cost object, such as elite sport. This is a very structured approach to accounting that increases comparability across time and across organisations.

Implementation

Once the Swiss Sport GAAP manual was developed, it had to be promoted to and adopted by all the sport associations. Communication was critical to this step in the initiative, as was the identification of serious backers. This meant educating the Presidents of the sport associations on the model and getting them to back its implementation in their respective sport associations. Thereafter, Swiss Olympic could pursue the task of organising workshops for the staff members who would be directed to implement the GAAP by their President or Executive Director.
## Table 4.11 Summary of Swiss Sport GAAP

<table>
<thead>
<tr>
<th>Classification codes</th>
<th>Directives of distribution and evaluation of the assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td><em>Directives of distribution and evaluation of the balance sheet</em></td>
</tr>
<tr>
<td>10</td>
<td>Current assets</td>
</tr>
<tr>
<td></td>
<td>100-130 (e.g., cash and equivalents, securities)</td>
</tr>
<tr>
<td>14</td>
<td>Fixed assets</td>
</tr>
<tr>
<td></td>
<td>140-180 (e.g., restricted capital, tangible fixed assets)</td>
</tr>
<tr>
<td>2</td>
<td>Liabilities</td>
</tr>
<tr>
<td>20</td>
<td>Short-term obligations</td>
</tr>
<tr>
<td></td>
<td>200-230 (e.g., short-term financial obligations, other financial obligations)</td>
</tr>
<tr>
<td>24</td>
<td>Long-term obligations</td>
</tr>
<tr>
<td></td>
<td>240-260 (e.g., long-term financial obligations, other financial obligations)</td>
</tr>
<tr>
<td>27</td>
<td>Restricted funds capital</td>
</tr>
<tr>
<td></td>
<td>270 (e.g., restricted funds capital)</td>
</tr>
<tr>
<td>28</td>
<td>Federation capital</td>
</tr>
<tr>
<td></td>
<td>280 (e.g., capital of the federation)</td>
</tr>
<tr>
<td><strong>B</strong></td>
<td></td>
</tr>
<tr>
<td>40</td>
<td><em>Directives for auditing the income statement</em></td>
</tr>
<tr>
<td>40</td>
<td>Operating income</td>
</tr>
<tr>
<td></td>
<td>300-330 (e.g., contribution from members, public and private subsidies, event revenues)</td>
</tr>
<tr>
<td></td>
<td>Direct sectoral costs</td>
</tr>
<tr>
<td>41</td>
<td>Sports development</td>
</tr>
<tr>
<td></td>
<td>410-416 (junior world and European championships, competitions, training, sports medicine)</td>
</tr>
<tr>
<td>Classification codes</td>
<td>Directives of distribution and evaluation of the assessment</td>
</tr>
<tr>
<td>----------------------</td>
<td>-----------------------------------------------------------</td>
</tr>
<tr>
<td>42</td>
<td>Popular sports</td>
</tr>
<tr>
<td></td>
<td>420-424 (e.g., sectoral management, competitions)</td>
</tr>
<tr>
<td></td>
<td><strong>Indirect administrative costs</strong></td>
</tr>
<tr>
<td></td>
<td>450-476 (e.g., employee wages and salaries, travel, legal and advertising expenses)</td>
</tr>
<tr>
<td></td>
<td><strong>Financial results</strong></td>
</tr>
<tr>
<td></td>
<td>360, 480 (i.e., funds invested and funds generated)</td>
</tr>
<tr>
<td></td>
<td><strong>Sundry results</strong></td>
</tr>
<tr>
<td></td>
<td>370, 490, 499 (e.g., taxes)</td>
</tr>
<tr>
<td></td>
<td><strong>Funds results</strong></td>
</tr>
<tr>
<td></td>
<td>910</td>
</tr>
<tr>
<td>C</td>
<td><strong>Cash flow statement</strong></td>
</tr>
<tr>
<td>D</td>
<td><strong>Statement of changes in association’s net equity</strong></td>
</tr>
<tr>
<td>E</td>
<td><strong>Appendix</strong></td>
</tr>
<tr>
<td>E</td>
<td>Summary of the most significant principles for presentation of the accounts</td>
</tr>
<tr>
<td></td>
<td>Tangible fixed assets table</td>
</tr>
<tr>
<td></td>
<td>Provisions table</td>
</tr>
<tr>
<td></td>
<td>Other notes</td>
</tr>
<tr>
<td>F</td>
<td><strong>Performance report</strong></td>
</tr>
<tr>
<td>G</td>
<td><strong>Directives for review of the accounts</strong></td>
</tr>
<tr>
<td>1</td>
<td>Review of the association’s official annual accounts</td>
</tr>
<tr>
<td>10</td>
<td>Review of the association’s consolidated accounts</td>
</tr>
<tr>
<td>14</td>
<td><strong>Sample letters</strong></td>
</tr>
<tr>
<td></td>
<td>(Includes a variety of templates used in the accounting process according to Swiss Sport GAAP)</td>
</tr>
</tbody>
</table>

*(continued)*
Swiss Olympic organised a series of workshops and, in 2006, was working with individual associations in the process of conversion as they began to implement the financial reforms. At the first public workshop, Swiss Olympic presented the Swiss GAAP model to the sport associations. Each sport association had 6 weeks to offer their responses and key demands to Swiss Olympic regarding compliance. Such demands included concerns about the feasibility of and time frame for implementation. It was clear that some federations, such as swimming, rowing, cycling, fencing and tennis, were in a much better position to implement the model faster and more easily than those whose human resources or financial models were less developed or consistent. Such organisations would require years to transition into the new system. PwC offered 2 days of workshops for all associations’ financial controllers upon the introduction of the manual into the sport system.

A financial software firm developed software to support the use of the GAAP by the larger associations. The smaller associations are able to use Microsoft Excel for implementation. In doing so, associations avoid purchasing additional expensive software.

Naturally, the better positioned associations proved to be critical allies of Swiss Olympic in driving implementation of the GAAP forward. Supportive and capable associations provided reliable environments for beta testing, incubating new ideas and even setting the same standards for their respective affiliates, such as clubs. Also, these associations provided Swiss Olympic with good role models whilst buffering tension and acting as catalysts to the less prepared associations, some of whom were entrenched in the attitude of maintaining the old way of doing things.

**Project Limitations**

The four main problems faced by Swiss Olympic in the realisation of the GAAP were as follows:

- **Generating a commitment to change**: The project was more than just a change in a balance sheet, it was a change in the entire attitude towards consistency and specialisation as critical factors in financial solvency.
- **Pressure of money**: Associations continued to try to take money without opening up their books.
- **Generalising budget categories**: It was necessary to identify the terms (including the spelling) for income and expenditure.
- **Reconciliation from one system to another**: Existing systems had different financial codes than those required by the GAAP.

The length of time and variation in capability to implement the model also resulted in Swiss Olympic’s decision to treat the model itself as an adaptable structure. Ultimately, Swiss Olympic recognised that the project involved a dynamic model that would have to be revised at the conclusion of the 2005-08 quadrennium, at which time 2 years of uniform reporting amongst all Swiss sport associations would have occurred.
Project Strengths

An important strength of the model is the static reporting system, which requires only minor adjustments to be made over a clearly defined timetable. Since sport operates in a dynamic environment, the GAAP allow OSOs to deal with constantly changing financial officers and staff who often bring their own accounting methodologies. Through the Swiss Olympic GAAP, the NOC is able to secure the accuracy of information over time and across people.

Swiss Olympic considers transparency in communication through workshops and professional communications and honesty to be the two most important factors in the success of the initiative. These attributes are of high importance to the government and private sector. Framing the reforms in line with the principles and spirit of Olympism was also important, particularly when trying to expand the implementation of the GAAP into the association’s clubs. Swiss Olympic is working with the tennis association to introduce the model at the club level.

In the end, the effort to develop the Swiss Olympic GAAP was determined by technical realities imposed by internal reporting deficiencies and the needs and expectations of external stakeholders. Swiss Olympic’s realisation that it needed to respond to these pressures through reforming the reporting system rather than ignoring them will secure future funds for Swiss Olympic, making the restructuring well worth the effort.

GAAP Implementation in the Swiss Gymnastics Association

The Swiss Gymnastics Association (SGA) was founded in 1832. The primary responsibility of the SGA is the management of gymnastics at the national level in setting standards, setting competition categories, and selecting national and Olympic teams. In addition, the SGA runs a large training facility.

Until adoption of the GAAP, the SGA maintained separate accounts for the events that it organised. Events included the Swiss Cup, the World Championship of Popular Gymnastics and the Federal Gymnastics Event (the biggest popular sport event in Switzerland, held every 6 years). Each of these events had separate profit and loss accounts. Now they are incorporated into the balance sheet of the SGA. Although the SGA preferred to maintain the separate profit and loss accounts so as not to lose transparency, it accepts that the integration of the accounts makes the balance sheet more reliable and accurate.

With the full implementation of the GAAP model in 2006, a new internal structure for the SGA was put into place. There is now a division between strategy and operations. Previously, the President of the SGA controlled a portfolio. Now, a more corporate model has been adopted in which the President is barred from having this type of control.
The SGA experienced several improvements through implementation of the GAAP. The ability to benchmark now allows the SGA to determine how much it is spending on popular versus elite sport versus administrative costs. This aids Board members and stakeholders in making more informed strategic and financial decisions. The balance sheet, once generated, is very clear. It is also mandated that efficiency reports be more detailed through the incorporation of extensive explanations under the GAAP. This helps define irregularities such as moving to a bigger office and inappropriate variances in budget. In addition, the GAAP requires an outside company to perform the audit in order to prevent misleading reports. Although this is good from the perspective of Swiss Olympic, it is a considerable cost that all sport associations must take into account.

Despite the many improvements and successful implementation of the GAAP, the SGA identified a significant problem in one area. No association has yet found a solution to the question of how to classify payroll in the balance sheet, especially for large sport associations. The SGA found that the payroll system within the GAAP does not match the organisation’s event pattern or comply with its IT structure.

This oversight in the planning of the GAAP means that the SGA has to include detailed notes on the accounts to explain to members how much individuals are being paid. This creates an even longer accounting structure than before. So, the process by which a balance sheet is obtained has not been streamlined, although the product will be easier to read and compare at a system level for Swiss Olympic.

Although Swiss Olympic never had a problem interpreting the balance sheets of the SGA, it can now compare more easily the SGA data to that of other Swiss associations. The SGA has essentially reclassified the same information it was giving Swiss Olympic before it adopted the GAAP. The biggest difference between the old and new system is that now both OSOs can see how much is being spent on elite versus popular sport. Previously there had been no clear line for this on the accounting record.

The SGA found that initially Swiss Olympic asked for too much information in some areas. However, it is expected that the reporting package will change over time to ask only for information that Swiss Olympic needs. At present, the GAAP is a higher standard than required by Swiss law, but it does allow the SGA to analyse two essential elements that constitute the GAAP’s overall structure: the balance of spending on professional versus recreational sport and the balance of spending on sport versus administrative costs.

The Swiss GAAP was an ambitious and innovative project that was driven by the need for good financial practices. The underlying principles of consistency, comparability, transparency and accountability were a solution to the problems that Swiss Olympic faced before the project was undertaken.
Chapter 5

Managing Marketing

Objectives

After reading this chapter, you should be able to do the following:

• Analyse the relevance of your organisation’s services in relation to your stakeholders’ requirements.
• Enhance the quality of your services by being aware of what stakeholders expect.
• Manage effective communication.
• Analyse what is required for a sponsorship programme.
• Consider your marketing from a strategic perspective.
The effective marketing of Olympic Sport Organisations (OSOs) requires you to be aware of what services your organisation has to offer and how these can be marketed. The purpose of this chapter is to explain many of the key principles that will help you to market your organisation effectively.

Marketing is the process of planning and developing products and services to satisfy individual and organisational goals. In terms of marketing, an OSO primarily offers images, values, ideas and services rather than products, which means that the marketing of OSOs has several unique characteristics. Marketing is appropriate for all organisations that can offer something to stakeholders. However, providing services presents four specific challenges:

- Services are intangible, which means that they cannot be touched or seen. Due to their intangibility, services cannot be inventoried, new services can be easily copied and communication and pricing are difficult. This means that you may have difficulty answering the following questions that are important for gathering marketing information: What do we offer? How do we price a sponsorship package? How do we promote our service quality?

- Services change across time, organisations and people, and therefore ensuring consistent service quality is demanding. OSO service quality depends upon both volunteers and paid staff, and it is impossible to guarantee how staff will interact with stakeholders. Furthermore, many factors are difficult to control. For example, although an NF may make promises to a sponsor about an event, the promises may not be fulfilled if the service is delivered by clubs and volunteers.

- Services are produced and consumed at the same time, and it is impossible to separate the service from the person who delivers it and the person who receives it. Consequently, all stakeholders, including volunteers, staff and members, are part of the service that has to be marketed. For example, event spectators are part of the show and can have a positive or negative impact on each other.

- Services are perishable, and therefore it is difficult to match supply and demand. For example, it is difficult to anticipate entries for a marathon, so most of the top events limit the number of participants, thereby sometimes causing dissatisfaction.

Another major difference in the marketing of OSOs comes from the fact that OSOs promote values such as fair play and friendship. This means that their marketing is more oriented towards society than business. This is particularly the case for clubs, where little commercial value is usually associated with services. Social marketing often involves changing intractable behaviours in complex economic, social and political climates, often with limited resources. Furthermore, social marketing tends to emphasise voluntary behaviour, and it deals with services with which the consumer is often either highly involved or not involved with at all.
Thus, marketing needs to be specific to each organisation in order to help OSOs achieve their specific commercial and social objectives. This chapter applies strategic marketing concepts to the environment of OSOs, the stakeholders of OSOs and the organisations in the OSO system. The first section considers what OSOs have to market and highlights a number of regulations that may need to be considered when deciding what to market. The second section considers stakeholder expectations of OSO services in order to market quality services. The third section presents methods and tools for improving the communications of OSOs, and then the fourth section focuses on sponsorship. The final section presents the strategic marketing process, which provides information on how to get into an attractive position in the marketplace. The chapter concludes with a case study of the marketing of the Olympic Committee of Slovenia, Association of Sports Federations.

SECTION 5.1
WHAT CAN WE MARKET?

Like all organisations, an OSO has a relationship with its stakeholders, and this relationship is supported by the values, products, services and brand of the organisation. OSOs primarily offer services to stakeholders, such as sport training, courses, organisation of competitions, sponsorship programmes and information through websites. As highlighted earlier, services consist of intangible elements that are consumed during the time that the service is delivered. Services, however, also require tangible elements related to facilities, equipment and staff, and some services can be associated with training manuals, audiovisual documents, sport equipment and merchandise.
It should be noted that an OSO offers services to its stakeholders and that these stakeholders are free to accept or refuse the offer. This is why we use the term "service offering" to describe what you can market. An offering is the set of tangible and intangible elements of a service, conceived and managed by the organisation in order to satisfy stakeholders’ expectations. This section presents tools that allow you to analyse your current service offerings and to analyse and secure the legal rights related to OSO properties. It goes on to outline key issues in making negotiations and concludes with a presentation of how the Comité Olímpico Argentino | Argentine Olympic Committee] has managed its marketing rights by careful negotiation with sponsors.

**Identifying the Current Offerings**

OSOs market their offerings to stakeholders, who can be internal, such as the Board, paid staff and members, or external, such as sponsors, local authorities and media. Successful marketing requires you to be aware of what the organisation can offer the market and to whom it should be offering services. The main characteristic of value that an OSO has to market is the organisation’s brand. This consists of the organisation’s name, image and associations with that name and image. The Olympic brand [five rings] derives its power from a diverse base of values and attributes, such as the values of fair play, friendship and community. An NOC’s brand will be composed of the Olympic symbol associated with a national distinctive element as approved by the IOC. A gymnastic club’s brand may be a vaulting horse underpinned by the motto of the club. The following process may be valuable in organising your marketing.

**List Current Offerings**

You need to know what your organisation has to offer to the market. In order to do this, the following question should be considered: What services, brand, ideas and products can be marketed to stakeholders? The answer may be complex due to the fact that an offering often mixes services, ideas and products. For example, a membership card allows a member to be part of training sessions and competitions, to take part in the club’s democratic process and to be informed through the club website. In order to answer the previous question, you could consider general offerings, such as membership cards, sponsorship packages, tournaments, merchandising and social programmes, or you could split the offerings into units, such as information or training. The end result should be a complete picture of everything that the organisation can promote to its stakeholders through marketing techniques.

**List the Stakeholders**

The concept of stakeholders was dealt with in chapter 2. Listing your stakeholders is important in marketing because it allows you to identify targets for marketing activities and highlights what services you could offer to which groups.
**List Core and Peripheral Offerings**

In order to identify all offerings, you should determine what you can offer that is core and what is peripheral. A core offering satisfies key motives and expectations. For example, a spectator expects to have fun when attending an important game. A peripheral offering is related to lesser motives and expectations, such as the merchandising available at the game. However, note that a peripheral offering could be a core offering for another stakeholder and vice versa.

**Relate Existing Offerings to Stakeholders**

You need to establish how your OSO's offerings relate to the stakeholders of the organisation, which allows you to identify your portfolio of offerings. Table 5.1 presents an example of how the core services of a sport club may relate to its stakeholders.

<table>
<thead>
<tr>
<th>Table 5.1</th>
<th>Core Service Offerings Related to Targeted Stakeholders</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Members</td>
</tr>
<tr>
<td>Training sessions</td>
<td>Yes</td>
</tr>
<tr>
<td>Competitions</td>
<td>Yes</td>
</tr>
<tr>
<td>Club party</td>
<td>Yes</td>
</tr>
<tr>
<td>Merchandising</td>
<td>Yes</td>
</tr>
<tr>
<td>Website</td>
<td>Yes</td>
</tr>
<tr>
<td>Sponsorship packages</td>
<td>Yes</td>
</tr>
<tr>
<td>Publicity</td>
<td>No</td>
</tr>
<tr>
<td>Summer camps</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Assess Market Portfolio Performance**

An OSO's market portfolio comprises the services and combination of services the organisation has to offer. In order to assess your portfolio, list your stakeholders’ main motives for using your organisation and their expectations of the OSO. You then need to assess the performance of each offering in relation to these motives and expectations, as outlined in table 5.2.
This portfolio assessment has many benefits. It allows you to understand your offerings better and to communicate these in a more efficient way to stakeholders. You can also select priorities for delivery and marketing, and the assessment may suggest new offerings to be developed.

An assessment of market portfolio performance also requires a legal analysis of the marketing rights concerning these offerings in order to ensure that you are working within the law when carrying out marketing activities. This is particularly important for sponsorship and the protection of brands and trademarks.

### Managing OSO Marketing Rights and Legal Issues

Marketing rights refer to the images, symbols, names, values and other distinctive marks that the OSO has legal control over, or permission to use, in the marketing of the organisation and its services. For example, NOCs have the right to use the Olympic rings as part of their emblem, although they cannot use the Olympic symbol on its own. Before discussing the tools and techniques of marketing in OSOs, you will need to understand the concept of marketing rights. These rights affect what you have to offer, what you can offer and what falls outside sport or government regulations.

The following information may appear overly complex; however, this topic is of key importance to OSOs. Understanding what is involved in managing the marketing rights of an OSO is important to ensure that first, you make the most of what you have to market by protecting your offerings, and second, you work within the legal framework that affects the marketing rights of OSOs. Therefore, although this material may be difficult to follow, it is crucial.
Marketing Activities

To make marketing activities easier, an OSO needs a set of symbols or distinctive marks, which should include the name of the organisation. These distinctive marks of the OSO or its events can be registered as trademarks. A trademark is any mark that distinguishes one organisation’s products and services from another organisation’s similar or identical products and services. An example of this are the symbols of the NOCs, which although all incorporate the Olympic rings, are all different, reflecting the culture and images of their respective country. The following could be trademarks of an OSO:

- Words or combinations of words, such as the name of an event
- Images, shapes, symbols and graphics, such as the mascot presented in figure 5.1, which was developed for the 2005 Mediterranean Games
- Letters, numbers and their combinations, such as the number of an Olympic
- Three-dimensional forms, which could include wrapping, packaging, the form of the product or its presentation
- Any combination of the previously mentioned marks or media

Internet domain names enjoy a similar protection system that is also based on the protection of intellectual property. Therefore, the symbols outlined in figure 5.1 could be protected as trademarks.

Figure 5.1 The symbols of OSOs: (a) Indalete, the mascot of the 2005 Mediterranean Games; (b) the logo of the National Olympic Committee of Iraq; and (c) the logo of Olympic Solidarity.

Figure 5.1a courtesy of COJMA 2005. Figure 5.1b courtesy of the National Olympic Committee of Iraq.
Most OSO marketing activities fall into three major categories:

- **Advertising:** If your OSO owns material goods, such as vehicles, equipment or magazines, or if it owns property, such as stadiums, sport facilities or office buildings, it may place any type of advertising in these spaces. At some competitions or events, however, advertising is prohibited, such as at the Olympic Games.

- **Sponsoring:** This is when permission is given for a third party to associate its name with the OSO. Your organisation will need a name and symbols or distinctive marks that are well defined and legally protected. For example, Kodak’s use of the Olympic rings in advertising comes about because of sponsorship arrangements with the IOC.

- **Licensing:** This occurs when permission is given to a third party to associate the OSO with one of its products or services, such as key chains, coffee mugs and pens. Once again, your organisation will need a name and symbols or distinctive marks that are well defined and legally protected. Selling merchandise that is branded with the name of an event that an OSO is promoting (such as national championships) is an example of licensing.

**Legal Position**

From a strictly legal point of view, there are four main issues to keep in mind when marketing an OSO. First, you need to bear in mind the range of activities and degree of control as defined in the rules of your organisation’s constitution. Any legal entity, such as a club, NF, NOC or Organising Committee of the Olympic Games (OCOG), is limited in its activities by what is set out in the constitution.

Second, you need to respect the laws of the country where your organisation is active. Obviously, the scope of activities and ability to conduct business or grant rights will be governed by the rules set by government authorities. OSOs should also respect the principles, rules and guidelines established in the Olympic Charter. Finally, OSOs need to respect the rights of third-party individuals and groups that interact with the organisation, such as athletes, coaches, NFs and clubs.

**Limitations on Activities Due to Rights of Third Parties**

In the same way that your OSO has rights and can exercise them, the athletes, coaches, clubs and NFs who participate in your activities also have rights. An organisation may not commercially use or sell the name, image or likeness of the athletes, coaches, clubs or federations without their consent, even if it is during an activity organised by the OSO. It is recommended that you obtain the express written consent of participants in order to use their image. You could also outline the possibility of this happening within the competition rules or the rules of the organising entity. In the latter case, there should be evidence that the participants are aware of the rules or conditions regarding the use of their name, image or likeness.
**Olympic Charter Limitations**

Many of the features associated with the Olympic Movement, especially with the Olympic Games, have the ability to generate marketing activities. However, the rights to use these features are very limited, and in general only the IOC and NOCs have the right to use the symbols associated with the Olympic Movement. The distribution of rights and operating regulations are clearly defined in the Olympic Charter. It is important that other OSOs do not infringe on these rights, including clubs, NFs, leagues, IFs and event organising committees. This means that many OSOs are very limited in terms of what they have the right to market in relation to the Olympic Games and the Olympic Movement.

**Negotiating Contracts**

Once the legal boundaries have been defined and you understand what you can market, you should protect your OSO’s rights in well-negotiated agreements. There are several issues to keep in mind when negotiating marketing contracts or agreements. For example, five key elements should appear in all contracts or agreements:

- Identification of the parties involved
- Place, date and term of the agreement
- Content of the contractual relationship
- Each party’s rights and responsibilities
- Provisions for dispute resolution

**Advertising Agreements**

Two types of legal relationships exist in the world of OSO marketing:

- Agreements for advertising placement
- Sponsorship agreements

An agreement for advertising placement occurs when a company or entity wishes to make its name, brand, products or services publicly known and uses advertising media to do so. The location, or where the advertisement will be placed, must be clearly defined. The best way to describe where an advertisement will be located is to include a drawing or plan in the agreement illustrating the exact position of the advertisement. The agreement should also specify when the advertisement must be shown. In addition, the agreement should include the display and technical specifications of the placement. Details to specify may include the dimensions, gloss of printing paper, and colours, sizes and shapes of the signs, letters and graphics. The technical quality of the advertisement should also be specified for the benefit of the producer as well as the advertiser.
A sponsorship agreement for advertising purposes occurs when an organisation wishes to make its name, brand, products or services publicly known and does so in conjunction with an OSO, or uses the mark, name or image of the OSO to reinforce its communications strategy. The agreement could simply grant permission to use for advertising purposes the sport organisation’s name or emblem or the image, name or logotype of the events that it organises. For example, an OSO may sign a sponsorship agreement with a travel company. In exchange for value in kind (VIK), such as airline tickets, the travel company can use the OSO’s symbols and indicate that it is the official travel agent of the OSO. The parties should define the conditions of this partnership, and the OSO should reserve its right to review and have prior approval of any communication where its name or image is used.

**Licensing Agreements**

In a licensing agreement, a third party is granted permission to use the name, image or symbols of the OSO. This permission can be attached to a tangible product, such as T-shirts, caps, key chains, watches, umbrellas or pencils, or to a service, such as insurance, investments, transport or accommodation. You can license any mark that your organisation has registered, that is, its name and emblems and the names, marks and images of its events. When negotiating licensing agreements, you should consider the following:

- Whether it is exclusive or not (normally it would be exclusive)
- Extent of exclusivity in terms of time, space and content
- Type of product or service
- Technical characteristics of the licensed product
- Price at which it will be sold to the public
- Distribution and sales channels to be employed
- Quantity of products that may be distributed or sold
- Whether sublicensing agreements are permitted
- What control measures the OSO will have over licensed products
- Whether there are any specific marketing obligations with regard to quantity or specific locations

This section has highlighted the fact that marketing contributes to the creation and development of a relationship between the organisation and its stakeholders. This process is based on a mutual understanding, allowing the development of ideas, products and services under the brand of an OSO. Your organisation has a brand that is valuable for marketing purposes, and you should endeavour to work within the legal framework of your country to gain the most that you can from marketing rights. These rights then need to be protected in legal agreements.
The following illustration discusses the market portfolio of the Comité Olímpico Argentino (Argentine Olympic Committee) and will present how this organisation is managing the exchange process with its sponsors.

Illustration 5.1
Managing the Exchange Between an NOC and Its Main Sponsors: Comité Olímpico Argentino

The Comité Olímpico Argentino (COA, Argentine Olympic Committee) initially tried to work with a number of marketing agencies in order to improve its sponsorship arrangements. However, Olympic marketing requires an in-depth understanding of the Olympic Movement. It must take into consideration the federations’ interests and the restrictions imposed by the rules regarding logos on uniforms and athletes’ image rights. As a consequence, the sponsorship agencies soon abandoned the effort. Thus, the COA now takes responsibility for its marketing activities with its own team of three professionals. This staff offers the full range of opportunities afforded by the Olympic Movement to any sponsor who wishes to gain entry into the world of Olympic sport. For the Athens 2004 campaign, the COA’s Marketing Commission developed and conducted an innovative prospecting strategy from the second half of 2003 until the start of the Olympic Games in 2004.

Relating Existing Offerings to Stakeholders

Given the financial crisis that Argentina experienced at the end of 2001, it did not make sense to approach potential sponsors until 2003, since the investment atmosphere was not conducive to dialogue. Before the 2004 Games, the marketing campaign had been accomplished using fewer sponsors and higher amounts of support. However, as a result of the economic situation leading up to the Athens Games, the Marketing Commission adopted a strategy of diversifying the categories of stakeholders to target.

(continued)
Stakeholders were separated into different sponsor categories in order to better match the portfolio with stakeholder interests and give small to medium-sized businesses an opportunity to access Olympic sponsorship. This approach yielded a record number of sponsors who were able to publicise their products, brands and logos before, during and after the Games. Although this policy did not provide more money, it gave a broader base of stakeholders.

Legal Framework

It is worth noting that Argentina has written and approved the 1996 Law No. 24664 for the Protection of Olympic Symbols and Designations, which recognises the COA’s broad ownership rights regarding this material.

Negotiated Agreements

The COA signed 17 sponsorship agreements for Athens 2004. The following discussion presents an overview of three of these agreements, highlighting how the COA Marketing Commission matched its portfolio of offerings to the interests of its stakeholders.

T & C Sports

T & C Sports is a cable sport channel that bought the international rights to the Games, which led to a VIK agreement with the NOC for 8,000 seconds of television advertising. The agreement with this organisation was important to the ability to offer value-added features to other prospective sponsors. The COA Marketing Commission focused on negotiating the most advertising time possible with T & C so that it could later offer a global bidding package to future sponsors, which included a certain number of seconds to advertise their product, brand, logo and trademark. Agreement was reached on how the 8,000 seconds that were offered could be packaged, and these packages were accepted by the other sponsors who signed agreements with the organisation.

Through this agreement, the COA could not gain funds but was able to secure a value in-kind contribution. The COA then transferred this contribution into the negotiation package with other sponsors, making it more attractive for them to be sponsors of the Argentinean Olympic Team. Consequently, each company was guaranteed a minimum number of seconds on the air with T & C Sports during the Olympic Games broadcast, giving the sponsors a base amount of advertising time with which to better negotiate the rest of the seconds that they decided to purchase on their own.
**Micotrim**

Micotrim is an antifungal cream and powder product, and the agreement negotiated with the parent company, Schering-Plough S.A., was a cash agreement. The agreement with this sponsor is an example of how to gain notoriety for an unknown brand by associating it with an important event. It was also an important agreement from the COA’s perspective because it created exposure for the COA trademark in the global advertising marketplace. Micotrim gave the trademark a wide range of publicity. It was advertised on television (on the network TV Subtle), in several high-circulation newspapers, through announcements broadcast on all underground stations in Buenos Aires and on several long-distance and city bus lines in Buenos Aires.

**Lumilagro**

Lumilagro is the trade name of a hot-liquid thermos. This agreement was partly a cash agreement; however, in addition to the fee for approval to license a product with the COA logo, it was also agreed that Lumilagro would supply a mate kit for all the members of the Argentinean delegation. The kit included a vacuum flask with the official COA logo, a sugar dispenser, yerba mate tea, a special straw and sugar. (Mate is the national drink of Argentina, made with yerba mate herb leaves and hot water.) As a result of this negotiated agreement, each member of the COA delegation took a traditional and appealing item with them. The kits created a bond amongst the athletes of various disciplines because mate tea is consumed in a group setting and is shared with everyone who joins the group, creating closer ties amongst all who participate in the ritual. The company got exposure for its trademark brand and the COA received an unexpected service that gave the organisation positive exposure as well.

---

It is clear from this illustration that careful negotiation can lead to a number of agreements between OSOs and their stakeholders. The agreements outlined here used the COA’s marketing rights to great effect, resulting in benefits to all parties involved in the agreements.

**SECTION 5.2**

**MANAGING THE QUALITY OF THE OFFERING**

The quality of services has become increasingly important for OSOs. You need to deliver more, often with less revenue, and you are becoming increasingly accountable for the way that your OSO is managed. In short, stakeholders are expecting more from you, and the services you deliver need to be of good quality. OSOs depend on their stakeholders; therefore they should understand current and future stakeholder expectations and meet those requirements. This understanding will improve the use of the organisation’s resources, which, in turn, will lead to improved loyalty from stakeholders despite increasing competition.
This section considers key issues in the quality management of OSO offerings. It will begin with a discussion of stakeholder satisfaction, looking at the role of expectations and perceptions of quality in creating satisfaction. It will then consider ways of identifying and categorising stakeholder expectations. The section will conclude with an illustration of how the Romanian Olympic and Sports Committee evaluated the quality of its organisation.

When attempting to manage the quality of what your OSO offers, you need to consider the two dimensions presented in figure 5.2. “Expected quality” refers to what stakeholders expect from an organisation in the way of attributes and standards. Expected quality is particularly important for stakeholders using your services for the first time, since their decision to use the organisation is not based on experience but on the expectations you create with marketing activities. “Perceived quality” is the level of quality that stakeholders judge they have received after using the service. Upon using the service, stakeholders compare expected and perceived quality, assessing the quality of your offerings based on the gap between the two.

In order to deliver a quality offering, you thus need to design a service that is as close as possible to stakeholder expectations, and then you need to assess whether there is a gap between expected and perceived quality. If a gap is identified, you need to manage operations in order to decrease this gap. Bridging the gap between expected service and perceived service is the role of quality management, which is a set of practices that allows an organisation to deliver its services to stakeholders’ satisfaction. These practices should deal with all aspects of the organisation, such as staff training, stakeholder consultation and operating procedures.
Stakeholder Satisfaction

Satisfaction with services arises from the experience of what the OSO has to offer. This experience is the sum of the interactions that a stakeholder has with an OSO’s services, products, people and processes. It begins from the moment stakeholders become familiar with the brand and continues beyond the service encounter. Arguably, satisfaction is one of the main concerns in the marketing of services, because if stakeholders are not satisfied they will choose to use your competitors.

The problem is that satisfaction is an emotional response and is determined by the stakeholder’s perception of how well the service encounter has met his or her expectations, rather than by what the OSO actually does. For example, an OSO may have a lengthy entry period for a competition. If athletes miss the entry deadline, they are likely to feel dissatisfied with the OSO, perceiving the organisation of the event not to have met their expectations. Alternatively, if they do not miss the deadline, the fact that the competition had an entry deadline is likely to have little or no impact on their satisfaction with the OSO.

It is difficult to guarantee stakeholder satisfaction because feelings of satisfaction are created by a number of factors, some of which are outside your control. Feelings of satisfaction can be influenced by health and fatigue, by the impact of others on the experience, by being caught in a traffic jam, or by something as simple as having a bad day. This makes satisfaction with an OSO’s offerings particularly hard to manage, and therefore you need to measure it by carrying out research with your stakeholders. If you are only able to evaluate a single aspect of marketing effectiveness, it should be satisfaction, because satisfaction results from an assessment of performance in relation with stakeholders’ expectations. Therefore, feedback on satisfaction will help to improve service performance.

Stakeholders’ Expectations

In order to manage customer satisfaction, you need to understand what creates it. As outlined in figure 5.2, satisfaction is related to the gap between what is expected and what is perceived to have been received. Stakeholders expect OSOs to provide certain services at an acceptable standard. For example, a person who wants a physical and psychological challenge and to have fun whilst respecting the environment will look for services that create these benefits. This person will have certain expectations related to the service, such as a risk-free, competitive sport held in a natural space. These expectations can be met by several sports. However, expectations are often more precise than this. For example, the person may wish to try rock climbing in a club close to home, which will be expected to provide courses for beginners on a climbing wall, with qualified staff.

People’s expectations vary in number and importance, and the challenge is to identify which expectations are the most important. Fortunately, stakeholder expectations are relatively easy to gather through interviews that ask questions such as these: What do you expect from our OSO? What are your expectations of services provided by a top organisation? Although expectations are usually quite specific, they can be categorised into the five main dimensions of a service, as presented in figure 5.3.
Intangible characteristics: As outlined in section 5.1, services have several intangible aspects that cannot be seen, felt or touched. Stakeholders have expectations about these intangibles, and therefore you need to know what these expectations are. For example, stakeholders might expect an OSO to be perceived as the expert voice regarding a sport, in which case you would need to create this image of expertise in order to meet expectations.

People: Services are actions performed by people, and stakeholders will have expectations of the attitude, competencies and personal appearance of the people who are involved with an OSO.

Physical evidence: An OSO needs to create a tangible environment in order to deliver the service. Physical evidence includes facilities, equipment and any tangible components that facilitate the communication of the service, such as brochures, letterheads and signage. Because these aspects of the service can actually be seen, stakeholders are likely to have clear expectations of the physical evidence of the organisation.

Associated products: In line with expectations of physical evidence, stakeholders also have expectations about goods associated with the service, such as T-shirts, bags or merchandise.

Functional processes: The quality of service provided to stakeholders depends primarily on the organisation and execution of the various tasks. Stakeholders will have expectations of service delivery, and you need to understand these expectations in order to know if you are doing things right.

Stakeholders will have expectations in these areas for each service that you offer, and therefore you need to evaluate the expectations for services in each area (table 5.3).
Perceived Quality

Once you are aware of what stakeholders expect, you then need to consider the level of quality that they perceive the OSO to deliver. Stakeholders have to experience a service in order to evaluate its quality. As they use the service, they evaluate quality across a number of dimensions, some of which, developed by Parasuraman, Zeithaml and Berry (1988), are presented in table 5.4.

### Table 5.3 Analysis of the Service in Terms of Expectations

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Intangible characteristics</th>
<th>Physical evidence</th>
<th>Associated products</th>
<th>Functional processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expectation</td>
<td>Need to develop an image of credibility and expertise about the sport.</td>
<td>Aspects of the sport should be incorporated into logos or letterhead. Equipment and physical facilities should be on display.</td>
<td>Newsletters that allow the OSO’s expertise to be demonstrated should be part of membership.</td>
<td>The OSO should have a process by which it can access the mass media when an opinion on the sport needs to be voiced.</td>
</tr>
</tbody>
</table>

| Stakeholder | The OSO should be the voice of the sport. |

### Table 5.4 Service Quality Dimensions

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Characteristics</th>
<th>Evaluation questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliability</td>
<td>Ability to perform the promised service dependably and accurately</td>
<td>If a response is promised in a certain time, does it happen?</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>Willingness to help stakeholders by providing prompt service</td>
<td>When there is a problem, does the organisation respond to it quickly?</td>
</tr>
<tr>
<td>Assurance</td>
<td>Trustworthiness and believability of staff, honesty of the service provider, security of belongings</td>
<td>Are responses accurate and consistent with other reliable sources? Are staff well trained? Can personal possessions be left somewhere safe and secure?</td>
</tr>
<tr>
<td>Empathy</td>
<td>Making the effort to understand stakeholders’ expectations and needs</td>
<td>Do staff try to determine what stakeholders want?</td>
</tr>
<tr>
<td>Tangibles</td>
<td>Physical facilities and associated goods</td>
<td>Are written materials easy to understand?</td>
</tr>
</tbody>
</table>

Dimensions in left-hand column are from Parasuraman, Zeithaml and Berry 1988.
Stakeholders use these criteria and others to evaluate whether you are delivering services of an expected quality. If there is a gap between the expectations of the OSO offerings and the perceptions of their quality, you need to identify why this has occurred and what can be done about it.

Managing the Gap

In order to manage service quality and close the gap between expectations and perceptions, you need to communicate with stakeholders. This allows you to

- identify stakeholder expectations,
- measure the perceived performance of products and services compared with expectations,
- understand the motives behind satisfaction and dissatisfaction, and
- understand what is expected in the future.

It is important to understand what stakeholders expect of your OSO. If you understand their expectations and can then meet them, you will be offering services of an acceptable quality. Talking to stakeholders allows you to ask the following questions.

1. What are the most important expectations related to the service?
   a. Which expectations are satisfied by this service?
   b. Which expectations are not satisfied by this service?

2. What are the least important expectations related to the service?
   a. Are any of these expectations satisfied by this service?

You can then use this information to classify stakeholder expectations into the four categories presented in figure 5.4. The four quadrants outlined in the figure are defined by importance of expectations on the vertical axis and performance levels on the horizontal axis.

Areas of success correspond to important expectations for which the service supplied is judged effective (or satisfactory). From a strategic point of view, it is worth reinforcing these aspects. For example, London Marathon participants expect to run past historic places in London, and as they do so, their expectations are met. Conflict arises when performance in relation to important expectations is judged weak (or unsatisfactory), such as if online entry to competitions is important and your OSO does not offer this option. Priority should be given to improving performance in these areas, as long as the human, technical and financial resources are available to do so. This situation should be of particular concern if competitors offer a more effective service than yours in relation to these important expectations.
The area relating to differentiating factors for an OSO corresponds to expectations of low importance for which the service is judged effective. This is a positive point from an organisational perspective, but it is not a strong marketing factor. For example, a race may have great exposure on TV, but this is not valuable if it is not important for the participants. Areas of secondary importance consist of expectations of little importance for which the service has been judged as not effective. This information is useful, but it is not worth investing greatly in these points. For example, if merchandised products are perceived as too expensive, but the purchase of merchandise is not an important expectation, then no change in the cost of merchandising is needed.

Sport organisations differ in their mission, resources and competencies, environment, and competition. Nevertheless, developing a quality offering remains one of the most important challenges for all OSOs, which operate in a competitive environment. You need to provide the right environment for desired stakeholder experiences to emerge.

**KEY RECOMMENDATIONS**

- Ensure that your Board is committed to offering quality services.
- Interview stakeholders to understand their expectations of your OSO.
- Consider all service dimensions in relation to stakeholder expectations in order to design a satisfactory service offering.
- Assess the level of stakeholder satisfaction regularly and compare these results over time.
As suggested earlier, it is important to evaluate your performance against the expectations of stakeholders. This allows you to identify strong areas and areas that need improvement. The following illustration shows the results of research about perceived service quality carried out by the Romanian Olympic and Sports Committee.

**Illustration 5.2**

*Assessment of Perceived Quality Offered by the Romanian Olympic and Sports Committee*

The Romanian Olympic and Sports Committee (ROSC) conducted a study that aimed to assess the Executive Committee and administration members’ satisfaction with the organisation. They used 53 criteria that covered the entire activity of the ROSC. For each criterion, the respondents were first asked to rate its importance for the ROSC operations and then to assess how well the organisation actually met the respective criterion. These ratings were based on a 5-point scale. The 53 criteria were subsequently grouped into 10 major areas:

- Area 1: Planning
- Area 2: Olympic preparation
- Area 3: Relations with partners
- Area 4: Administration
- Area 5: Structure
- Area 6: Executive Committee
- Area 7: Management
- Area 8: Communication
- Area 9: Finance
- Area 10: Organisation reliability

The following discussion presents the results for area 1, planning. For each expectation presented in table 5.5, both Executive Committee and administration members rated the importance of the respective criterion regarding the ROSC and the degree to which they perceived that the ROSC delivered this criterion.

The results show that the Executive Committee members considered it of maximum importance (5.00) that they contribute to setting up the ROSC’s objectives in the long term (criterion 4). However, they evaluated their performance in this respect as low (1.50). Nonetheless, they rated the performance of the ROSC in having clear objectives (criterion 2) as satisfactory to good (3.75), leading to the conclusion that, somehow, the top management and the administration had established objectives without the Executive Committee’s help. Equally interesting to note is the Executive Committee’s and administration’s low ratings (1.25 and 2.31, respectively) of the ROSC’s performance in regard to the existence of strategic plans (criterion 1), as well as the Executive Committee’s low involvement (1.50 and 2.56) in the evaluation of ongoing programmes (criterion 6).

The research highlighted a number of factors. In terms of areas of key success, expectations coincided for the two categories of stakeholders: Both the Executive Committee and the administration had high expectations of criteria 2 and 3, and these expectations were fairly well satisfied. Key success factors also illustrate points of organisational cohesion. In addition, it is worth noting that the ROSC’s success in setting objectives and devising programmes to fulfil them illustrates good use of resources.
### Table 5.5 Ratings of Performance of the Planning of the ROSC

<table>
<thead>
<tr>
<th>Expectation</th>
<th>Executive Committee: mean importance rating</th>
<th>Executive Committee: mean performance rating</th>
<th>Administration members: mean importance rating</th>
<th>Administration members: mean performance rating</th>
<th>Overall importance</th>
<th>Overall performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The ROSC has in place long-term strategic plans for the development of the Olympic sports.</td>
<td>3.75</td>
<td>1.25</td>
<td>4.25</td>
<td>2.31</td>
<td>4.15</td>
<td>2.10</td>
</tr>
<tr>
<td>2 The ROSC has clear objectives in the field of high-level sport.</td>
<td>4.75</td>
<td>3.75</td>
<td>4.50</td>
<td>3.44</td>
<td>4.55</td>
<td>3.50</td>
</tr>
<tr>
<td>3 The ROSC develops specific programmes in order to implement its objectives.</td>
<td>4.50</td>
<td>3.50</td>
<td>4.25</td>
<td>3.31</td>
<td>4.30</td>
<td>3.35</td>
</tr>
<tr>
<td>4 The Executive Committee has a direct contribution in setting up the ROSC objectives for the long term.</td>
<td>5.00</td>
<td>1.50</td>
<td>4.25</td>
<td>2.81</td>
<td>4.40</td>
<td>2.55</td>
</tr>
<tr>
<td>5 The Executive Committee knows about the programmes in progress.</td>
<td>3.25</td>
<td>1.75</td>
<td>3.94</td>
<td>2.81</td>
<td>3.80</td>
<td>2.60</td>
</tr>
<tr>
<td>6 The Executive Committee periodically evaluates and improves the efficiency of the ROSC programmes.</td>
<td>3.50</td>
<td>1.50</td>
<td>4.25</td>
<td>2.56</td>
<td>4.10</td>
<td>2.35</td>
</tr>
</tbody>
</table>

The mean ratings were computed based on the arithmetic mean of individually assigned values.
Illustration 5.2  (continued)

As for areas of conflict, the ROSC’s perceived lowest performance by the members of the Executive Committee was in respect to long-term strategic plans (1.25). This may indicate a certain detachment of the Executive Committee from the organisation, a detachment that was also perceived by the administration. This situation suggests an area of organisational weakness that may be capable of causing tension between these stakeholders and the ROSC’s top management. Measures should be taken by the ROSC’s management to stimulate, inform, activate and empower Executive Committee members to contribute more to strategic decision making. A positive change in this direction is likely to lead to the establishment of a long-term strategic plan, the lack of which has led to this area being rated as having the lowest level of perceived quality by all stakeholders involved in the research.

This research enabled the ROSC to identify priorities that have been taken into account in future planning. The success of this research was only possible because of the objective performance review undertaken by the Board and the administration. The performance review allowed realistic decisions to be made in order to define priorities to enhance the quality of services provided to stakeholders.

Source: Oprisan 2002.

SECTION 5.3
DEVELOPING A MARKETING COMMUNICATION STRATEGY

Communication with stakeholders is essential to the operation of an OSO. You need to communicate in order to promote your vision, objectives and plans for the future; seek sponsorship; select teams; and be accountable. The main point of communication is to develop relationships with your stakeholders, and communication enables you to interact socially.

The management of communication within an organisation requires a global and rational approach, and this approach is known as integrated marketing communication (IMC). This section considers the role of IMC in the management of OSOs and proposes operational methods and tools that allow organisations to increase the effectiveness of their communication. It focuses on establishing the proper basis for an IMC strategy. The section concludes with a discussion of the public relations strategy for Athens 2004 that was adopted by the Kuwait Olympic Committee.

The process of developing an IMC strategy is outlined in figure 5.5, which shows the relationships amongst the various stages of communications planning. In order to develop a communication strategy, seven major decisions have to be made:

- Which individuals and organisations do you want to target? In other words, who are your communication targets?
- What are the communication objectives?
What kind of relationship do you want to have with your communication targets?
Which tactics will you use to communicate?
What is your budget?
Which mix of media will you choose?
How will you assess the results of your communication?

These decisions will form the basis of the IMC strategy.

Communication Targets
Communication targets are the individuals and organisations with whom you wish to create or reinforce a relationship. For example, a sport club may have to communicate with parents, physical education teachers, journalists, sport retailers, sponsors and members. Once targets have been identified and selected, objectives can be set for communication with each target.

Communication Objectives
Objectives can be categorised on the basis of how to win over the targeted groups. Communication aims to change the behaviour of targeted individuals and organisations across three dimensions:
• Educating your audience about the OSO by creating an awareness of what the organisation does, its image and the perceived quality of the OSO's offerings (cognitive dimension)

• Creating an emotional tie between your stakeholders and the OSO so that they develop a preference for your OSO over your direct and indirect competitors (emotional dimension)

• Influencing the decision-making behaviour of your targets to join and remain loyal to your OSO (behavioural dimension)

These objectives are often linked together into an integrated communication programme. For example, if you are trying to increase membership, you could try the following:

• Publicise the services you offer with posters (cognitive dimension).

• Promote the quality of your services by inviting people to attend a session or event that presents services (cognitive dimension).

• Have staff and members talk to potential customers (emotional dimension).

• Convince the person to join your organisation by giving an extra bonus like a T-shirt (behavioural dimension).

Relationship With Your Communication Targets

Before deciding how you are going to communicate with stakeholders, you need to decide what type of relationship you wish to create with them. This will help to decide what kind of communication tactics you can employ and what media you can use. There are three types of relationship that can be formed with communication.

• **Diffusion:** This type of relationship is created by mass media, which communicate a message to a large number of people. Diffusion media, such as television, radio, press and poster advertising, are powerful communicators; however, they do not allow the organisation to develop a close relationship with targets, nor can the communication be tailored towards the individual. A diffusion relationship is simply about exposing stakeholders to the message, and therefore for many OSOs mass media communication is made possible through public relations strategies aimed at getting coverage or free publicity in media outlets such as newspapers, radio and television. Mass media communication through paid advertisements is not a cost-effective method of marketing for most OSOs.

• **Personalisation:** Personalisation of the relationship between the OSO and its communication targets is a key factor in creating and developing a real relationship. In order to create this important relationship, an OSO should use one-to-one media, such as face-to-face interviews, phone conversations, text messaging (SMS) or e-mail, which enable you to personalise the communication. For example, you might present your programme to a group of potential sponsors in order to outline your services and to understand what sponsors expect. After the presentation, you can design a customised proposal for each sponsor and present this at subsequent individual meetings.
• **Social bonding:** OSOs fulfil social and emotional expectations. A sport club allows people to meet friends and to share emotions, and OSOs will want to use communication to build this type of relationship. Through the use of events and public relations tactics, it is possible to create personal and emotional relations between people sharing the same interests.

Diffusion communications convey messages to a large number of people, but they can’t be personalised. Personalisation relies on one-to-one communication where messages are customised in order to meet each person’s specific expectations. Examples include direct marketing through telephone calls and direct correspondence. However, with this method, information cannot be quickly disseminated to a large number of people. Social bonding aims to develop social connections in a group of people, and this process can be more powerfully communicated when stakeholders are emotionally involved, such as when they participate in an event. You have to decide what relationship you want with your stakeholders and then use an appropriate communication method to build this relationship.

**Communication Tactics**

You can use two types of tactics to communicate with stakeholders: pull tactics and push tactics. Pull tactics aim to attract individuals to the OSO and its services, whilst push tactics promote the organisation and its services to the market. Pull tactics only work if the OSO brand is attractive to stakeholders, and this type of tactic is used by powerful brands like the IOC and the Olympic Games. Because the brand is strong, sponsors are pulled towards the Games and are used by the IOC to promote its values and to increase its social impact. Using the same type of tactic, commercial brands like Adidas and Nike use advertising and sponsorship to encourage people to purchase their products.
Push tactics are offensive tactics in that the organisation actively promotes itself and its services to the market. Common push tactics are sport events, direct marketing and sales promotions. These are likely to be the main tactic used by the majority of OSOs because sport organisations are often not in a position to build a strong brand. A final point to note is that push and pull tactics can be combined.

**Choice of Media**

Media are the vehicles by which organisations communicate, allowing you to develop relationships with your communication targets. An OSO can use many types of communication media, including publicity, advertising, printed documents, the Internet, sales promotion, direct marketing and events. In addition, an OSO can use public relations as a communication vehicle. Public relations involves a conscious effort to organise and monitor communications in order to create, maintain and develop a climate of mutual understanding and confidence between the OSO and its stakeholders. Public relations combines many types of media in order to develop good public support and opinion by promoting the values of the OSO. Table 5.6 shows how communication media can create communication relationships.

**Table 5.6 Communication Means and Relationships With the Target**

<table>
<thead>
<tr>
<th>Relationship with the target</th>
<th>Media</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diffusion</td>
<td>Publicity</td>
<td>These activities promote an OSO or its services by placing news about it in media that is not paid for by the OSO or a sponsor. This form of free publicity involves contacting the media through press releases and by telephone and by inviting the media to events. It requires good relationships with key media.</td>
</tr>
<tr>
<td></td>
<td>Advertising</td>
<td>Includes paying for messages in the mass media, press, television, posters, radio, cinema and Internet.</td>
</tr>
<tr>
<td></td>
<td>Printed material</td>
<td>Involves distributing printed documents aimed at informing an OSO’s stakeholders. This includes posters, fliers, booklets, folders, press kits, business cards, invitations and greetings cards.</td>
</tr>
<tr>
<td>Diffusion and personalisation</td>
<td>Websites</td>
<td>The Internet provides a communication channel for OSOs, allowing them to rapidly communicate values and inform stakeholders about current activities.</td>
</tr>
<tr>
<td>Personalisation</td>
<td>Sales promotion</td>
<td>Includes short-term incentives such as discounts or free merchandise.</td>
</tr>
<tr>
<td></td>
<td>Direct marketing</td>
<td>Includes any marketing technique that is personalised in order to establish an interactive and measurable dialogue with a selected target. This usually takes the form of telephone calls, direct correspondence and in some cases, personal visits.</td>
</tr>
<tr>
<td>Social bonding</td>
<td>Events</td>
<td>Events can be celebrations that create emotion and thus reinforce social bonds amongst stakeholders.</td>
</tr>
<tr>
<td>Social bonding and personalisation</td>
<td>Test events</td>
<td>Includes special events that give an opportunity to try or test the quality of the offering.</td>
</tr>
<tr>
<td>Social bonding</td>
<td>Public relations</td>
<td>Includes events, sales promotions, direct marketing or any activity that creates and develops a positive climate within an OSO and its stakeholders in order to reinforce cohesion amongst stakeholders.</td>
</tr>
</tbody>
</table>
The media you choose to use depends on basic decisions regarding the strategy of the communication. These decisions relate to the quality of the relationship desired with your target (diffusion, social bonding or personalisation), the type of tactic (push or pull) and the objectives of the communication. A consideration of these three dimensions makes it possible to determine the most appropriate media to achieve the strategy.

For example, a sport club wanting to recruit new members could combine sales promotion, direct marketing and an event promoted through free publicity in the media. Awareness of the organisation is low and financial resources don’t allow advertising using local newspapers and radio. The strategy could target the parents of children aged 12 to 16 years who are living in the area, aiming to create social and emotional relationships. One approach may be to adopt a push strategy, holding an event that encourages people to try the sport. This initiative could be extended by organising an open day that features well-known sport figures. Coverage or free publicity for the event could be gained by sending press releases to the media announcing the event, personally contacting media and inviting them to the event and holding a press conference during the event.

**Assessing the Impact of the Communication Strategy**

In order to assess the results of the communication strategy, four questions need to be answered. Table 5.7 outlines how the sport club discussed previously could use these questions to assess the impact of its strategy.

**Table 5.7 Evaluating Communication Strategies for a Sport Club**

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Characteristics</th>
<th>What to evaluate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Which target?</td>
<td>Targets need to be evaluated to see if communication is effective</td>
<td>Number of new members</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of people contacting the club to get information</td>
</tr>
<tr>
<td>What to assess?</td>
<td>Direct effects</td>
<td>Number of new and renewed subscriptions</td>
</tr>
<tr>
<td></td>
<td>Indirect effects</td>
<td>Number of known contacts</td>
</tr>
<tr>
<td></td>
<td>Impact in the media</td>
<td>Visits to the website</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Image</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Perceived quality</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Satisfaction</td>
</tr>
<tr>
<td>How to evaluate?</td>
<td>Analysis of existing information on subscriptions, number of requests for</td>
<td>Analysis of existing information</td>
</tr>
<tr>
<td></td>
<td>information and number of articles in the press</td>
<td>Interviews and questionnaires</td>
</tr>
<tr>
<td></td>
<td>Specific survey of the awareness and image of the organisation</td>
<td></td>
</tr>
<tr>
<td>When to evaluate?</td>
<td>Three periods of measurement should be considered: before, during and after the</td>
<td>Collection of information throughout the year</td>
</tr>
<tr>
<td></td>
<td>communication plan</td>
<td>Investigation of stakeholder satisfaction</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
At the beginning of this section we presented the stages of a communication strategy (figure 5.5). Using the example of the sport club referred to earlier, you can see how the process might work in operation. The objective of the communication strategy is to promote the club in order to increase membership, and the target is parents with children aged 12 to 16 years. A personalisation and social-bonding relationship could be chosen, which could be developed by push tactics, within a budget of €3,000. The media chosen should reflect the push tactic, such as a free trial week promoted through advertising in partnership with local radio and newspapers. In addition, there should be an emphasis on free publicity, such as sending out press releases and joining radio talk shows. Finally, in order to assess the impact of the strategy, indicators should be established, such as the number of people participating in the free trials and new membership cards resulting from these trials.

Communication strategies should be formalised in writing and should have indicators of success. You will have to adapt your strategy to the culture of your organisation, its resources and its competences. The strategy must also be accepted internally. You will have to convince internal parties of the need for the strategy so that your organisation speaks with one voice. In addition, in order to be effective, you will need to follow these principles:

- Use simple and repetitive messages whenever possible.
- Be realistic when considering communication targets, objectives, media, budget and timing of communications.
- Develop a good relationship with the media in order to benefit from free publicity.
- Don't make messages too complex or choose media that is too expensive.
- Make sure you allow adequate time to get the message across.

In order to satisfy stakeholders’ expectations, communication in an OSO needs to be proactive and personalised. This type of communication requires the IMC approach outlined in this section.

**KEY RECOMMENDATIONS**

- Ensure that you have an integrated approach to marketing communication with stakeholders that is developed in consultation with your Board.
- Be clear about who you are targeting with your communications.
- Analyse the behaviours of your stakeholders in order to determine the best mix of media for your communication purposes.
- Take advantage of opportunities for free publicity by developing relationships with key media in order to count on their support to cover news and events related to your OSO.
- Evaluate the impact of all communications.
The following illustration shows how a public relations strategy was used by the Kuwait Olympic Committee in order to raise awareness of its work.

**Illustration 5.3**

*Managing Public Relations: Kuwait Olympic Committee*

The Kuwait Olympic Committee (KOC) used the Athens 2004 Olympic Games as a media vehicle for a public relations (PR) campaign that aimed to raise awareness of the NOC, the Kuwaiti athletes and the country itself. The campaign was multidimensional and combined several types of media that adopted a variety of tactics aimed at key stakeholders.

**Objectives**

The PR strategy had the following objectives:

- To raise awareness of the KOC and its athletes
- To improve the public image of sport in Kuwait
- To recognise relationships with existing partners
- To highlight the need for sponsorship

These objectives incorporate the concepts of strategic positioning in the market, diffusion, communication and motivation to be involved with the organisation—objectives that are ideally suited to a PR campaign. In addition, the KOC had the advantage of being able to play a dominant role in special events such as the Olympic Games, world championships and Continental Games, and this campaign made the most of this market advantage. Thus, the PR strategy successfully used and reinforced the benefits and position of the KOC in relation to its competition.

**Targets**

The campaign had four main targets:

- **Potential KOC sponsors:** Unfortunately, there was no main sponsor for the Kuwaiti athletes at the Athens Games. Thus, the KOC used the Games as an opportunity to raise awareness of the need for sponsorship. The Games showed how sponsors might benefit from a relationship with the KOC by highlighting the media attention that the Games initiated.

- **Viewers and spectators:** Media played a major part in keeping viewers in Kuwait informed about the events of the Games. This raised awareness of the KOC and of sport in general. The Kuwaiti press sent four journalists to the Athens Games to ensure good overall coverage of the event. This coverage resulted in an effective review of the Games, which raised the image of sport in the country.

- **Public:** The main public target was the general public in Kuwait. The aim of the PR strategy in relation to this group was to raise awareness of sport in general, which occurred as a result of worldwide attention on the Games.

(continued)
Existing partners: The Public Authority for Youth and Sports (PAYS) sponsored the Kuwaiti delegation financially as well as materially, contributing towards the costs of travel, accommodation and expenses. They worked in partnership with the state airline, Kuwait Airways Corporation. The Games provided the opportunity for the airline’s support to be recognised.

Relationships and Media Chosen

Two types of relationships were developed with the targets of the communication plan. First, diffusion was important in order to inform targets about the work of the KOC and its athletes, to raise awareness of sport within the country and to raise awareness of the need for sponsorship. The televising of the Games and the work of the journalists at the Games allowed these objectives to be met. In addition, the Internet allowed greater dissemination of the activities of the Games. Moreover, the KOC and PAYS brought out publications and guide books in dual languages in commemoration of the Games in order to satisfy the growing interest of the public.

Second, in order to attract sponsorship and to recognise the work of existing partners, relationships of personalisation and social bonding had to be created. This was done effectively using the delegation that attended the Athens Games. Each of the 57 official delegates was required to promote Kuwaiti sport. In addition, attendance as part of the delegation was considered to be recognition of the role played by PAYS, leading to good PR between the KOC and PAYS.

In addition to the work done by the delegation and the mass media, the following provided opportunities to reinforce the objectives of the PR campaign.

- **Special events**: Certain events provided the opportunity to promote the KOC and its objectives, including the Olympic Games, Continental Games, Islamic Solidarity Games, Pan Arab Games, West Asian Games, Afro-Asian Games and Gulf Countries Council Games.

- **Athlete relations**: Relationships between the KOC and the athletes were developed at pre-event meetings, warm-up camps, championships and test trials.

- **Hospitality**: The KOC offered hospitality at executive meetings, meetings of the OSOs, meetings of the delegation and meetings of the volunteers in order to reinforce the PR objectives.

- **Internet**: The West Asian Games 2003 website and the KOC website provided an opportunity for PR.

- **Publicity**: The objectives of the PR campaign were also communicated in the quarterly periodical published by the KOC, the monthly magazine published by PAYS and a 145-page bilingual publication brought out in commemoration of the 2004 Olympic Games by the KOC.
**Journalism:** The objectives of the KOC were supported by daily coverage of sport in the Arabic and English language dailies.

The approach adopted by the KOC aimed to draw all stakeholders towards a common goal. The PR campaign integrated a number of diverse activities in one unified strategy to raise awareness of the KOC's activities, its athletes and the country itself. This is the hallmark of successful PR management. The Olympic Games of Athens 2004 created communication between the KOC and its targets and therefore helped the organisation meet the objectives of its communication strategy.

---

**SECTION 5.4
MANAGING SPONSORSHIP**

Sponsorship is a marketing strategy that pursues commercial and corporate objectives, exploiting the direct association between an organisation, brand or product with another organisation's brand or personality. It implies a commercial transaction between the various parties involved. This transaction can involve the exchange of funds, but more commonly it involves an exchange of goods or services as value in kind (VIK). This section discusses the factors involved in seeking and managing sponsorship in OSOs. It will begin by considering why sponsors might wish to be involved in sponsorship arrangements, which will be followed by a consideration of the process to follow when seeking sponsorship. The section ends with a presentation of the Philippine Amateur Swimming Association's sponsorship plan.

**Reasons for Sponsorship**

Analysis and understanding of sponsorship mechanisms are crucial in order to be able to manage sponsorship strategically. This knowledge will allow you to identify and select sponsorship opportunities, to define an action plan for seeking sponsorship and to assess the plan's impact on your targets. Basically, sponsorship is the match between a sponsored entity and a sponsor. The sponsored entity could be a sport organisation, team, athlete or event, whilst the sponsor could be a brand, organisation or product. For example, the Olympic Games have a number of key sponsors, such as Coca-Cola. As another example, the Olympic stadium in Sydney is now known as the Telstra Stadium after this telecommunications company bought the naming rights in 2002. In order to manage sponsorship effectively, you need to know why sponsors might consider supporting your OSO.
Associations Created by Sponsorship Arrangements

A sponsorship arrangement leads to three types of associations that arise as a result of the characteristics and images that are associated with the two entities. These associations can be an OSO’s values, such as fair play and respect; perceived quality; and other characteristics, such as the Olympic rings. Sponsorship creates associations that are specific to the sponsor, associations that are common to both entities and associations that are specific to the sponsored entity. For example, table 5.8 presents the characteristics that are associated with the Olympic Committee of Slovenia, Association of Sports Federations (OCS-ASF) and Le Coq Sportif, one of its sponsors.

The interaction between the sponsor and the sponsored combines the emotions provoked by the sponsored entity with those evoked by the sponsors. This repeated interaction reinforces existing images of the two entities or generates new ones. The three processes (figure 5.6) that can result from this interaction are as follows.

- **Transfer of associations and characteristics of the sponsored entity to the sponsor:** For example, Le Coq Sportif might hope to transfer OCS-ASF associations, such as that of elite performance, to its brand.
- **Reinforcement of the common associations and characteristics between the sponsor and the sponsored entity:** Le Coq Sportif is likely to want to reinforce the following values associated with the OCS-ASF: tradition, quality, sense of accomplishment and an exciting life.
- **Transfer of associations and characteristics of the sponsored entity to the sponsor:** The OCS-ASF might be interested in transferring the images associated with Le Coq Sportif, such as ambition, innovation and enjoyment.
There needs to be a match between the associations that each entity can offer and the associations that are required by each entity. For example, Samsung claims to sponsor the Olympic Games because the Games represent the company’s values: peace, humanism, courage and challenge.

**Sponsor Objectives**

Sponsors take part in sponsorship arrangements in order to achieve specific objectives. These objectives fall into two categories: commercial and corporate. Commercial objectives relate to activities that improve the function and profitability of the sponsor organisation. In many cases, they are the main reason why organisations get involved in sponsorship. Table 5.9 outlines the commercial objectives of the sponsorship arrangement between the OCS-ASF and its sponsors.

<table>
<thead>
<tr>
<th>Features and associated characteristics</th>
<th>Specific to OCS-ASF</th>
<th>Common to OCS-ASF and Le Coq Sportif</th>
<th>Specific to Le Coq Sportif</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top sport event and results</td>
<td>Know-how</td>
<td>Clothing for competition and leisure</td>
<td></td>
</tr>
<tr>
<td>High performance</td>
<td>Quality</td>
<td>Innovation</td>
<td></td>
</tr>
<tr>
<td>Sport for All</td>
<td>Well managed</td>
<td>Enjoyment with top sports and recrea-</td>
<td></td>
</tr>
<tr>
<td>Slovenia</td>
<td>Tradition</td>
<td>tional products</td>
<td></td>
</tr>
<tr>
<td>True friendship</td>
<td>Sense of accomplish-</td>
<td>Ambitious</td>
<td></td>
</tr>
<tr>
<td>Courage</td>
<td>ment</td>
<td>Serious</td>
<td></td>
</tr>
<tr>
<td>Fair play</td>
<td>An exciting life</td>
<td>Imaginative</td>
<td></td>
</tr>
<tr>
<td>Respect</td>
<td>Ambition</td>
<td>Le Coq logo</td>
<td></td>
</tr>
<tr>
<td>Logo with national symbols and Olympic</td>
<td>Responsibility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>rings</td>
<td>Capability</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5.8  **Associations Created by the Interaction Between OCS-ASF and Le Coq Sportif**

**Figure 5.6**  Reinforcement and transfer of associations between an OSO and a sponsor. Where the associations overlap (2), existing images are reinforced.

There needs to be a match between the associations that each entity can offer and the associations that are required by each entity. For example, Samsung claims to sponsor the Olympic Games because the Games represent the company’s values: peace, humanism, courage and challenge.

**Sponsor Objectives**

Sponsors take part in sponsorship arrangements in order to achieve specific objectives. These objectives fall into two categories: commercial and corporate. Commercial objectives relate to activities that improve the function and profitability of the sponsor organisation. In many cases, they are the main reason why organisations get involved in sponsorship. Table 5.9 outlines the commercial objectives of the sponsorship arrangement between the OCS-ASF and its sponsors.
Corporate objectives, however, aim to communicate company values both externally and internally through sport. They make it possible to moderate negative perceptions held by the public since involvement in social causes allows the sponsor to demonstrate its capability to take into account the human dimension of society and to redistribute part of its benefits in order to enhance people's lives. Thus, by being involved in sponsorship for corporate objectives (table 5.10), companies enhance both their social and political synergies.

Sponsors combine corporate and commercial objectives in order to achieve their goals. Thus, a company entering into a sponsorship arrangement can increase its brand awareness, stimulate its distribution network, increase its market share and create a feeling of pride amongst its partners. In addition, the hospitality aspect of sponsorship arrangements is important for companies because it provides them with an attractive opportunity to invite clients, suppliers, prospects and partners to high-profile events. Indeed, the opportunity to create a social bond using these events often exceeds the cost of the commercial transaction.
Table 5.10 Sponsorship Objectives Associated With Corporate Goals

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>To demonstrate the company's citizenship and its involvement in social causes</td>
<td>OCS-ASF and SKB started their collaboration in 2003 with a scholarship programme. The programme targets young promising athletes with lower socioeconomic status in different regions across the country.</td>
</tr>
<tr>
<td>To promote the company culture, to reinforce internal cohesion and to stimulate staff motivation</td>
<td>Iskra, a highly specialised company in the production of electronics, supported a young disabled athlete at Athens 2004. The athlete was also a successful student and potential employee. Since the company employs some staff with disabilities, she was a motivation for them and other people with disabilities.</td>
</tr>
</tbody>
</table>

Managing the Sponsorship Programme

Knowing why sponsors might wish to be involved in sponsorship arrangements will help you plan your sponsorship programme. However, due to the complexity of the mechanisms and the various parties involved, sponsorship is not easy to manage and requires a programme of activities as outlined in figure 5.7. You need to take these factors into account in order to manage your sponsorship programme effectively.

![Figure 5.7 Operational model for managing sponsorship.](image-url)
Sponsorship Packages

Sponsorship depends on the fact that each party can deliver something that has value for the other. When this is the case, both parties can agree on an exchange of money, services, products or rights. The most valuable commodity of many OSOs is the rights that they control (as discussed in section 5.1), since sponsors are likely to want to be associated with the image of the organisation. Once this exchange has been agreed upon, the transaction should be formalised in a contract that includes an agreement on terms, conditions, and time and place of the exchange. This is the sponsorship arrangement as outlined in section 5.1. An example of an NOC sponsorship agreement may be found on the IOC’s NOC Extranet.

In order to put this arrangement in place, you will need to develop packages that are attractive to potential sponsors. This, however, is not as easy as it sounds. It is often difficult to develop an offer that satisfies the generic expectations of sponsors, such as exposure and hospitality, but also is personalised to a specific sponsor’s expectations. You have to balance the number of sponsors in each category, their return on investment and your capability to deliver a quality service to each one.

Sponsorship packages require you to identify the type and number of sponsors you want. This allows you to offer different benefits to different sponsors, but it also lets you target your sponsorship activities towards what you need. There is no single rule for type and number of sponsors, but it may be difficult to manage more than three categories of sponsors. For example, apart from the IOC TOP partners, the Sydney Organising Committee for the Olympic Games (SOCOG) had a three-tiered sponsorship programme: the Team Millennium Olympic Partners, the Sydney 2000 Supporters and the Sydney 2000 Providers. SOCOG aimed to attract a certain number of sponsors in each category.

You then need to consider the elements that are to be common to all packages. These elements relate to the intangible elements of the offering, such as heritage, values, image and positioning, and to the tangible elements, such as the way of communicating and its impact. In order to tailor packages to different sponsors, each package should also contain customised elements, such as hospitality opportunities or exclusiveness.

Identifying Potential Sponsors

Once sponsorship packages have been developed, these can either be marketed directly or through a marketing agency. The purpose of this marketing is to identify a sponsor who is likely to be interested in your sponsorship offer and who is compatible with the mission and objectives of the OSO. This requires a diagnosis of the fit between the sponsored organisation and the potential sponsor. If the diagnosis demonstrates that the following criteria cannot be met, then it is appropriate to give up the process and seek another sponsor. The criteria for evaluating fit are as follows:
• A *match* between the characteristics associated with your organisation and the potential sponsor
• *Acceptability* of this association to the stakeholders of the two parties
• *Compatibility* between the sponsor's marketing and communication objectives and what can be achieved by the programme
• *Coherence* between the objectives and values of an event's stakeholders and the sponsor's targeted stakeholders (when seeking sponsorship of an event)

These criteria allow appropriate sponsors to be targeted.

**Value of Sponsorship Packages**

The decision of how much sponsorship to seek is often difficult because it is hard to place a financial value on what an OSO has to offer a sponsor. When considering the value of packages, a decision on price requires a complex arbitration between three components.

• The OSO itself, including its strategy, objectives, positioning, market power and cost of the services delivered to the sponsors
• The potential sponsors, including reference price, perceived value and ratio of price or quality
• Environment and competition, including economic situation and competitors’ pricing policies

When negotiating the value of the package, you should be concerned with the amount to be contributed as cash and the amount to be contributed as VIK. Although cash may seem more desirable, it often causes problems with security and accountability. In addition, many sponsors find it more economic to provide VIK. Examples of VIK include equipment, team uniforms and travel. It is also important to give attention to how payments will be made, when they will be made and what might happen if the sponsor has to withdraw from the arrangement. Finally, it is necessary to be aware of what your competitors could offer the sponsor. You need to make sure that you do not overvalue or undervalue your offer.

**Brand Activation**

The initiatives that expose the sponsor's brand to the target audience are known as "activations". In order to achieve the objectives of sponsorship and to create the desired associations, you and your sponsor need to develop opportunities that expose the sponsor's brand to the stakeholders targeted by the sponsorship. For example, a basketball contest organised for teenagers, in partnership with a funding sponsor, provides emotional and social benefits such as fun, excitement and being part of the event, as well as raising the image of the sponsor amongst those involved. Activations provide the target audience with a positive experience that is both related to the sponsor's brand and connected with the sponsored entity. Activation programmes use a mix of media (presented in section 5.3), such as public relations, publicity, direct marketing and events.
Activation programmes are particularly essential for sponsors of the Olympic Games because their brand is not exposed in competition areas. Consequently, activation strategies aim to make the sponsor active, rather than passive, for the target audience. For example, when a brand is promoted by a poster around a stadium, it is passive; however, when the brand is in the hands of the consumers and providing a tangible benefit, such as a water bottle, cap or T-shirt, it is active and more likely to make a lasting impact on the target.

An activation strategy adopted by Le Coq Sportif in Slovenia was to develop a national track suit in the prescribed national colours for Slovenian athletes taking part in the Athens Games. After the Olympics, the company continued this strategy by offering to supply products for NFs competing worldwide. The success of the strategy was indicated by interest in other products, which led Le Coq Sportif to start to produce clothing elements such as T-shirts and polo shirts using the Slovenian Olympic brand.

**Assessment of Return on Investment**

Finally, in order to ensure continued sponsorship, the arrangement must be perceived as providing value to the sponsor. This will require an assessment of the return on investment (ROI) on behalf of the sponsor. ROI should be evaluated by assessing hard benefits, such as media exposure, number of participants and number of spectators, because these are indicators of the exposure the sponsor has received. Soft benefits, such as organisation awareness, image and perceived quality are also important because they allow assessments of the quality of the exposure. Assessing ROI will benefit the OSO as well since the organisation can demonstrate the value of its sponsorship packages to existing sponsors as well as to potential sponsors.

After signing a contract with a sponsor, you may feel satisfied and think that the pressure of work will decrease. However, the most challenging phase of sponsorship is about to begin: You now have to deliver the expected service to the sponsor. In order to do so, you should focus on the principles discussed in section 5.2 and aim to meet the sponsor's expectations of quality.

**KEY RECOMMENDATIONS**

- Work with your Board to identify any associations your OSO has that might be attractive to a sponsor.
- Target your sponsors according to a potential fit based on quality of the match, acceptability, communication, marketing objectives and target audience.
- Develop a range of packages that can be customised to meet the needs of sponsors.
- Structure your sponsorship packages in order to provide a return on investment to the sponsor.

There is little argument about the importance of sponsorship to most OSOs. The sponsorship plan of the Philippine Amateur Swimming Association offers a good example of a well-developed approach to sponsorship.
Illustration 5.4

Sponsorship Plan of the Philippine Amateur Swimming Association

The Philippine Amateur Swimming Association (PASA) is the national governing body for aquatic sport in the Philippines. Formed in 1962, the association oversees swimming, diving, and water polo. In the near future, it will also oversee synchronized, open-water, and fin swimming. As a nongovernmental organization, PASA has always been dependent on the Philippine Sports Commission (PSC) and sponsors for the funding of activities and international competitions. Government funds are naturally limited and are not always reliable, and budget cuts from the PSC caused PASA to look elsewhere for support. In the past, PASA had been sponsored by the Bank of Commerce, and it currently has a long-term relationship with Arena, a swimwear manufacturer, for equipment supplies. However, for PASA to move forward it needed additional partners and funding, and this required the creation of a sponsorship plan.

Methodology

The development of the sponsorship plan involved thorough research. Interviews were carried out with:

- the aquatic disciplines, in order to establish what water polo and diving required from sponsors to ensure that a plan could be developed to meet all the needs of PASA;
- other national sport associations, in order to establish how successful sports have attracted sponsorship;
- the Singapore Swimming Association, in order to identify what another swimming association in the region had done in the area of sponsorship;
- and
- past sponsors, in order to establish satisfaction with the arrangement and to establish future intentions.

Sponsorship Plan

As a result of the research, PASA initially decided to focus on swimming because it was the most well-known and popular sport. For swimming, two potential offerings were identified:

- The Philipinas Youth Cup (PYC), an age-group programme that required short-term event sponsorship
- Team Beijing '08, sponsorship aimed at the middle term and that would be applicable to all of the disciplines

(continued)
Types of Sponsors

PASA decided to lead with the sponsorship of the PYC because it realised that most sponsors were more likely to commit initially to short-term sponsorship. It was thought that once success had been demonstrated with this package, sponsors would be more likely to commit to a longer relationship with PASA. Sponsors of the PYC were categorised as Gold, Silver or Bronze depending on the amount given in sponsorship. Sponsors were expected to contribute either cash or VIK depending on the organisation. For example, PASA approached travel companies to assist with travel costs, a timing company to help with timing equipment, and a number of food and beverage companies. These companies were identified because of the fit between what their operations could offer and what PASA required.

Sponsorship Package

The plan set out the costs of the sponsorship packages. The Gold package cost approximately US$19,000, the Silver approximately US$13,000 and the Bronze approximately US$8,000. In return, sponsors received several benefits in terms of marketing rights, publicity and hospitality. The benefits of being a Gold sponsor of the PASA series are outlined here:

- Top billing as the Gold sponsor in all event merchandising materials, such as posters, streamers, flags and leaflets
- Sampling rights in all event venues
- Selling rights in all venues where selling was allowed
- Playback of the brand’s TV or radio ads in all events (minimum of 10 times)
- Display of 10 of the brand’s streamers or A-frames around the central pool deck where the competitions were staged
- Logo on registration forms, invitation letters and the finals’ meet program
- Acknowledgement in press releases as a Gold sponsor
- Logo inclusion in the PASA website
- Logo inclusion on backstroke flags in pools and on awards backdrop
- Logo on T-shirts of all swimmers, meet officials and timers
- Company logo etched in all medals and certificates
- Inclusion of one full-page ad in the finals’ meet program
- Brand-name inclusion in all event communications
- Live acknowledgement during the actual event
- VIP seating for 10 company representatives during all meets
- Representative to be invited during all awarding ceremonies
- Special feature article with photo caption showing company officials and all winners after the finals
The sponsorship plan developed by PASA shows how a small OSO can take a pragmatic approach to obtaining sponsorship. Through careful research, PASA identified what it had to offer and what was a priority for the organisation, and then it packaged its offerings to attract sponsors with differing amounts to invest. In addition, PASA increased the number of competitions making up the PYC to increase potential exposure and thus make the event more attractive to sponsors. This was particularly successful and led Arena to offer PASA a substantial increase in sponsorship.

PASA targeted sponsors by approaching organisations that were linked with sport and healthy eating or that could contribute significantly with VIK. This link makes it easier for sponsors to see why they should become involved. Although the OSO desired long-term relationships with sponsors, it initially focused on short-term sponsorship, which is often easier to sell to sponsors, with the intention of building the relationships in the longer term.

SECTION 5.5
DEVELOPING AND MANAGING A MARKETING STRATEGY

In order for an OSO to have effective marketing, it needs a marketing strategy. This strategy will guide the marketing activities of the organisation and direct resources and activities towards achieving the marketing objectives. The process followed is the same as the strategic planning process outlined in chapter 2; however, a marketing strategy is a functional strategy in that it is developed in order to direct the work of the marketing function towards the strategic objectives.

This section discusses the procedures to follow in developing a marketing strategy, beginning with the process of market diagnosis. This is followed by a presentation of the techniques required to analyse the operating environments and then the strategic marketing decisions that need to be made. The section ends with an illustration of the information that the Lesotho National Olympic Committee used to develop its marketing strategy.

Market Diagnosis

Before developing a marketing strategy, you need to diagnose your market in order to identify what the market is, whom you should be targeting, and who your competitors are and what position they have within the market. This diagnosis will provide information that will allow you to set appropriate marketing objectives and allocate resources accordingly.
**The Marketplace**

The starting point of market diagnosis is to define your marketplace so that you understand the market in which your organisation is operating. For example, is it the sport market in general, or is it the market of a specific sport? An OSO may determine that it is operating in the health and fitness market, or it may simply view itself as being in the ball sport market. Once this decision is made, you will be in a position to obtain information in order to answer the following questions:

- What is the size of the current and potential market?
- How can the organisation benefit from being in this market?
- Is this market changing?
- Which are the key factors of success?

**Market Segmentation**

Once you have a clear picture of the market within which your organisation operates, you should then collect information about your customers or stakeholders. In most situations, stakeholders are not homogeneous, and it is important to analyse stakeholder characteristics in order to divide stakeholders into groups that allow you to target your marketing activities. The division of a market into different homogeneous groups of stakeholders is known as "market segmentation", and its various steps are presented in table 5.11.

In order for a segment to be worth targeting, it should meet the following criteria:

- **Measurable**: It is possible to get information about the segment and analyse it.
- **Substantial**: The segment is large enough to be worth considering.
- **Pertinent**: The segment relates to the organisation’s objectives.
- **Durable**: The segment does not change quickly.

<table>
<thead>
<tr>
<th>Table 5.11</th>
<th>Segmentation Process</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steps</strong></td>
<td><strong>Method and tools</strong></td>
</tr>
<tr>
<td>Analysis of markets</td>
<td>Selecting criteria in order to identify homogenous groups of stakeholders</td>
</tr>
<tr>
<td>Data collection on potential segments</td>
<td>Existing data (database, reports)</td>
</tr>
<tr>
<td></td>
<td>Surveys (interviews, questionnaires)</td>
</tr>
<tr>
<td>Description of segments</td>
<td>Gathering information for each segment</td>
</tr>
</tbody>
</table>
Competitor Analysis

The next stage of market diagnosis is an analysis of the organisation's competitors. This analysis allows you to identify other organisations that may appeal to your stakeholders. Competitors are those organisations with services that may attract customers or funding away from your services. For example, a swimming federation may consider its competitors to be other sport federations because they compete for resources from the same funding bodies, or its competitors might be private swimming schools that offer swimming lessons that compete with those promoted by the federation. Competitor analysis requires you to collect the type of information outlined in table 5.12, which presents a limited competitor analysis for a basketball club hoping to attract the teenage market.

Table 5.12 Competitor Analysis for a Basketball Club

<table>
<thead>
<tr>
<th>Service expected by teenagers</th>
<th>Competitors providing the same service</th>
<th>Strengths and weaknesses</th>
<th>Competitive strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>To improve skills and technique</td>
<td>All sports</td>
<td>Basketball has a well-developed coaching system. It is easy to find a club. Some techniques are hard to learn.</td>
<td>Differentiate on the basis of the quality of staff and coaching structure.</td>
</tr>
<tr>
<td>To belong to a group</td>
<td>All team sports</td>
<td>Basketball is a team sport and is usually part of a large club.</td>
<td>Differentiate on the basis of clubs and team size.</td>
</tr>
<tr>
<td>To have fun</td>
<td>All ball sports and the entertainment industry</td>
<td>The image of basketball is fun and is associated with a trendy lifestyle.</td>
<td>Differentiate on the basis of image and lifestyle.</td>
</tr>
</tbody>
</table>

Market Position

Finally, it is necessary to decide where your services are positioned in the competitive market that you have identified. The position of a service is the way consumers perceptually place it in the market on the basis of important attributes, such as quality, image, cost and services. For example, a stakeholder is aware of the difference in importance between national championships, world championships and the Olympic Games without this having to be stated by OSOs. As another example, when teenagers are looking to take part in a sport that they feel will make their life exciting, they may consider basketball to be more exciting than volleyball but less exciting than beach volleyball.

Knowledge of the organisation's position in the market allows you to determine how competitive you are in the market, how your services are perceived by stakeholders and what the stakeholders expect of those services. Position can be assessed using the following steps:
• Identifying the organisation’s competitors
• Identifying stakeholders’ expectations and the level of importance they assign to those expectations by asking stakeholders to rank each competitor on each expectation
• Situating the organisation’s current position in relation to others

Market diagnosis ensures that you are fully aware of the market within which your organisation operates. This allows you to focus on the subsequent environmental analysis that underpins the marketing strategy.

**Environmental Analysis**

The process of environmental analysis has been discussed in chapters 1 and 2, so at this point it is only necessary to highlight what is important when carrying out an analysis for marketing purposes.

**Internal Analysis**

Internal analysis for marketing purposes focuses on two aspects: an analysis of the OSO’s brand strength and a review of the organisation’s marketing mix. The first section of this chapter defined a brand as the organisation’s name, image, and associations with that name and image. Brand equity can be considered as the brand’s set of characteristics that give an added or lesser value to the OSO’s services. In order to develop a marketing strategy, the strength of the brand equity needs to be evaluated so that you can use the brand in the best way possible to achieve marketing objectives. Ferrand and Torrigiani (2005) have developed a framework that may aid in the evaluation of an OSO’s brand equity and thus may be a useful tool when carrying out internal analysis. Table 5.13 outlines how the brand of the French Volleyball Federation (FFVB) can be evaluated across a number of dimensions.

It is also necessary to assess the organisation’s current marketing mix of strengths and weaknesses. The marketing mix comprises the components of the service that the OSO uses to promote, sell and deliver its offerings. The marketing mix of an OSO includes the seven components outlined in table 5.14, which shows the diagnosis of the marketing mix of a gymnastics federation.

**External Analysis**

In the marketing framework, external analysis involves an examination of relevant marketing elements outside the OSO’s internal environment. In order to carry out an external audit for marketing purposes, the dimensions presented in table 5.15 should be considered. This will provide information on opportunities and threats that might affect the organisation.

**Strategic Marketing Decisions**

The process of information gathering presented previously makes it possible for you to make the four main decisions regarding your market:
Which segments will you target?
Which competitive advantage will you maintain or develop?
How should you position your organisation in the marketplace?
Which marketing strategy will you use?

**Which Segments?**

As outlined earlier, market segmentation should be based on the characteristics outlined in table 5.11. Once you have determined what your market segments are, such as youth, adult, leisure or elite, you should then assess which segments to target. A useful tool for doing this is the General Electric/McKinsey nine-cell portfolio, which is presented in figure 5.8. This tool requires you to assess your market segments on the basis of two factors: segment attractiveness and organisation competitiveness.

### Table 5.13  Brand Equity Dimensions of the FFVB

<table>
<thead>
<tr>
<th>Dimensions of brand</th>
<th>Variables</th>
<th>FFVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholders</td>
<td>Number, characteristics, influence, relationships</td>
<td>106,000 members, 46% women, 1,729 clubs, Olympic sport, few sponsors, average media exposure</td>
</tr>
<tr>
<td>Foundations</td>
<td>Heritage, vision, values, identity</td>
<td>Heritage: educative sport</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vision: French volleyball renewal will bring high standards</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Values: a sense of accomplishment, stimulation, honesty, friendship and humanism</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Identity: innovation, organisation and conquest</td>
</tr>
<tr>
<td>Protection</td>
<td>Name, symbol, trademark</td>
<td>Beach volleyball is a registered trademark</td>
</tr>
<tr>
<td>Knowledge</td>
<td>Awareness, image, positioning</td>
<td>Weak awareness, Conservative, High-level sport</td>
</tr>
<tr>
<td>Experience</td>
<td>Satisfaction, perceived quality</td>
<td>Stakeholders are globally satisfied</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The FFVB is perceived as not meeting its clubs’ expectations</td>
</tr>
<tr>
<td>Relationships</td>
<td>Loyalty and relational aspects (functional, emotional, sociocultural and psychological benefits)</td>
<td>Stakeholders are loyal, but it is difficult to recruit new ones</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FFVB is mainly delivering functional benefits (competition, training)</td>
</tr>
</tbody>
</table>
Table 5.14 | Diagnosis of the Marketing Mix of a Gymnastics Federation

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products</td>
<td>Training dedicated to top athletes</td>
<td>No development programmes based on rhythmical gymnastics</td>
</tr>
<tr>
<td></td>
<td>Development programmes for competition and leisure</td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>Low membership fee that offers value for money</td>
<td>Same as competitors</td>
</tr>
<tr>
<td>Place</td>
<td>Distribution of gymnastics through a club network</td>
<td>No national partnership</td>
</tr>
<tr>
<td></td>
<td>Local partnership with schools</td>
<td></td>
</tr>
<tr>
<td>Promotion</td>
<td>Communication throughout club network</td>
<td>Weak communication plan focused on teenagers</td>
</tr>
<tr>
<td>Processes</td>
<td>Efficient planning for top athlete training</td>
<td>Focused on top athletes</td>
</tr>
<tr>
<td>People</td>
<td>New professional management</td>
<td>Staff expertise is specifically related to gymnastics</td>
</tr>
<tr>
<td></td>
<td>Qualified coaches</td>
<td></td>
</tr>
<tr>
<td>Physical evidence</td>
<td>Large number of sport facilities</td>
<td>Sport facilities belong to local authorities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sport facilities are built for competition, not for participation</td>
</tr>
</tbody>
</table>

Table 5.15 | External Analysis of the Marketing Variables of a Tennis Federation

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Variables</th>
<th>Current situation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market</td>
<td>Size, how the market operates, barriers to entry, key success factors (KSF)</td>
<td>Traditional sport that has a stable number of members.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Leisure sport market is growing.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>KSF are that the sport is easy to access, has a strong social base, receives good</td>
</tr>
<tr>
<td></td>
<td></td>
<td>media exposure and has a positive image.</td>
</tr>
<tr>
<td>Consumers and stakeholders</td>
<td>Segmentation, expectations, unfulfilled needs</td>
<td>Segments are competition and leisure.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Both segments want to belong and to have fun.</td>
</tr>
<tr>
<td>Competitors</td>
<td>Strategies, goals, brand equity, marketing policy</td>
<td>The leading sports are soccer, basketball and volleyball.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Strong brand equity dimensions exist (awareness, image and stakeholders).</td>
</tr>
<tr>
<td>Positioning</td>
<td>Relevant dimensions used for positioning, positioning related to stakeholder segments</td>
<td>It is positioned as a fun, clean and educational sport.</td>
</tr>
</tbody>
</table>
Segment attractiveness can be assessed by the following criteria:

- **Fit with organisation mission**: Does the segment reflect the organisation's objectives for sport participation or elite athletes?
- **Segment size**: How many individuals are in each segment?
- **Level of involvement in sport**: Are the individuals casual, regular or elite participants?
- **Buying power and expenditure related to sport**: How much revenue can each segment bring into the organisation?
- **Trend for the future**: Is there growth or decline in involvement with the organisation?
- **Perceived quality of services**: Does the segment perceive the OSO to offer services of acceptable quality?
- **OSO capability to improve perceived quality**: Can the OSO improve its quality to meet the expectations of the segment?
- **OSO positioning in the marketplace**: Can the OSO attract stakeholders away from competitors?

OSO competitiveness can be assessed on the basis of the following:

- The existence of direct and indirect competitors
- The competitors' capability to satisfy targeted segment expectations
- The financial risk involved in targeting a particular segment
If your OSO competed well against rivals in these areas, it would rate high. If the OSO were unable to compete against rivals, it would rate low. Assessment of the organisation in terms of these two factors will allow you to decide where to place your services on the nine-cell portfolio.

This portfolio develops three types of segments, which can help you make decisions about the groups you want to target:

- **Targeted segments**: These are segments that the OSO ranks highly on both dimensions and have an excellent profit (social or financial) potential. Targeted segments are a priority for an OSO. For the FFVB, these segments would include local authorities, teenagers, physical education teachers and officials.

- **Don't go segments**: These are segments that rank low on both dimensions and have poor prospects. These segments should not be targeted by the OSO. For the FFVB, these would be teenagers already heavily involved in other sports.

- **Selective segments**: These are segments that have average attractiveness and average competitiveness, high attractiveness and low competitiveness, or low attractiveness and high competitiveness. Although these segments are not a priority for an OSO, they do offer additional groups for targeting. For example, the FFVB could target major sponsors and national media if it were looking to extend its market.

**Which Competitive Advantage?**

Marketing strategies should create at least one competitive advantage for your organisation. A competitive advantage arises because certain characteristics or attributes of the services are superior in relation to the most direct competitors. A competitive advantage exists when an OSO is able to deliver the same benefits as competitors but at a lower cost, or when it can deliver benefits that exceed those of competing offers. Developing a competitive advantage requires you to understand stakeholders’ expectations and to deliver a service that has better value than your competitors' services. Competitive advantage can be created by a variety of factors, such as service quality, membership cost, ease of access to services and image of the organisation in relation to others. Once the competitive advantage of the organisation has been determined, it then needs to be marketed through the positioning process.

**Which Position?**

Your position in the market provides an answer to the stakeholders’ question, “Why should I get involved with this organisation?” When stakeholders are looking for a particular service, the OSO’s position in the market will suggest whether or not it is a potential supplier of that service. Your organisation’s position relates to several factors, including competitive advantages, exclusivity, credibility as a provider, and coherency with technical (know-how), financial and human resources.
**Which Strategy?**

The final aspect of a marketing strategy is to determine the strategic direction in which to focus marketing activities. The information gained from the strategic marketing process can be used to answer the following questions:

- Do your current offers have potential for growth in your current market?
- Are there other markets for your existing offers?
- Is it possible and profitable to conceive new offers for your current market?
- Is it possible and profitable to conceive new offers for new markets?

Answering these questions allows you to decide which of the following strategies to pursue.

**Market Penetration** Market penetration occurs when you market more of your existing products and services to your existing market segments. This strategy seeks to increase market share with the current portfolio of offerings. Because services are not altered, market penetration has the least risk of all methods of expansion. Opportunities include the following:

- Encouraging existing stakeholders to buy more of your services, such as encouraging event spectators to join the organisation
- Encouraging stakeholders who are buying competitive offers to switch to your services, such as recruiting new members from those who are interested in sport in general
- Encouraging nonusers within the segment to buy your offerings, such as recruiting new members from those who have not previously been interested in sport

**Market Development** Market development is the strategy of marketing your existing portfolio in a new market, which is a tactic adopted by many professional sports that recruit new fans from abroad. The service remains the same, but it is marketed to a new audience, such as a new geographic territory.

**Development of Offerings** This involves marketing a new product or service to existing customers, such as providing a membership card with discounted products and services from the OSO’s sponsors. Existing products can be improved, or if the OSO has sufficient resources, new services can be developed to match other expectations of existing customers.

**Diversification** Diversification is where you market completely new products to new customers, such as the arrangement reached by the OCS-ASF and SKB Bank to market a new Visa card.

The process of market diagnosis allows you to make strategic marketing decisions, which in turn leads to the development of a marketing strategy. This strategy guides the marketing function’s contribution to achieving the organisation’s objectives and is therefore an important part of the management of an OSO.
The following illustration considers the development of a marketing strategy that was carried out by the Lesotho National Olympic Committee.

**Illustration 5.5**

**Sport Marketing Plan:**  
**Lesotho National Olympic Committee**

The Lesotho National Olympic Committee (Lesotho NOC), which also functions as a Commonwealth Games Association of Lesotho, is a volunteer organisation based in the capital city of Maseru, Lesotho. It is a member of both the IOC and the Commonwealth Games Federation. Most of the organisation’s administrative work and other sport development ventures are funded by the IOC. This committee prepares athletes through NFs for participation in the Commonwealth and Olympic Games. All the NFs in Lesotho are affiliated with the Lesotho Sports and Recreation Commission (LSRC) and Lesotho NOC. In order to raise awareness of the organisation and to increase funding, a marketing plan has been developed.

**Market Diagnosis**

In order to define the market, the Lesotho NOC collected the following information.

**Demographic Environment**

The population of Lesotho was estimated at 2,207,954, with the following age structure:

- Under 15 years of age: 39% with male–female ratio of 1.01
- 15 to 64 years: 56% with male–female ratio of 0.93
- 65 years and above: 5% with male–female ratio of 0.73

Total population sex ratio was estimated at 0.95 male–female, meaning there are more females than males in the total population, but under age 15 there are more males.
**Geographic Environment**

Most of the population is distributed along the Western border between Lesotho and South Africa, Lesotho’s only neighbour. Because of the country’s terrain, there has been a tendency to develop sport facilities in the lowland towns only.

Lesotho’s geography has influenced where sport facilities are built.

**Psychographic Environment**

Football, athletics and the national form of netball have been the traditional sports practiced in Lesotho. However, the introduction of new sports has met with so much interest amongst youth that some join as many as five sports at a time, waiting until they are older to choose one sport to focus on.

**Behavioural Environment**

Because parents often have little or no involvement in their children’s sport activities, it is difficult for NFs to get athletes to pay joining fees or buy training outfits. Therefore in most sport activities competitors seldom have team uniforms. Another contributing factor is the lack of sport equipment in local shops. Only those who have access to South African shops get proper training outfits.

However, parents often encourage their children to participate in sport, irrespective of what sport they go for, because sport provides a sanctuary from drug abuse and other unwanted behaviour. Selection for national teams is also welcomed because of the benefits of travel and allowances.

*(continued)*
Competitive Environment

In Lesotho, all boys grow up playing football, and when they get older and stop playing, they still stick with football as armchair spectators, making football the greatest competitor for other sports. The assistance provided by FIFA to most African and Asian football federations has made football even stronger. In addition, attracting sponsorship to sports other than football is difficult.

Other forms of competition are churches, cultural activities and music festivals. Lesotho is a religious country, and many parents want their children to attend church services on weekends, which often conflicts with sport participation. Cultural activities and music festivals are another form of competition for sport because they attract the same participants on the same days of the week.

Environmental Analysis

The analysis of the market led to the creation of the SWOT analysis outlined in figure 5.9.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most sport activities are concentrated in the capital city and in a few other towns, which means the target population is geographically contained</td>
<td>Poor sport facilities</td>
</tr>
<tr>
<td>The community is looking for outlets to which they can take their children who are in danger of social disasters such as drug abuse and the HIV/AIDS pandemic</td>
<td>Poor management practices by various stakeholders in sport</td>
</tr>
<tr>
<td>Renewed government interest in sport and recreation and thus an increase in the sport budget</td>
<td>Poor media coverage to most parts of the country</td>
</tr>
<tr>
<td>Investment in coach education by both the Lesotho NOC and government</td>
<td>Poor community involvement in sport</td>
</tr>
<tr>
<td>Partnership with schools in sport development</td>
<td>No sport goods industries</td>
</tr>
<tr>
<td>Potential for sponsorship by business</td>
<td>Poor financial resources</td>
</tr>
<tr>
<td></td>
<td>Lack of entertainment during sport activities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>High altitude of Lesotho, which could be used to attract world-class athletes to train in Lesotho</td>
<td>Football and volleyball, which seem to be more popular than other Olympic sports in the country</td>
</tr>
<tr>
<td>Proximity to the Republic of South Africa, which provides competition opportunities</td>
<td>South African football, which is particularly attractive to most Lesotho males</td>
</tr>
<tr>
<td>Competitor complacency</td>
<td>Television, which covers politics and not sports</td>
</tr>
<tr>
<td>Good road network throughout the country</td>
<td>Lack of legislation on tax rebates on sport sponsorship</td>
</tr>
<tr>
<td>Sports more attractive to youth, in particular girls</td>
<td>Church activities, music festivals and cultural festivals</td>
</tr>
</tbody>
</table>

Figure 5.9  SWOT analysis of the Lesotho NOC.
Marketing Objectives
From this analysis the following objectives were developed:

- Encourage involvement of parents in sport activities so that sport is seen as family entertainment.
- Make the sports interesting enough to attract businesses to sponsor activities.
- Make the sports interesting enough to attract media attention.
- Make the sports interesting enough to retain athletes in one sport to promote consistency.
- Improve the image of the NFs, which in turn will improve the image of the Lesotho NOC.

Marketing Strategies
The marketing strategies aimed to improve the image and functioning of NFs, which in turn would improve the image of the Lesotho NOC. The strategies adopted a market development approach.

There were two groups of NFs in this plan. Group 1 included athletics, boxing, netball, gymnastics and table tennis. These sports can be practiced anywhere without necessarily building new facilities. Group 2 included basketball and squash, sports that require specific facilities. The plan was to use national teams to carry out coaching clinics in identified regions around the country. Particularly important were the two medal winners of the Commonwealth Games of Kuala Lumpur 1998 and Manchester 2002.

Group 1 followed a programme that allowed every district to be visited, and group 2 went to districts where there were relevant facilities. In addition, the following strategies were employed to address the other marketing objectives:

- Night games were encouraged for all sports during the weekdays so that weekends could be left for coaching clinics. This also avoided competing for spectators with other sports.
- National team players accompanied coaches during coaching clinics in order to interact with the young athletes.
- Media were trained about all sports so that they developed the knowledge necessary to report confidently.
- Parents were encouraged to be present during coaching clinics so that they could also learn about the sport. Incentives were provided for those who attended.
- Media, parents and sponsors were given special treatment for attending activities of the national team, such as practice sessions, test or practice matches, and international games.
- Schools whose students were selected for national teams were given special treatment during match days.

(continued)
Illustration 5.5  (continued)

- The people’s love for cultural activities and music was used to attract them to sport activities. Pregame, break and postgame entertainment helped make the activities more interesting for spectators.

The strategic marketing plan that set out these activities contained objectives to show how each goal was to be accomplished. It also showed how resources, both financial and human, were allocated and monitored.

The strategic marketing plan of the Lesotho NOC was developed in a systematic and planned manner. By following the process outlined in this chapter, this OSO has been able to develop plans to market sport both inside and outside of Lesotho.

The following case study applies many of the points covered in this chapter to the Olympic Committee of Slovenia, Association of Sports Federations. The purpose of this case study, like others in previous chapters, is to demonstrate how the material covered in the chapter is applicable to OSOs. Although your organisation may not be the same type of OSO, the case study will highlight how the concepts covered in this chapter can be put into practice.

**CASE STUDY 5**

Marketing of the Olympic Committee of Slovenia, Association of Sports Federations

The Olympic Committee of Slovenia, Association of Sports Federations (OCS-ASF) is an umbrella sport organisation in Slovenia, consisting of 60 NFs, 90 regional sport federations and 13 federations in the areas of sport science and recreation. The organisation is responsible for the majority of sport in the country, from elite sport to Sport for All. The marketing department has a key role to play in the OCS-ASF; it is responsible for obtaining financial support, communicating with the business community and serving other departments’ needs.

What the OCS-ASF Markets

The OCS-ASF composite logo is the symbol that represents the Olympic spirit with certain characteristics of the Slovenian identity (table 5.16). This symbol is a registered trademark of the OCS-ASF. The slogan “Unity makes strength” symbolises the efforts that are common to sport and business and is used to promote the Olympic team to sponsors. The values and image of the OCS-ASF are attributes that reflect business tendencies for constant improvement in the market.
Managing the Quality of the Offering

The OCS-ASF marketing department works closely with stakeholders to ensure that it is meeting their expectations. The following information shows how the department aims to deliver services that are perceived as high quality.

- **Tangible elements**: These include well-trained personnel, up-to-date technology and well-presented communication materials.

- **Reliability**: A reliable marketing system allows informed and consistent decision making, consistent care of selected athletes and professional performance of tasks.

- **Responsiveness**: This includes willingness to offer assistance to member federations and athletes and to provide prompt and accurate service.

- **Assurance**: This includes well-informed and courteous OCS-ASF staff, reliability and the ability to convey trust and confidence.

- **Empathy**: This helps result in an individualised approach to OCS-ASF stakeholders and their needs.

### Marketing Communication Strategy

The marketing department communicates actively with the business community. Table 5.17 outlines the communication strategy used by the OCS-ASF to communicate the dimensions of its brand equity to key stakeholders.

---

**Table 5.16 OCS-ASF Logo, Slogan, Values and Image**

<table>
<thead>
<tr>
<th>Logo</th>
<th><img src="image" alt="Logo" /></th>
</tr>
</thead>
<tbody>
<tr>
<td>Slogan</td>
<td>“Unity makes strength.”</td>
</tr>
</tbody>
</table>
| Values | Sense of accomplishment  
True friendship  
Capable (competent, effective)  
Honest |
| Image | Top athletes  
Top sports results  
Fair play  
Determination |

(continued)
### Table 5.17  Communication Goals, Objectives and Tactics

<table>
<thead>
<tr>
<th>Brand equity dimensions</th>
<th>Existing sponsors</th>
<th>Potential sponsors</th>
<th>NFs</th>
<th>General public</th>
<th>Ministry of Education and Sport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholders: building and reinforcing the relationships</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Foundations of OCS-ASF: history, vision, values, identity</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Knowledge: awareness of OCS-ASF, image of OCS-ASF</td>
<td>Image</td>
<td>Image</td>
<td>Image</td>
<td>Awareness Image</td>
<td>Image</td>
</tr>
<tr>
<td>Experience: satisfaction with services, perceived quality</td>
<td>Satisfaction and perceived quality</td>
<td>Perceived quality</td>
<td>Satisfaction and perceived quality</td>
<td>Perceived quality</td>
<td>Perceived quality</td>
</tr>
<tr>
<td>Relationship: functional, emotional, sociocultural and psychological benefits</td>
<td>Communication reinforces all benefits of the relationship</td>
<td>Communication reinforces all benefits of the relationship</td>
<td>Communication reinforces the functional benefits of the relationship</td>
<td>Communication reinforces the emotional and sociocultural benefits of the relationship</td>
<td>Communication reinforces the functional, emotional and sociocultural benefits of the relationship</td>
</tr>
<tr>
<td>Nature of the relationship with the target</td>
<td>Personalisation and social bonding</td>
<td>Personalisation</td>
<td>Personalisation and social bonding</td>
<td>Diffusion</td>
<td>Personalisation and social bonding</td>
</tr>
<tr>
<td>Tactic</td>
<td>Push</td>
<td>Push and pull</td>
<td>Push</td>
<td>Push and pull</td>
<td>Push and pull</td>
</tr>
</tbody>
</table>
In order to achieve its communication objectives, the OCS-ASF communication strategy is based on several media, such as the following.

- **Publicity with advertising**: The OCS-ASF, in cooperation with partners, produces weekly TV and radio transmissions. These promote Sport for All events, top athletes and IOC events, and they have space for advertising, which is used by sponsors or the OCS-ASF.

- **Printed materials**: These are targeted at member federations, athletes, media, sponsors and other stakeholders.

### Managing Sponsorship

Sponsors are selected according to compatibility with the values of the OSO, available categories, expectations of the OCS-ASF and the sponsor, and the benefits for both sides. The OCS-ASF has a structured system of sponsorship.

- **Sponsor of the Olympic team**: This is the most important group of business partners and is similar to the TOP partners of the IOC. Sponsors sign long-term contracts and have exclusivity. This category is limited to a maximum of 25 companies. Sponsors are the only partners associated with the Olympic team.

- **Partner of the Olympic Committee**: The partner category is divided into three groups. Golden partners make a yearly contribution that is half of that made by the sponsors, Silver partners contribute a quarter of the sponsor contribution, and Bronze partners contribute a tenth of the sponsor contribution.

- **Donor of the project**: Donors provide products, services or financial contributions to improve services to athletes. Donors cannot advertise their activities, but they can donate 0.3% of their annual budget, which reduces their net profit and thus their tax.

### Developing and Managing a Marketing Strategy

The OSC-ASF has a well-developed marketing strategy, which began with the process of environmental auditing and led to the identification of the competitive advantages outlined in table 5.18.

This led to the development of the strategies shown in table 5.19 for the OCS-ASF from 2006-12. The new markets and services will add value to existing offers and existing markets.
Table 5.18 Factors Likely to Create a Competitive Advantage

<table>
<thead>
<tr>
<th>Factors</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived quality of the offer</td>
<td>Meeting stakeholder expectations</td>
</tr>
<tr>
<td></td>
<td>Delivering quality services that meet stakeholder expectations</td>
</tr>
<tr>
<td></td>
<td>OCS-ASF performance: financial, social, managerial and sport results</td>
</tr>
<tr>
<td>Price</td>
<td>Reasonable pricing of the services offered to the business community compared with that offered by other sporting organisations</td>
</tr>
<tr>
<td></td>
<td>Flexibility: ability to adapt the cost of programmes to meet the needs of the business community</td>
</tr>
<tr>
<td>Communication</td>
<td>Well-developed communication strategy and an appropriate communication mix</td>
</tr>
<tr>
<td>Sales and distribution network</td>
<td>Accessibility via all communication channels and new media</td>
</tr>
<tr>
<td></td>
<td>Availability via well-trained staff</td>
</tr>
<tr>
<td></td>
<td>Reactivity: quick response to and immediate servicing of partner needs</td>
</tr>
<tr>
<td></td>
<td>Personalisation: individual approach to the needs of partners by having a contact person responsible for a particular field or programme</td>
</tr>
<tr>
<td></td>
<td>Expertise: good internal transfer of knowledge and awareness of relevant trends in the environment</td>
</tr>
<tr>
<td>Intangible elements</td>
<td>Image: communication activities that monitor and improve the OCS-ASF image</td>
</tr>
<tr>
<td></td>
<td>The OCS-ASF position in the market is high in the minds of stakeholders</td>
</tr>
<tr>
<td>Geographic territory</td>
<td>Size: Slovenia is a small country, which makes communication easier</td>
</tr>
<tr>
<td></td>
<td>Located in Central Europe, which makes accessibility to competition and sponsors easier</td>
</tr>
<tr>
<td>Knowledge and relationship</td>
<td>Awareness: The OCS-ASF is a well-recognised and respected brand, perceived as a partner of business</td>
</tr>
<tr>
<td></td>
<td>Stakeholders have a positive attitude towards the organisation</td>
</tr>
</tbody>
</table>
As you can see from this case study, the marketing of the OCS-ASF is based on the principles outlined in this chapter. It has a number of trademarks in its logo, slogan, values and image that it uses well for marketing purposes. These trademarks are attractive to sponsors of the organisation, who in particular wish to be associated with the image and values of the OCS-ASF. The OSO has a comprehensive communication plan that targets all key stakeholders, building relationships and presenting strategies for facilitating stakeholder engagement with the organisation. Services are of an acceptable quality, and the OCS-ASF has a clear strategy for marketing that was developed by a process of environmental auditing, SWOT analysis and strategy selection.

Although the OCS-ASF is a medium-sized NOC, OSOs of all sizes can implement the same practices and strategies. One of the benefits of marketing is that its principles are as applicable to small, volunteer-run OSOs as they are to large NOCs or IFs that employ professional staff. What changes with the size of the organisation is the scale of the process. Smaller OSOs may have fewer stakeholders, less detailed communication and sponsorship plans, and a simple marketing strategy based solely on market penetration. What is important is that the marketing of the OSO is carefully planned and managed and takes account of everything the organisation has to offer.

### Table 5.19 Market Strategies for 2006-12

<table>
<thead>
<tr>
<th>Market penetration</th>
<th>System of benefits such as independent discount when advertising in partner media, appearance of logo on all printed and other audiovisual media, including Internet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market development</td>
<td>New services of OCS-ASF marketing company</td>
</tr>
<tr>
<td></td>
<td>Regular 30 minutes of TV advertising once a week</td>
</tr>
<tr>
<td></td>
<td>An improved website</td>
</tr>
<tr>
<td>Offer development</td>
<td>Linking of the OCS-ASF’s network with new electronic tools that reach all partners, NFs and regional federations</td>
</tr>
<tr>
<td></td>
<td>Evaluation of newspaper exposure for all business partners</td>
</tr>
<tr>
<td></td>
<td>Evaluation of sponsorship programme with reports for partners</td>
</tr>
<tr>
<td></td>
<td>Event organisation together with NFs</td>
</tr>
<tr>
<td>Diversification</td>
<td>Travel and accommodation services</td>
</tr>
<tr>
<td></td>
<td>Merchandising</td>
</tr>
</tbody>
</table>

As you can see from this case study, the marketing of the OCS-ASF is based on the principles outlined in this chapter. It has a number of trademarks in its logo, slogan, values and image that it uses well for marketing purposes. These trademarks are attractive to sponsors of the organisation, who in particular wish to be associated with the image and values of the OCS-ASF. The OSO has a comprehensive communication plan that targets all key stakeholders, building relationships and presenting strategies for facilitating stakeholder engagement with the organisation. Services are of an acceptable quality, and the OCS-ASF has a clear strategy for marketing that was developed by a process of environmental auditing, SWOT analysis and strategy selection.

Although the OCS-ASF is a medium-sized NOC, OSOs of all sizes can implement the same practices and strategies. One of the benefits of marketing is that its principles are as applicable to small, volunteer-run OSOs as they are to large NOCs or IFs that employ professional staff. What changes with the size of the organisation is the scale of the process. Smaller OSOs may have fewer stakeholders, less detailed communication and sponsorship plans, and a simple marketing strategy based solely on market penetration. What is important is that the marketing of the OSO is carefully planned and managed and takes account of everything the organisation has to offer.
Objectives

After reading this chapter, you should be able to do the following:

- Decide whether organising a sport event is appropriate for your organisation.
- Identify the main phases involved in organising the event.
- Identify the main tasks involved in running the event.
- Develop an appropriate legal and operational framework for the event.
- Identify and manage the human resources needed to organise the event.
- Identify the facility resources needed to organise the event.
- Schedule, follow up on and evaluate the use of these resources.
A sport event is a social gathering that brings together a large number of people and activities on the occasion of a competition. It may also be covered by the media. Because sport events are held at a specific point in time, a project plan with clear tasks and timelines can be developed. This plan involves four basic steps:

1. **Design phase**: Conceptualising, designing and organising the event from the original idea to the bid to hosting the event

2. **Development phase**: Developing and setting up the event

3. **Implementation phase**: Running the event during the course of training and competition

4. **Dissolution phase**: Closing the event after the competition

These four phases will be discussed in this chapter since they define the activities involved in organising an event.

Organising a sport event is

- an essential objective for a large number of Olympic Sport Organisations (OSOs);
- the provision of a product or service that must satisfy a variety of stakeholders;
- a way of developing the OSO’s image;
- a way of mobilising human resources before, during and after the event; and
- a process involving risk management, including human-, financial- and sport-related risks.

For an event to be successful, it must be integrated from the start into the middle- and long-term development strategy of the OSO. Without adequate advance planning, the event will certainly become a one-off activity that is outside the overall strategic objectives of the organisation.

To understand the risks and opportunities associated with an event, you must understand the characteristics of events that will affect an organisation. First, events are unique, nonrepetitive and specific, even events that are held regularly, such as the Olympic Games. This means that although an OSO can learn lessons from the staging of previous Games, it cannot stage the event in exactly the same manner. Events must be completed by a fixed date, which requires a customised and meticulous planning process. Organising events is challenging because success depends on the combination and interdependence of several elements and activities.
Events are affected by numerous unknown contingencies, such as athlete participation, participation of the public, public contributions, sponsorship involvement and obtaining of permits. They are also susceptible to conditions outside the OSO, such as weather, environment, politics, society, media, security and transport. OSOs that stage events operate under significant limitations, such as having a scrupulous respect for the rules of the sport, observing the regulations of the event owner (e.g., the IOC or an IF) and fulfilling the technical conditions required by the sports. Although often seen as constraints, these characteristics also provide many opportunities for establishing relationships and allow organisers to later exploit the success of the project and contacts and partnerships made during the event.

Finally, it is important to have a broad understanding of the event in order to better shape its identity, to define the spirit you want it to have whilst also mastering its organisation. Every sport event is unique, and branding the project can help an organisation establish the event and make the most of the event’s unique identity. Sport events can be classified as

- global, such as the Winter Olympics, or local, such as national championships;
- popular, such as a fun run, or elite, such as the Commonwealth Games;
- sport related, such as Grand Prix Athletics, or promotional, such as a taster event for new participants;
- unidisciplinary, such as national swimming championships, or multidisciplinary, such as the Olympic Games; and
- single site, such as a club’s championship, or multisite, such as the Paralympics.

Once the identity of the event is defined, you will be able to identify the areas that may be open for expansion, such as the possibility of including other cultural and celebratory activities during the main event. It is important, however, that these activities do not confuse people about the image of the event or make organisation of the event excessively complicated.

The goal of this chapter is to identify the operational principles an OSO should use to successfully organise a sport event. In this chapter, the following questions will be considered:

- Why organise a sport event?
- How can the organisation of a sport event be structured?
- What is involved in organising a sport event?
- What human resources are needed to organise a sport event?
- What facilities are needed to organise a sport event?
These questions will be addressed in the five sections of this chapter, and then they will be further illustrated by a case study of a regional event, the 2005 Mediterranean Games in Almería, Spain.

Note that this chapter does not address two key questions: What financial resources need to be mobilised and managed, and what should be done about promoting the event? Of course, these questions should also be considered in the planning of an event, and the principles outlined in chapters 4 and 5 should be part of the event organisation process.

SECTION 6.1
DECIDING WHETHER TO ORGANISE A SPORT EVENT

Organising competitions is an integral part of the mission of NOCs, NFs and regional sport leagues. However, even at the bidding stage, events require resources in order to prepare the bid and determine the human, financial and organisational risks for an OSO. These risks have to be balanced against the opportunities that staging an event provides, such as improved or enhanced reputation, more or stronger partnerships, and development of the organisation or the sport.

Ideally, the decision to organise a particular sport event should be part of the OSO’s overall strategy, meet the strategic objectives of the organisation and fall within the resources available. OSOs should only bid for an event after they have established why they wish to bid. Indeed, you need to be clear about how organising a particular event will help attain your strategic goals. This section considers the objectives that can be met by staging an event, which might provide a reason for starting the bidding process. It highlights the risks involved in organising an event and goes on to consider the evaluation process that the French Badminton Association went through in order to decide whether to bid to stage the World Badminton Championships.

Goals to Be Achieved by Staging an Event

From the perspective of a deliberate strategic decision, there are three main goals that can be achieved by organising a sporting event:

- To challenge talented athletes
- To raise the profile of the sport
- To further the development of the discipline

Challenging Talented Athletes

Organising a major event is a way of challenging your most talented athletes and allowing them to prepare comfortably at home for elite competition. It often makes it possible for athletes to participate in the event without having to go through qualification rounds and allows an OSO to mobilise popular support behind a national team. This may be an important tactic for teams or athletes who would not normally qualify for major competitions.
Raising the Profile of the Sport

Hosting a sport event can increase the visibility of a sport that receives little or no coverage from the media. It can also maintain the visibility of a sport that has an existing media profile. An event gives an OSO the opportunity to work with local groups and partner companies, thus raising its profile in the local community. Organising an event thus can be a tool for both external and internal communication, providing a chance for the OSO to collaborate with its members and with national and international sport authorities, communities and government. Consequently, the profile of the sport will be raised.

Developing the Sport

Staging events helps OSOs develop by providing the opportunity to improve and increase infrastructure, perpetuate and develop partnerships, and generate new resources. Organising a competition can be a way to ensure the satisfaction of private and institutional partners.

Increasing the professionalism of the OSO to ensure that the event’s organisation is technically sound makes it easier to take advantage of the aftermath of the event. At the national level, organising a major event can encourage cohesion and exchange amongst the NF, regional leagues and local clubs. It can also improve the status of the individuals involved in staging an important and unifying event. Organising these events often results in an increase in demand for a sport and a desire to join clubs. For example, the successful staging of a national championship often leads to increased interest in the sport within the host city. This means that the NF and its clubs must be organised to welcome new participants. They must have enough equipment and a sufficient number of quality training programmes to handle the increase in demand after the event.
Organising an event can benefit an OSO in several ways. It can improve the organisation’s promotional and financial performance, it can increase the number of members and the quality of sport results, and it can even highlight an OSO’s socio-economic contributions. For example, publicity about basketball tournaments held in schools highlights how an NF is working with young people. Finally, some sport federations have achieved a number of developmental and organisational benefits from the organisation of one key event. For example, the French Tennis Federation organises the Roland Garros tournament, which has allowed the federation to pay for professional improvements to its tennis development system and its training programmes for elite athletes.

**Risks Involved in Organising a Sport Event**

Organising a sport event involves certain risks both during and after the event. The risks include a difficulty for the organisation to establish itself as a technically and financially credible candidate for future events if the event goes badly, an inability to organise and control the technical and financial difficulties involved in staging the event, and a difficulty in taking advantage of the aftermath of the event, such as dealing with an increase in new members or working with new sponsors or other partners.

The conditions involved in organising a major sport event may reveal organisational, financial or human resources dysfunctions in the OSO, which could precipitate a crisis. For these reasons, before the bidding process begins, event organisers should attempt to guarantee the success of the project by performing a preliminary study of the risks, objectives and conditions for success, before, during and after the event. This means that the benefits of staging the event need to be clearly identified and that managers should carry out a risk assessment (see chapters 1 and 4) before deciding to proceed.

**KEY RECOMMENDATIONS**

- Clearly define the benefits to be achieved by holding an event.
- Make sure that these benefits become expressed as objectives for the event.
- Carry out a risk assessment before deciding to hold the event.
- Ensure that you have the full support of the Board before proceeding.

The following illustration shows the process the Fédération Française de Badminton (French Badminton Federation) went through in order to gauge whether it should submit a bid to organise a world championship.
Illustration 6.1

Deciding Whether to Bid: Fédération Française de Badminton

The Fédération Française de Badminton (FFBA, French Badminton Federation) was created in 1979 and is a rapidly growing organisation, with almost 100,000 members. Compared with other NFs in France, the FFBA is an organisation of medium size. The FFBA is active in sport programmes in schools and universities; in fact, badminton is the second most popular school sport after athletics.

However, this federation has won very few international competitions. No French man or woman has won a world championship. The FFBA has almost no international representation; for example, it has no major appointment in Badminton Europe or the International Badminton Federation. In order to overcome these weaknesses, the FFBA determined that an event strategy was a logical step. This strategy involved organising a large competition, or creating a strategic development plan centred on competitions. It was felt that this strategy would raise the profile of the FFBA, leading to appointments at the international level. What follows is the evaluation process that the FFBA went through when deciding whether to bid to hold the World Badminton Championships.

Objectives

The event strategy had two main objectives. The first was to build an identity and reputation for the sport so that badminton would become known as a sport in its own right, improving its image as a leisure activity. It was perceived that badminton was not well known by the general public and was almost completely ignored by the media. It was thought that the media attention associated with holding a major event could be used to develop a badminton culture in France. The second objective was to seek financial partners to aid in development. Seeking financial partners was important because a significant increase in membership brought about by an event would require the organisation to hire and train additional staff. This would have been difficult within existing resources. This objective of the event strategy was to lighten the burden of an increase in membership through strategic partnerships.

Organisational and Technical Feasibility of the Project

The FFBA had limited previous experience organising major competitions. With the exception of one international tournament, the French Open, the FFBA had never organised an international event. However, the organisation’s experience with the French Open, a showcase for French badminton (10,000 spectators over 5 days), was encouraging. The organisation of the event was technically sound, with a steadfast team of salaried permanent employees and experienced volunteers led by an effective director. Therefore the FFBA considered it feasible for the OSO to organise an international event.

(continued)
Criteria for Deciding Whether to Proceed

The FFBA considered a number of criteria when deciding whether to bid to hold the World Badminton Championships. The information generated from their considerations allowed the OSO to make an objective final decision.

The Bid

In order to complete the bid, a group of experts analysed the requisite technical conditions, such as sport facilities, transport, accommodations and meals, and created a projected budget. The FFBA would have been required to make certain guarantees in its bid application, which would have been judged on criteria covering these areas:

- The projected budget, which had to show the involvement of institutional and private partners
- Spectator interest
- Technical conditions
- Organiser’s experience
- Means of access through international transport
- Accommodation and catering plans
- How the organiser planned to promote its discipline using the event

Financial Risk

Finances are always an issue for OSOs, and they are particularly important when staging an event because they are a constant threat to the success of the event. The FFBA examined the budgets and financial results of the last three World Badminton Championships that had been held, and it became clear that media and related major production expenses accounted for a large part of the organisers’ financial concerns. Given that the cost of televising the championships was the responsibility of the organiser but that the rights belonged to the IF, the FFBA perceived that there was a significant financial risk to holding the event.

Creating an Image

The FFBA wanted raised visibility and an improved image from media coverage of the event. In addition, if the FFBA were to organise the championships, it expected to mobilise existing partners and to create new partnerships with the IF, sponsors, clubs and communities. However, creating an image is an arduous task, and the FFBA was aware that it would need to create its own image for the event so that it did not have to depend on the goodwill of the media. In addition, once television coverage had been obtained, the task of standardising the image of badminton would have to take place to ensure that it would show at its best on television. Finally, the national athletes’ performance was also an essential factor in meeting the objectives of fame and image. Thus, the staging of the World Badminton Championships would not automatically lead to the creation of a good image for badminton in France.
Final Decision

The FFBA made sure that the objectives it would meet through staging the event fell within its development plan, and studies were conducted on the feasibility of the project, its impact on the federation, and the risks and opportunities involved. The analysis of benefits and risks was carried out thoroughly to ensure that the federation had an appropriate understanding of the stakes involved so that it could make an educated decision. After reviewing the results of the cost–benefit and risk–opportunity analyses, the FFBA felt that it had the resources to stage the World Badminton Championships.

However, in terms of whether the FFBA should submit a bid or not, analysis showed that, although the FFBA had the resources to hold the championships, it did not necessarily have the required political support. As mentioned at the beginning of the illustration, the FFBA had no representatives in the IF and had no track record of organising major international events. These key weaknesses led the FFBA to decide that the IF was unlikely to view their bid favourably, and therefore it was not worth pursuing the bid to stage the World Badminton Championships. Instead, the organisation used the event strategy to reinforce its main tool for communication, the French Open, and decided to return to the bidding process once better institutional support was established.

This illustration shows the value of a detailed analysis of the benefits and risks associated with bidding for an event before proceeding to develop a bid. In this instance, although the FFBA was confident that it could successfully hold the World Badminton Championships, there was a substantial risk that resources spent on developing a bid would be wasted. The FFBA used the analyses that had been carried out in order to make an objective decision on whether to attempt to host the championship.

Although your OSO may never be involved in a bidding process, the activities carried out by the FFBA and the information generated to decide whether to bid are applicable to all types and sizes of events. It is important for OSOs to determine the objectives of the event, the benefits it will bring and the risks the organisation faces by staging it. A poorly run event brings more problems to an OSO than the benefits brought by a well-run event, so objective analysis is essential. The size and importance of the event should make no difference whether detailed analysis is carried out.
Organisers of sport events need to develop an organisational structure that ensures that the event runs smoothly and is a success. This is a two-stage process and in many cases begins with the creation of a bid committee. If the bid to hold the event is successful, an organising committee must then be established. The primary concern of the organising committee should be to provide a solid frame of reference for all individuals and partners involved in organising the event. However, it is important that this structure be flexible enough to respond to developing requirements, and this is why organisers sometimes change organisational structures during different phases in the event process.

There are three aspects to developing an organisational structure. The first aspect is political and legal. The goal here is to gather the people involved in the project and divide responsibilities amongst them to guide their activities. That means deciding on a legal entity and then creating the legal structure that will drive the project. The second aspect is functional and involves creating operational units and assigning them tasks and functions that will ensure the success of the event. The final aspect is coordination. The adopted structure must allow work of individuals and the operational units to be coordinated in order to achieve the event objectives.

This section considers how event committees can be structured and focuses on legal and administrative functions. It suggests different structures that can be adopted and concludes with a discussion of the organisational structure of the 2003 South Pacific Games.

Legal and Political Aspects of Organisational Structure

The organiser of a sport event does not always own that event. Often sport competitions belong to another institution, such as the IOC, IF or NF. The owner institution entrusts the management of the event to an organising institution, such as the IOC awarding the Olympic Games to be staged by an Organising Committee of the Olympic Games (OCOG) in the host city. Written regulations are usually established, or a contract might even be drawn up to outline the rights and obligations of the two partners.

Who Organises the Event?

There are two possible scenarios. The first is that the institution that owns the sport event handles the organisation of the event by mobilising its own resources. This is the most common scenario for smaller events, and often the OSO that creates the tournament, competition or championship organises the event at its own risk. Alternatively, the owner institution asks for bids to stage the event and then delegates the hosting of the event to a third party, such as a city, sport group or private commercial group. The host institution then forms the organising committee as dictated by the owner institution’s written regulations. The organiser’s first task is to establish the legal entity that will be the owner institution’s legal partner and will handle the practical organisation of the event.
Types of Legal Entity

There are two possible methods of establishing a supporting legal entity. The first involves using an existing legal entity, such as a sport club or federation. The best thing about this option is its simplicity; there is no need to create and then later dissolve a new entity. The host OSO is also the organising institution, and it can control the project as long as it remains within the bounds of the authority delegated by the owner. The sport bodies assigned to manage the project are already in place, and the essential resources already exist within the host organisation.

For the vast majority of competitions where sport organisations are the only ones involved, this legal structure will suffice. However, the simplicity of this structure also has its drawbacks, such as dealing with a multisport event or world championship or when significant financial or operational risks are involved for the OSO. In this situation, the organisers may consider creating a new, legally autonomous entity with a specific task of handling the practical organisation of the event.

Although this solution may be more difficult to put in place, it also has certain advantages. The first is that it creates transparency of relationships amongst the people involved with the project. The more numerous and diverse these individuals are in character or objectives, the more it becomes necessary to create a unifying legal structure. Indeed, this structure will ensure that partners, such as government, sponsors and clubs, are affiliated with the decision-making body and are legally engaged in the organisation of the event.
The second advantage relates to the autonomy and transparency of the management of the event. The quantity of materials and resources to be used for the event can quickly necessitate the creation of a specific legal structure. Setting up an autonomous legal entity will avoid confusion when it comes to responsibilities, especially human resources and material and financial resources. For example, a separate structure will outline the tasks that people have to do specifically for the event rather than as part of their day-to-day activities. This will allow for a more transparent management that separates the host institution’s regular activities from the special activities related to organising a particular event.

Creating a specific structure also affects the legal capacity of the new organisation. This entity has its own identity with a name and an address, which is needed to facilitate communication. The resources assigned within the institution belong to the legal entity and can be managed within a unique budgetary structure. All contractual relationships created during the organisation of the event can be made in the name of the legal entity. This entity will also have recourse to legal action to ensure that its ethical, intellectual and commercial rights are being respected (see chapter 5).

The responsibilities related to the organisation of the event will fall on the new legal entity without affecting its constituent organisations. This creates safer conditions for participating organisations to deal with any incidents that cause damage to goods or people because of activities associated with the event. It also provides a framework for dealing with economic and management difficulties because it separates the financing and management of the event from the other activities of the involved organisations.

There are, however, procedural limitations in creating a legal structure. These limitations, which depend on national legislation, may affect how the group is formed, its eventual dissolution and the management of its obligations, such as accounting and taxes. Procedural limitations may also affect the external or internal systems of control to which any legal entity is accountable. Whatever legal structure is chosen, it must take account of any relevant procedural limitations within national laws.

**Types of Legal Structure**

Once the legal entity has been determined, the legal structure of the host organisation can be chosen. Various solutions are available depending on the national legal structures already in place, and organisers can usually choose from a few traditional options.

The first option depends on the host’s objective, which could either be for profit or not for profit. The for-profit option is mostly used for recurring sport competitions that generate significant financial revenue, such as professional circuits or professional championships like the Formula One circuit. For sport events that happen periodically, such as regional championships or the Olympic Games, a not-for-profit structure is a better solution. This is because the organisers are different for each event, and the goal is of a promotional or business nature. Simply achieving a financial balance is the economic criteria for success, rather than profit.
The second option depends on the private, public or mixed nature of the legal structure being used. Organisers rarely opt for a solely public legal structure except in countries where the state plays a major role. For major sport events where investments by public groups play an important role, mixed group structures including legal entities from both private and public law tend to be the norm.

Once the structure has been decided, the conditions for participation and decision making need to be defined in the host’s statutes. The statutes identify the members of the group. When it comes to bidding or organising committees, there are often different families:

- The sport family, meaning the relevant local, national or international sport organisations
- The local, regional or national public groups who will be associated with the event and whose participation is indispensable even as early as the bidding phase, such as a government that owns the land on which an event will be held
- The economic partners, or public or private companies that will be involved in financing or organising the event, such as sponsors
- The civil society, which includes members who may not participate in organising the event but whose presence and endorsement validate the organisation, such as professional organisations and unions

The statutes should also specify the makeup of the decision-making and administrative bodies as well as the scope of their activities. This body is often called the Board of Directors and should consist of representatives from the groups outlined previously. It is essential for this body to include representatives from all groups affected by the staging of the event, which ensures that the body has the authority to make decisions about the organisation of the event. When the event is important and requires permanent and professional personnel to see it through, the Board of Directors makes the strategic decisions involved in developing the programme, passing the budget and authorising major contracts, and it is the overriding authority for activities related to the event. Everyday decisions are left to the executive body and general management.

The executive body is responsible for carrying out the Board’s advice and decisions. It stands to reason that this body should be directed by the president of the Board, who is also its legal representative. The statutes can also provide for other political bodies, such as special commissions or committees. Normally made up of experts, these bodies generally have a consultative or advisory role, defining and following up on particular parts of the programme. In this way they support the activities of the Board of Directors.
Functional Aspects of the Organisation

A legal structure is not enough to ensure the organisation of an event; operational needs must also be met. Setting up a functioning organisation involves dividing roles and their associated tasks amongst complementary and coordinated divisions or departments. These departments will act under the guidance of the legal bodies, especially the executive body. However, the people who direct these departments should be given the authority to make decisions that allow the departments to carry out their functions.

The functional organisation can be represented in an organisation chart. Creating a functional organisation chart depends on the tasks to be accomplished, as well as on the people who will be responsible for those tasks. No universal model exists, however, because every event has different requirements.

The organiser's first objective is to define the group's functional needs, which will vary depending on whether it is a bidding or organising committee. They will also vary depending on the different phases of the event organisation process. The functions required to organise an event are discussed in more detail in the following section.

Once the functions have been defined and classified, responsibilities must be assigned. This requires decision-making centres and the delineation of command and control paths. A number of different structures are available to event organisers in order to do this.

A divisional structure breaks the organisation chart into basic units that are highly decentralised and that create products or services. These units may be divided based on their activity (sport activities or other activities). They can also be divided based on geography, such as the different sites used during the competition (figure 6.1). Each entity is more or less autonomous; coordination amongst entities is ensured through general rules governing all activities.

![Figure 6.1](image-url)  A divisional structure.
A functional structure is the traditional form adopted by many OSOs and is similar to the structure presented in figures 6.2 and 6.3. The Board is at the top of the structure and below it, the decision-making centre (general management) has direct control of the different divisions, departments or services that fill the various functions that have been identified. These entities can be further divided into subfunctions. This type of structure is centralised and hierarchical.

A matrix structure tends to combine the advantages and disadvantages of the two structures already described. As shown later in this chapter, in figure 6.10, the organisation chart can take the form of a double-entry table, with the administrative functions on the x-axis crossing the different production and service entities on the y-axis. The goal is to ensure the line of command and control by allowing resources to be more easily allocated to project teams.

Finally, organisers must decide whom to entrust with carrying out these functions. As a general rule, the organiser’s core responsibility, the operational organisation of the event, falls directly on the organising committee. However, certain functions can be outsourced, or entrusted to an outside service provider. Service tasks, such as accommodation, catering and transport, are the functions most often outsourced. The service provider responds to a formal request by the organiser, according to written criteria. These criteria should then be defined in a contract between the organising committee and the service provider. In addition, commercial functions, such as finding funding and sponsors, promotion and external communication, may be entrusted to specialised companies. Finally, audit and control functions may also be outsourced.

---

**KEY RECOMMENDATIONS**

- Decide whether a separate legal entity is required.
- Put in place a legal structure that ensures accountability for the event but offers some protection against the risks of the event.
- Ensure that the Board of Directors is representative of all appropriate groups.
- Identify all tasks required to stage the event and allocate these to functional areas.
- Put in place the most appropriate structure to assist with the success of the event and ensure that it allows accountability to the Board.
- Decide what work can be outsourced to other organisations.

The following illustration presents examples of the legal and functional structures that were put in place for the 2003 South Pacific Games.
Illustration 6.2
Organisational Structure of the 2003 South Pacific Games

The South Pacific Games are multisport competitions that are held every 4 years and that conform to the principles of the Olympic Charter and the organisational guides of the IOC. In 2003, Suva, the capital of Fiji, welcomed the XII Games. A total of 22 countries sent 4,000 athletes and officials to compete for more than 300 medals in 32 sports. Around 3,000 volunteers participated in the organisation of the event. More than 50 media organisations covered the event, reaching an audience of 3 million people. Every day, 20,000 spectators followed the competitions.

Legal Identity
As with many international sport events, there was a difference between the proprietary aspects of the event and the organisational one. The South Pacific Games Council (SPGC) is the owning body of the Games. It was created for this purpose and its composition, mission and organisation are defined in a charter, which also outlines how the decision-making body should be formed and its makeup. The members of the SPGC are independent amateur sport organisations (the sport family) that may also double as NOCs or Territorial Olympic Committees and are constituted in 22 countries or territories in the South Pacific. Each organisation is represented by a maximum of three people.

The SPGC is administered by a Board consisting of a President, Secretary, Treasurer and the immediate past President. The first three cannot be residents of the host country of the next Games and must be residents of three different countries or territories. They comprise the Executive Committee of the SPGC. The Charter also provides that the SPGC work through committees charged with making recommendations and proposals. An Organising Committee for Games and Mini-Games exists as a permanent committee of the SPGC. It is led by a President, Secretary and Treasurer appointed by the next host country or territory of the Games, and their appointment must be approved by the SPGC. Their sole function is to ensure the effectiveness of the organisation of the Games, under the authority of the Executive Committee.

Legal Structure
The SPGC Charter provides that the honour of hosting the South Pacific Games be conferred on the national or territorial amateur sport body of the designated country or territory. In this case, the Fiji Association of Sports and National Olympic Committee (FASANOC) became the host of the event. This body delegated its responsibility to a separate, not-for-profit legal structure: the South Pacific Games Organising Committee (SPGOC). The SPGOC, working in collaboration with its national or territorial amateur sport body, was fully responsible for the organisation of the Games, always subject to the approval of the SPGC, the event owner.
The SPGOC comprised a decision-making authority, the SPG Board, which was made up of representatives of the event family. The Board consisted of the President, Secretary and Treasurer of FASANOC, in compliance with the SPGC Charter. It also included two representatives of the Fiji government and the mayor of the host city of Suva. In this way, all the local authorities who were to be affected by the event had a say in its organisation. The SPGOC’s executive power under the Charter was conferred on the President of FASANOC, the de facto president of the organising committee. The SPGC, and by its authority the SPGOC, had the last word on the conduct of the Games.

Functional Aspects

The executive power of the SPGOC was divided into eight departments and then into subdivisions, which are outlined in figure 6.2. The divisions resulted in a traditional functional structure that contained all of the main functions required for an event; for example, the Board and the Directors were responsible for the management and coordination function. Note, however, that most of the required functions spanned departments. For example, aspects of the operational sport function were dealt with by the games coordination department and the sports department. The service function was delivered by the host city department, the venue department and the village operations department.

This structure was chosen because of the event size. If all tasks associated with each function had been allocated to one department, the workload would have been unmanageable, and communication would have been poor. The risk of the event failing would have been greater because the failure of one department could have put the entire event in jeopardy. Thus, the structure chosen for the SPGOC grouped specific expertise into departments, provided for a greater division of workload and spread the risk of the event not being organised in time.

Once the Games began, the structure and departmental responsibilities changed to reflect the implementation phase of the event. For the duration of the Games, all operational services were assembled under the Main Operations Centre (MOC) to assure coordination in an operational centre. The structure adopted was still functional; however, note that in figure 6.3 there was no longer a department responsible for sponsorship and marketing. Once the Games began, the need for sponsors was over, the image was determined, the torch relay was complete and the technology was in place. Although merchandising as a function still remained, it was now part of the commercial department. In addition, the functions of the sports department and the support services department changed significantly.

This illustration shows how important it is to establish the right legal identity for an event. The SPGC has an identity that is separate from the 22 countries and territories that have an interest in the South Pacific Games. This separate identity protects these OSOs from risk if something should go wrong with the Games.

(continued)
Figure 6.3 Operating structure for the Games.
MANAGING OLYMPIC SPORT ORGANISATIONS

The creation of an organising committee as a legal structure is also important because it allows each organising committee to consist of local representatives who are directly affected by each Games. In this case, the SPGOC is made up of representatives from key members of the sport family. It also has a clear decision-making and administrative body, and the Chair has direct control over the functions required to stage the event. The structure also has the flexibility to change for the implementation of the event, and once again the Chair maintains direct control of all functions. Such flexibility is important in the organisation of all types of sport events.

Illustration 6.2  (continued)

SECTION 6.3
ORGANISING THE SPORT EVENT

Although sport events come in different sizes and can take many forms, the staging of nearly all successful events goes through the same phases. This section considers the four phases: design, development, implementation and dissolution of the event. It outlines the basic functions involved in organising a sport event and discusses how these tasks should be scheduled. The section concludes with a discussion of the phases of the World Athletics Championships held in Paris in 2003.

Phases of an Event

As mentioned at the outset of the chapter, sport events can be divided into four major phases, which need to be scheduled: design, development, implementation and dissolution.

Designing the Event

The design phase is the starting point. If you are required to compete to organise an event, this first phase may be carried out at the same time as developing the bid. As a first step, it is essential to analyse the feasibility of the project. This can be done by questioning what the event will bring to the OSO whilst at the same time examining how the event fits within the OSO's strategy and priorities. The main objectives are to see if the event is economically viable, if it answers a true need and if it appeals to a variety of audiences and partners. Second, the conditions for operational feasibility of the event must be estimated, defined and put in place. This will result in the project being semifinalised in an event regulations document that should be as detailed as possible.
**Developing the Event**

The second phase involves planning the tasks to be achieved in order to efficiently prepare for the success of the event. At this stage, it is especially important to examine how work is being performed in relation to previously defined time, cost and quality constraints and then make any necessary adjustments. At the end of this phase, tests can be carried out in actual operating conditions, such as rehearsals for opening ceremonies or test competitions, to ensure that everything is ready for the event.

**Implementing the Event**

Once the event has begun, it will need to be efficiently and successfully guided. This is the role of the event leader, who must ensure the success of the event. The leader has to identify and anticipate any problems that could have a negative impact, and in the case of potential or actual problems, the event leader and the event team must analyse the cause of the situation and implement possible solutions.

**Dissolution After the Event**

The event is over. All that is left to do is to analyse the efficiency of activities, evaluate the results achieved, dissolve the team and determine what lessons have been learned for the future. It is possible that the organising committee will also have to report on the success of the event to key stakeholders. In some instances, such as the Olympic Games, organising committees have to pass on the lessons they have learned to the next committee.

**Tasks to Be Accomplished**

Figures 6.4 through 6.8 on pages 300 to 304 present the tasks involved in staging an event, showing where they fall in the event schedule with regard to the four phases of the event. The length of each box varies depending on how long the task takes, and some tasks cannot be tackled until the previous task has been completed.

**Function 1: Management and Coordination**

This function affects the following areas: budget estimates and financial engineering; functional organisation, hierarchical structure and personnel management; task planning, follow-up and adjustment of tasks; and legal and regulation issues. Figure 6.4 shows how some of these functions are only part of the design phase, such as identifying budgets and setting financial control, whilst others, such as general coordination, continue through all four phases. Evaluation and learning from the event are a substantial part of the fourth phase. They are essential in order to see if the event met its objectives for the OSO and other stakeholders.
<table>
<thead>
<tr>
<th>Design</th>
<th>Development</th>
<th>Implementation</th>
<th>Dissolution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget estimates and financial engineering</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Studying different financing options</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budget estimates; studying the requirements for financial balance; commission-specific budgets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Controlling expenses and revenue, anticipating treasury needs, consolidation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Budgetary follow-up and adjustment (performance indicators)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial balance sheet: control; measuring discrepancies with the projected budget; financial analysis</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Functional organisation, hierarchical structure and personnel management</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Functional breakdown, setting up a functional organisation chart (division, department, commissions)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defining the hierarchical structure; each entity's areas of intervention and responsibility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defining the human, material and financial needs of each functional entity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defining the position profiles; recruiting managers; dividing up work, authority and access to information</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optimising resources; formalising tasks and limitations to be respected through contracts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General coordination; follow-up; adjustment; managing structural change</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organising a kick-off meeting (final guidelines for each person's roles, motivating partners)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobilising and following up on personnel (motivation, relational issues, excess work)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measuring what portion of the fixed objectives has been achieved, at both the quantitative and qualitative levels</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capitalising on past experiences, difficulties encountered, solutions implemented</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Archiving project information, methods and tools used</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Task planning, follow-up and adjustment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identifying the key tasks in the project (cost/deadline/quality limitations, workload, results)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organising tasks together; performing a feasibility study and making changes with regard to event deadlines</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designing a preliminary schedule (key dates) and then an individual work plan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facilitating the project's smooth operation; following up; negotiating selected deadlines and other amenities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Following up on how tasks are linked; anticipating problems that could cause delays</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measuring the ability to meet established deadlines in order to improve the organisation of future events</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Managing legal and regulation issues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taking the legal and regulation changes that could affect the organisation of the event into account</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notifying authorities of the event</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Signing agreements with public organisations in the areas of security and traffic control</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Setting up the conditions necessary for approval of the site and obtaining sport bodies' consent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managing the issues related to user protection, insurance, access management, hygiene and security</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measuring the efficiency of established mechanisms; thanking partners</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Figure 6.4** Management and coordination. The shaded boxes corresponding to each task indicate the time span in which the task takes place.
**Function 2: Managing Sport Operations**

This function ensures that the event actually happens. It puts in place the plans of the management and coordination function, and its activities involve everything from evaluating the human and material resource requirements to appraising the work performed by personnel, including setting up competition spaces and warm-up areas. As shown in figure 6.5, this particular function has tasks that span all four phases of an event, from designing the competition to meet the technical requirements to thanking those involved for the work they have done.

<table>
<thead>
<tr>
<th>Design</th>
<th>Development</th>
<th>Implementation</th>
<th>Dissolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designing competitions that respect the regulations of the event owner and the federation authorities</td>
<td>Evaluating the necessary logistical resources (referees/umpires, panel of judges, escorts) and materials (timekeeping, posting)</td>
<td>Organising and setting up practice spaces that meet regulation and security size requirements</td>
<td>Identifying the conditions for entering and participating in the sport programme (level for selecting athletes)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Communicating with different potential audiences (nations, federations, teams, sport participants)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Defining the conditions for transport, reception, accommodation and catering for athletes and delegations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Setting up areas for training, rest, medical assistance, communication between athletes and the media</td>
<td>Welcoming athletes and delegations, coordinating the competitions, managing disputes and posting sport results</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Developing the entertainment elements (opening ceremony, smaller events, handing out medals and awards)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Facilitating anti-doping control, coordinating volunteers</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Organising the handing out of awards; communicating sport results to the press</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Thanking and commending salaried and volunteer workers for the work they have done</td>
</tr>
</tbody>
</table>

*Figure 6.5* Managing sport operations.
Function 3: Secretarial, Administrative and Management Work

As shown in figure 6.6, this function includes administrative and secretarial tasks, but it also involves financial relations with service providers, accounting, ticketing management and additional services. This function plays an important supporting role for the other functions, occurring in all phases of the event. The secretarial tasks of communicating with the public and key stakeholders, managing mail, and record keeping are vital to the success of the event.

<table>
<thead>
<tr>
<th>Design</th>
<th>Development</th>
<th>Implementation</th>
<th>Dissolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secretarial and administrative</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reminding personnel of their assigned role and functions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responding to requests for information from the public; managing mail</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Answering the telephone, directing people to the correct department and resource people</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Providing logistical support for other departments (handling invitations, accreditations, mailings, thank-you notes)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participating in receiving and informing the public and designated partners; managing the number of entries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thanking people for the work accomplished</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business relations with service providers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contacting service providers and suppliers (hotel industry, catering, transport)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requesting and studying comparative estimates; formalising the collaboration conditions; writing up contracts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managing and following up on the services provided</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daily upkeep of accounting records; relations with suppliers, clients and partners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Handling pay slips, invoices and tax declarations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budgetary follow-up of expenses and revenue; creating and analysing summary documentation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ticketing and additional services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluating the potential market with the marketing department; preparing offers for the public and partners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobilising various broadcast networks in order to sell seats</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communicating with target audiences; setting up promotional activities as sales change</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 6.6 Secretarial, administrative and management work.
Function 4: Logistics

This function has limited tasks in the design phase, and these tasks can be divided into two main areas. As can be seen from figure 6.7, the first involves setting up the facilities to be used for the event, with security being the number one priority for all audiences. This occurs during the development phase, when the infrastructure of the event is put into place. The second main area of work for this function involves managing and maintaining amenities during and after the event, with the dismantling or transferring of facilities being of key importance.

<table>
<thead>
<tr>
<th>Design</th>
<th>Development</th>
<th>Implementation</th>
<th>Dissolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setting up spaces for practice, work, communication, reception</td>
<td>Defining the event guidelines; planning activities</td>
<td>Security</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Marketing and communication</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Media and television</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sport activities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Direction, administration and management</td>
<td></td>
</tr>
<tr>
<td>Managing and maintaining amenities during and after the event</td>
<td>Ensuring that the event runs smoothly at the operational level; carrying out scheduled activities</td>
<td>Accompanying and following up on services delivered by all outside service providers (sound, activities)</td>
<td>Breaking down facilities and coordinating with subcontractor teams</td>
</tr>
</tbody>
</table>

Function 5: Promotion and Sales

As can be seen from figure 6.8, the promotion and sales function deals with marketing, communication and media partnerships. This function includes the following tasks, which require substantial work in the design phase of an event:

- Setting up a marketing strategy for the event
- Defining a communication strategy and a media action plan
- Researching, managing, following up on and initiating partnerships

Planning tasks is an essential aspect of organising a sport event. Even if the planning is based on precise event regulations and on the organisers’ past experience, which gives them greater insight and responsiveness, planning is essential for ensuring that the unique characteristics of each sport event are taken into account and for adapting to the inevitable unexpected challenges.
### Design

**Setting up a marketing strategy for the event**
- Gathering and analysing key data related to the market, the competition and the environment
- Market segmentation
- Targeting
- Defining a position
- Giving an operational form to strategic choices
- Coming up with, selling and following up on business propositions

**Defining a communication strategy and a media action plan**
- Identifying targets—analysing the image of the event
- Defining specific communication objectives
- Developing appropriate messages and choosing media outlets
- Researching resources and partnerships
- Creating a media action plan
  - Welcoming and managing the media
  - Controlling and adjusting activities

**Researching, managing, following up on and initiating partnerships**
- Creating a marketing kit
- Identifying potential partners
- Making contact with the right person
- Following up and ensuring that appropriate and visible support and reception spaces are set up
- Greeting and personal escorting of partners
- Debriefing with partners—measuring the fallout, thanking partners

### Key Recommendations
- Ensure that the event is well designed and developed before trying to implement it.
- Make sure that the Board is committed to the design of the event.
- Plan to follow through all four phases. Good design is essential, as is complete dissolution of the event.
- Schedule all tasks to occur in a timely manner.
- Evaluate the event objectives once the event is over.

In the following illustration, you can see the phases that the 2003 World Athletics Championships followed. The event organisers took a step-by-step approach that led to the successful staging of the event.
Illustration 6.3
The 9th World Athletics Championships: Paris 2003

The World Athletics Championships are one of the major events owned by the International Association of Athletics Federations (IAAF). France was chosen to organise the 9th World Athletics Championships in 2003, where they were held in the Stade de France, the national stadium of France. It was the third largest world sport event in terms of spectators, following the Olympic Games and the FIFA World Cup, and included 2,000 athletes, 210 delegations and 400,000 spectators.

Organising the World Athletics Championships involved the four phases outlined in figure 6.9. This illustration, however, focuses on the middle two phases, planning and operations. Although the terminology is different, it is possible to see how each phase in this event fits within the framework presented in this chapter.

Bidding Phase
France was awarded the opportunity to organise the World Athletics Championships following a successful bidding phase, for which a project team was established. The IAAF accepted the bid and the project moved to the planning phase. As part of this process, the conceptual design of the event was established.

Planning Phase
This phase involved planning the functional and operational organisation of the event. The following tasks were carried out:

- An inventory of the financial, marketing and administrative tasks needed in organising the event was taken.
- An organisation chart and hierarchical structure was created and senior managers, such as Directors, Assistant Directors and Project Leaders, were recruited.

Figure 6.9 Steps in organising the 9th World Athletics Championships: Paris 2003.
(continued)
Responsibilities and roles for each department were established.
Tasks to be accomplished by the different departments and their associated deadlines were defined.
Budgets established during the bidding process were adjusted.

A functional structure had to be created from the start of the project. It comprised five departments, corresponding to the organisational activities for the event. The general management was responsible for all these departments.

Once the legal structure was identified, conditions had to be created to allow for the efficient operational management of each event site. The main steps in this process included the following:

- Defining a structure for each site, evaluating the resources required, and revising the operations, rules and procedures manual for how each site functioned.
- Examining and then presenting the functional aspects (marketing, finance) established for each event site.
- Planning the tasks to be accomplished for each site in order to find operational solutions to questions raised by the event’s organisation. A clearly identified manager coordinated each task.

**Operations Phase**

A few months before the event, the World Athletics Championships adopted a site-based organisational structure that created the matrix structure outlined in figure 6.10. Functional managers were given the responsibility for a site or for the functional operation of a site. A main operations centre was established for general coordination. This centre acted as a decision-making authority, able to bring together an emergency public service team in the event of emergency situations, such as fires or security alerts.

**Figure 6.10** Matrix structure adopted for the operations phase.
This led to the creation of a site schedule. When the organisational structure changed, the planning manager had to fine-tune the general schedule and detail the operating steps for each site. Figure 6.11 shows the major phases and timelines in site setup. This ensured that the event was efficiently guided, which is essential when carrying out an event.

Figure 6.11 Site schedule.
Closure Phase

After the event, the functional organisation returned to close down operations. Only the administrative and finance departments continued their mission. They finalised the budget, closed all accounts, dismissed the organising committee, placed salaried workers back in their previous organisations and wrote the final report.

The staging of the 2003 World Athletics Championships was a carefully planned project that followed the series of phases outlined in this chapter. Note that the planning of the championships was part of the design phase as well as the development phase. This is important because initial work on how the event will run is expected in a bid. Also note that the organisation moved into the operations phase before the implementation of the championships. This allowed practice events to be held and systems and procedures to be tested before the main event. It also allowed athletes to train at the venues before the event. Finally, evaluation was an essential part of the dissolution of the event.

All events, no matter what type or size, should be organised systematically. This requires moving through the four phases of design, development, implementation and dissolution. You may choose different terminology for the phases that your event moves through; however, the tasks involved will be similar to those that have been presented here.

SECTION 6.4
MANAGING HUMAN RESOURCES FOR A SPORT EVENT

Along with facilities and finances, human resources, in particular volunteers, are indispensable elements in the organisation of any sport event. Therefore, the management of human resources is critical to event organisation. In this section we will examine the key elements involved in managing the human resources of an event, with a particular focus on volunteers. The section begins by outlining the processes that should be followed, which is followed by a discussion of how to identify and recruit the necessary human resources. The chapter goes on to consider how to mobilise and motivate human resources and ends with an illustration of how the 2005 Winter Universiade mobilised a large volunteer workforce.

Organising and Scheduling Human Resources Management

As with all human resources management (HRM), a number of activities are required to organise the human resources needed for a sport event. The following principles should be familiar to you from chapter 3. They are discussed briefly here and then expanded upon more fully later in the chapter. Remember that the short-term nature of most events and their reliance on volunteers will present several challenges for the management of human resources.
Determining Human Resources Requirements

This involves reviewing the list of tasks to be accomplished in order to see what human resources will be needed to accomplish those tasks. This list should eventually be included in the regulations of running the event. Human resources can be selected from the volunteer or salaried members of the organisation in charge of organising the event, available volunteers, temporary workers from associated organisations, the general public, or personnel from outside service providers.

Recruiting

Organising an event is a unique operation that requires specific human resources. Organisers must recruit the people needed to make the event run smoothly. First, the people in charge of developing and coordinating the organisation of the event and associated tasks must be recruited. Then, if necessary, specialised contractors should be hired. Finally, organisers must begin the long process of recruiting volunteers, who are essential to the operation of the event.

Training

The organisation of sport events is different every time, and therefore it is often difficult for organisers to find people with the requisite knowledge for staging the event. The goal of training is to ensure that people who have been recruited will be able to fulfil their assigned duties to the best of their ability. Training is also an opportunity to communicate the culture of the event and to encourage team spirit and a sense of belonging for everyone involved.

Motivating

The goal is for organisers to have a team of people who are striving for the success of the event, people who are motivated to succeed in the challenge of organising the competition. Organisers should use the methods outlined in chapter 3 to motivate their people throughout the event.

Internal Communication

There are three goals of internal communication: to facilitate comprehension and advanced planning so as to avoid problems and make improvements, to share information with the event team throughout the process, and to encourage individual participation and involvement. Instead of proceeding in a series of uncoordinated steps, it is recommended that organisers adopt an internal communication strategy that outlines the objectives of communication and how these can be met. The steps involved in this process were discussed in chapter 5.

Managing Personnel

It is necessary to manage personnel in accordance with current legislation. This includes making agreements with those who provide personnel for the project; negotiating, preparing and executing contracts with service providers; drafting contracts for salaried employees and letters of commitment for volunteers; writing administrative statements; and dealing with insurance issues.
**Scheduling Human Resources Activities**

It is important to establish a plan for each point mentioned previously. Every plan should include the associated objectives of the activity; the human, material and financial resources needed to meet those objectives; a schedule; the name of the person in charge; and the methods and milestones for evaluation.

After identifying the areas that need to be considered in HRM, it is essential that organisers create a timeline of all tasks to be accomplished, because the event takes place within a very specific period of time. This scheduling process will allow the organisers to specify how long activities will take, how tasks overlap, what are pivotal periods and what coordination is needed. Once complete, this schedule will become a point of reference for everyone involved in the project. In the Gantt chart presented in figure 6.12, the beginning and end of each activity is represented by the shaded areas, which gives everyone a clear picture of the tasks to be accomplished and their associated deadlines.

**Determining Human Resources Requirements**

Human resources requirements depend on the nature and size of the event. For events requiring a more formal organisation, the event organiser will receive a set of event recommendations that will serve as a guide by itemising the services needed. For example, the regulations of the International Federation of University Sports outline the organising committee’s obligations to participants, competitors and officials. These can be seen on the organisation’s website [www.fisu.net](http://www.fisu.net).

For events with less formal organisation, all requirements should still be identified, so it is important to rely on similar past experiences for this process. However, these requirements should be tied to the objectives established by the organising committee. For example, an objective of organising a federation championship could be to make young people more aware of the sport. This objective could be met by hosting a parallel event for schoolchildren, which would require additional personnel.

![Tasks/months](Figure 6.12 Schedule of human resources activities.)
There are a number of steps that an event organiser should follow when deciding on the types of human resources that are required. Note that these activities should be carried out in an ethical and equitable manner and within the legislation of the country.

**Start With the Required Services**

The traditional method of establishing requirements is to start with services needed to satisfy different target groups, such as athletes, officials, spectators, VIPs and media. The services required will be in the areas of reception, security, catering and transport. All tasks related to the practical organisation, such as setting up stands, cleaning, transporting materials and managing the event, should be included (see section 6.3).

**Create an Organisation Chart**

Creating an organisation chart will enable organisers to specify which human resources will be allocated to each function, area or task. The organisation chart presents the organisation's unique hierarchical structure. This structure may also be defined in a document that provides directives and guidelines.

**Create Detailed Position and Job Descriptions**

A qualitative position description outlining the required qualifications should be created for each position. These position descriptions can be accompanied by job descriptions for each function, which should include a description of the position, the tasks associated with the position, the qualifications and knowledge required, and a candidate profile. In addition, position descriptions may also define procedures and directives to be followed.

This creation of position descriptions means that operational reference documents must be created. For example, site operation guides could outline the operating procedures to follow during a crisis. Creating these documents is an example of the kind of tasks that can be carried out in advance to ensure the success of the event. Each document needs to be linked to the position and job descriptions and to provide some kind of operational support, such as communication channels and expected behaviour.

An operational summary document should be created from these components. Organisers often find that a table, such as table 6.1, works well for this because it lists both the tasks to be accomplished and the corresponding human resources requirements. Since requirements will vary depending on the phase of the event, they should be included in a daily schedule, which makes the process even more complicated.
Identify Human Resources

Once requirements for human resources have been identified, inventory should be taken of the people at the organisation’s disposal. This will let organisers identify any gaps to fill. Organisers then need to look for additional resources to use, such as volunteers. These volunteers could be members of a federation’s sport clubs; people from certain segments of society that may be interested, such as students; or individuals from the general public, if necessary. Along with these volunteers, organisers will need to recruit contractors for specialised positions, such as legal or financial positions. These personnel could be provided by partner companies, local government, or salaried employees from contracted service providers. The key is for organisers to find capable and reliable people to fill the important roles.

Recruiting Human Resources

The number of people mobilised depends on the phase of the event. Organisers must know how many people they need at any given time and keep track of input and output to avoid either mobilising resources unnecessarily or finding themselves short of resources. Thus, a focus on recruiting resources as well as keeping track of losses is of the utmost importance. Organisers will need to establish individual contracts, manage remuneration and expense reimbursements, and notify the appropriate departments and authorities of any required human resources.
Prepare to Recruit

As discussed earlier, organisers should start with position profiles and job descriptions to clarify what is needed. These descriptions usually contain the following elements: title, function, responsibilities, initiative, position on the organisation chart, relationship to other team members, relationship to the outside, technical qualifications, languages spoken and personal qualities. Recruitment information should be primarily shared using specialised methods, such as an internal newsletter or intranet site, in order to reach a specific audience. A communication system that is not targeted can cause problems during the selection process, leading to inappropriate applicants, too many volunteers or the wrong people contacting the organisation about positions.

Recruiting Volunteers

The recruitment of volunteers is necessary for most events, and volunteer programmes have become an essential component in organising any large sport event. Several issues should be taken into account when seeking to use volunteers in the staging of an event:

• *When should you begin recruiting volunteers?* For large events, such as the Olympic Games, recruitment may begin with the bid to host the Olympic Games. London began calling for volunteers on a website, www.volunteer2012.com, as soon as it became a candidate city. Alternatively, volunteers for smaller events may not be needed until the actual event begins, and therefore recruitment can be left until much later.

• *How should you go about recruiting volunteers?* Organisers will need to decide how to find and attract volunteers as well as the process volunteers will go through to be considered, such as application and background check. Volunteers can be recruited in the traditional way using CVs, application letters and interviews.

• *What kind of legal agreement should you establish with volunteers?* You might like to draw up letters of agreement that are signed by volunteers. You will certainly need to provide volunteers with details of employment that outline expected duties, expected behaviour and technical details like insurance arrangements.

Training Human Resources

It is rare for organisers to have human resources with all the skills needed for organising a sport competition, so training will need to fill the gaps. Organisers should take into account the availability of individuals, especially volunteers, and any associated expenses when planning training activities.

For large events, organisers often create a training package, which could include, for example, a general event module, a mission module and a site or team module. This system allows everyone involved to learn the values and symbols associated with the event, to know and understand resource allocation goals, to learn how they as individuals fit within the team or site, and to understand the operational details of the mission. Each module may involve a day or half-day of training activities.
Motivating Human Resources

Once human resources have been recruited for an event, it is important that they are motivated in an appropriate manner. Event managers need to ensure that they have allocated people with the right skills to each task and that everyone knows what has to be done. Once this is in place, it then becomes important to motivate people to perform to the best of their ability.

Factors in Motivation

Motivation first relies on every person’s involvement in the event, which is a product of both the drawing power of the event and a sense of belonging to a team. It also depends on the understanding and consideration given to each person. Organisers can be demanding and ask a lot of the people involved, but in return they must be interested in what participants are doing and encourage and thank them regularly. Motivation is also a product of leadership style. A clear hierarchical structure can work with either a participative management style, such as a delegation style, which works well when competent and experienced managers are involved, or with a more controlled style, which works well for people with little autonomy or experience.

It is necessary for the general management and functional managers to continue motivating the team. Managers must keep the central objective in mind whilst also adapting to new challenges, modifying individual responsibilities, avoiding fatigue and apathy, and managing pressures. It is important to know what people’s expectations are, especially volunteers, because a simple interest in the event will not be enough. For example, organisers could ascertain the motivation of each participant through a questionnaire or during the recruitment process, as shown in the illustration at the end of this section.
Motivating volunteers is particularly important because they are not reliant on the organisation for their income. Therefore, should they become demotivated, they can simply walk away from the event. This could clearly cause problems if the event is heavily reliant on volunteer support. Fortunately, however, volunteers are often motivated by straightforward factors, such as a uniform, a pin badge, free meals, access to the competition and the possibility of meeting elite athletes. These factors should not be beyond even the smallest event. However, if you are staging a large event, table 6.2 shows the key factors for success in a volunteer programme for large events.

**Table 6.2  Successful Volunteer Management**

<table>
<thead>
<tr>
<th>Factors for success</th>
<th>Objectives</th>
<th>Approach</th>
<th>Tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rely on past experience.</td>
<td>Reveal the key factors for success.</td>
<td>Make a list of good practices. Fix past mistakes.</td>
<td>Relationships amongst organisers Interview</td>
</tr>
<tr>
<td>Ensure that each site is organised in the same way.</td>
<td>Facilitate understanding for all involved.</td>
<td>Start with a clear and efficient organisational system. Use the same level of quality and the same values.</td>
<td>Model organisation chart Instruction guide</td>
</tr>
<tr>
<td>Accurately evaluate human resources requirements.</td>
<td>Plan ahead in the best conditions.</td>
<td>Use past experience. Plan during the operational phase.</td>
<td>Functions broken down by position Job descriptions</td>
</tr>
<tr>
<td>Use communication that is targeted and controlled.</td>
<td>Avoid not being able to fulfil requirements.</td>
<td>Use position profiles. Open communication to sport arenas. Integrate a long-term strategy, such as to create new vocations for sport leaders.</td>
<td>OSO magazine Websites Media Government Companies</td>
</tr>
<tr>
<td>Use rigorous selection and appointment process.</td>
<td>Avoid preferential treatment.</td>
<td>Process should be based on the right profile for the position, availability and motivation.</td>
<td>Application file Selection and appointment interview</td>
</tr>
<tr>
<td>Provide training that is customised and mandatory.</td>
<td>Prepare all individuals for their mission.</td>
<td>Explain global vision and culture of the event. New recruits are effective right away. Focus on quality of service and team spirit.</td>
<td>General module Mission module Site module</td>
</tr>
</tbody>
</table>


Relationships Between Volunteers and Salaried Employees

The relationship between volunteers and salaried personnel inevitably affects how sport events operate. Tension can form between the two groups, and organisers who ignore this may see conflicts arise just when the success of the operation most relies on team cohesion. Managers must strive to unify individuals and create a team spirit founded on a common goal. A successful event is the unifying factor that should serve as a point of reference for all members of the team. Organisers must use everything at their disposal to achieve this goal. This means emphasising the complementary nature of individual roles as well as mutual respect. The slogan “Turn volunteers into professionals and professionals into volunteers” is a good example of the path to follow. In certain high-performance events, such as national championships, the status of individuals falls by the wayside compared with the importance of dividing up roles and responsibilities. Each person has a role to fill, and standards do not differentiate between volunteers and professionals.
Internal Communication

Regular, precise and appealing communication that conveys the image and values associated with the event will help mobilise resources. Internal communication also plays an important role in integrating volunteers and salaried workers through group activities, be they of a training, informative or celebratory nature. When the event takes place over several days, an internal magazine can be used to inform, honour or thank team members. For large events, information is often communicated through a regularly updated website, the advantage being that it is always accessible. Intranet systems can also help organisers customise information and communication, even with volunteers.

If communication is important before the event, it becomes crucial during the event. The goal is to be able to reach everyone involved in organising the event as quickly as possible. Large organisations define communication channels in advance using formalised procedures outlined in precise documents. Depending on the budget available, organisers can use modern or more traditional methods of internal communication. In addition, organisers should hold meetings at the beginning and end of each day or each competition in order to conduct the necessary briefing and debriefing.

Evaluation and Follow-Up

Event organisers must ensure that they have recruited the appropriate people. This means that they need to evaluate the procedures they have followed in relation to the people they have chosen. This evaluation will highlight where people are doing a great job and where they need additional training. It will also identify areas where there is either too much or not enough work to do. Evaluation and follow-up are important so that organisers make the best of their human resources.

Continual Follow-Up

The larger and more complex the project, the more important it becomes that evaluation and follow-up be organised and scheduled. Indeed, although organisers must remain focused on the objective by adhering to the organising plan and schedule, they also must factor in the unexpected and analyse how the project is going. As far as managing human resources goes, organisers can use traditional elements, such as appraisals and discussion groups, but it is important also to identify any dissatisfaction caused by inappropriate resource allocation. Finally, it is necessary to motivate the people involved by seeking them out and having them participate in group events. Follow-up requires formal events scheduled in advance, as well as a focus on daily activities.
Final Evaluation

The postevent phase is important and may be difficult to accomplish if it is not planned from the beginning. Indeed, people’s motivation drops significantly once the event is over. Thoughts are elsewhere and people go back to their daily lives or become involved in new projects. Of course there will be less activity surrounding the project once the event is over, but it is essential that organisers maintain a small team for a few days following small events and for several months following large ones. This will allow the activities outlined in the following list to be completed. It might be a good idea to include new people on this team who did not participate in the previous phases of the project and whose energy and objectivity are at their peak.

This period has several objectives:

- To thank all of the event’s stakeholders and individually thank each participant, by post for example. This is especially important for maintaining the motivation of volunteers who you may want to be involved in future projects.

- To gauge the satisfaction of the people involved in organising the event by using a questionnaire or carrying out interviews with key people.

- To help redeploy the project’s salaried employees to enable them to find new jobs.

- To capitalise on experience, data and know-how in order to create a foundation for organising future events that is well established and relevant. This requires collecting, processing, classifying, analysing, expanding and organising the data to be kept.

- To finalise contracts with salaried employees, service providers and other entities before they lead to disputes.

- To manage the financial and accounting issues related to human resources.

People are an essential factor in organising a successful sport event. Human resources should be managed just as the project as a whole should be managed, by keeping limitations in mind, such as event regulations, budget and space restrictions. However, room should also be left for the independence and initiative that are so vital to the success of the event.

KEY RECOMMENDATIONS

- Identify the human resources requirements of the event.
- Break the requirements into paid staff, contract workers and volunteers and recruit the required number of each.
- Ensure that you allocate the right people to the right tasks.
- Motivate volunteers by understanding why they have volunteered for the event.
- Manage your human resources in a fair and equitable manner.
The following illustration shows how a large volunteer workforce can be mobilised in order to stage a successful event.

**Illustration 6.4**

*Management of Volunteers at the Winter Universiade Innsbruck/Seefeld 2005*

The Universiades, multisport world games for university students, were created in 1959. In 2005, Innsbruck, Austria, hosted this event, which saw more than 1,500 athletes from 50 countries participate.

**Organisation**

The human resources team comprised seven paid staff who were recruited 2.5 years before the 2005 event. Between 13 and 20 more people were recruited from 18 months to 6 months before opening day. Not included in this count are the personnel of companies that provided services since they were not part of the human resources gathered by the Organising Committee.

The Design and Management Committee (management and coordination function) identified 95 functions and subfunctions that needed to be planned, organised, budgeted and staffed for the event to occur successfully. The first estimate of volunteers needed to cover the event was 1,000 people; however, a more detailed day-by-day estimate, shown in figure 6.13, revealed a need for 770 people per day on the busiest days. A safety margin of approximately 10% to allow for time off, absences and illness was employed, which led to the recruitment of 850 volunteers.

Note that the number of volunteers required did not stay the same throughout the organisation of the event. The majority of volunteers were required once precompetition activities started, with a drop-off in numbers as the event closed. This is usual for events and highlights why volunteers are so important. It would be impossible to recruit paid staff to work for the length of the event and then leave the organisation. Furthermore, the employment legislation of many countries would make this impossible.

![Figure 6.13](image) Volunteers required for the event. (continued)
Scheduling the Event’s Volunteers

In order to ensure that organisers did not under- or overrecruit, the Organising Committee analysed the schedule of volunteer resources. Table 6.3 presents the tasks that were entrusted to volunteers, the responsibilities the tasks represented and the allocation of human resources to each task over the course of the event.

Table 6.3 Schedule of Volunteers

<table>
<thead>
<tr>
<th>Job type</th>
<th>Specification</th>
<th>Maximum number of volunteers required per day</th>
<th>Team leaders required</th>
<th>Persons/day total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worker</td>
<td>Timing and results</td>
<td>22</td>
<td>2</td>
<td>264</td>
</tr>
<tr>
<td></td>
<td>Video and sound</td>
<td>5</td>
<td>1</td>
<td>720</td>
</tr>
<tr>
<td></td>
<td>Temporary infrastructure</td>
<td>40</td>
<td>4</td>
<td>331</td>
</tr>
<tr>
<td></td>
<td>Advertising</td>
<td>15</td>
<td>2</td>
<td>240</td>
</tr>
<tr>
<td></td>
<td>Opening ceremony</td>
<td>15</td>
<td>2</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>Side events</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Access control</td>
<td>Accreditation</td>
<td>9</td>
<td>1</td>
<td>154</td>
</tr>
<tr>
<td></td>
<td>Access control</td>
<td>70</td>
<td>6</td>
<td>1,130</td>
</tr>
<tr>
<td>Administration</td>
<td>Team</td>
<td>134</td>
<td>47</td>
<td>3,350</td>
</tr>
<tr>
<td></td>
<td>FISU</td>
<td>53</td>
<td></td>
<td>1,219</td>
</tr>
<tr>
<td></td>
<td>Pool</td>
<td>5</td>
<td>4</td>
<td>125</td>
</tr>
<tr>
<td></td>
<td>FISU hotel</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Catering</td>
<td>General catering</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>VIP catering</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Driver</td>
<td>Pool driver</td>
<td>20</td>
<td>2</td>
<td>340</td>
</tr>
<tr>
<td></td>
<td>Transport coordination</td>
<td>5</td>
<td>1</td>
<td>95</td>
</tr>
<tr>
<td>Information</td>
<td>Accommodation</td>
<td>15</td>
<td>1</td>
<td>279</td>
</tr>
<tr>
<td></td>
<td>Schools</td>
<td>14</td>
<td>1</td>
<td>116</td>
</tr>
<tr>
<td></td>
<td>Hospitality</td>
<td>20</td>
<td>1</td>
<td>180</td>
</tr>
<tr>
<td></td>
<td>Info service</td>
<td>21</td>
<td>2</td>
<td>315</td>
</tr>
<tr>
<td>IT support</td>
<td>IT</td>
<td>20</td>
<td>1</td>
<td>340</td>
</tr>
<tr>
<td>Job type</td>
<td>Specification</td>
<td>Maximum number of volunteers required per day</td>
<td>Team leaders required</td>
<td>Persons/day total</td>
</tr>
<tr>
<td>-------------------</td>
<td>--------------------------------</td>
<td>---------------------------------------------</td>
<td>-----------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Medical</td>
<td>Doping control</td>
<td>10</td>
<td>1</td>
<td>110</td>
</tr>
<tr>
<td></td>
<td>General medical care</td>
<td>3</td>
<td>1</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Media</td>
<td>Print and Internet</td>
<td>26</td>
<td>1</td>
<td>338</td>
</tr>
<tr>
<td></td>
<td>Media operations</td>
<td>18</td>
<td>2</td>
<td>234</td>
</tr>
<tr>
<td></td>
<td>Press operations</td>
<td>9</td>
<td>1</td>
<td>135</td>
</tr>
<tr>
<td>Sports</td>
<td>Alpine skiing</td>
<td>40</td>
<td>1</td>
<td>560</td>
</tr>
<tr>
<td></td>
<td>Cross-country skiing</td>
<td>15</td>
<td>1</td>
<td>210</td>
</tr>
<tr>
<td></td>
<td>Figure skating</td>
<td>12</td>
<td>1</td>
<td>72</td>
</tr>
<tr>
<td></td>
<td>Ice hockey</td>
<td>18</td>
<td>1</td>
<td>216</td>
</tr>
<tr>
<td></td>
<td>Nordic combined</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Snowboarding/skier-X</td>
<td>30</td>
<td>1</td>
<td>282</td>
</tr>
<tr>
<td></td>
<td>Skeleton</td>
<td>–</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>Ski jumping</td>
<td>15</td>
<td>1</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Speed skating</td>
<td>8</td>
<td>1</td>
<td>270</td>
</tr>
<tr>
<td></td>
<td>Short track</td>
<td>5</td>
<td>1</td>
<td>80</td>
</tr>
<tr>
<td>Head office</td>
<td>Inventory management</td>
<td>5</td>
<td>1</td>
<td>135</td>
</tr>
<tr>
<td></td>
<td>Finance</td>
<td>4</td>
<td></td>
<td>64</td>
</tr>
<tr>
<td></td>
<td>Medal ceremonies</td>
<td>10</td>
<td>2</td>
<td>110</td>
</tr>
<tr>
<td></td>
<td>Head office</td>
<td>28</td>
<td>1</td>
<td>532</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>12,683</strong></td>
</tr>
</tbody>
</table>
There are a number of points to note about this schedule. First, the training of volunteers was included in the schedule. This ensured that all volunteers received the required training. The schedule also included jobs that did not require volunteer support, perhaps because these jobs were carried out by contracted organisations or because paid personnel performed the tasks. It is important to identify all event tasks in order to make sure that no job is forgotten, even if not all tasks will be performed by volunteers. Finally, the table shows the number of volunteers needed at the start of the event. Although in this case the number is the same as the maximum number needed, it is useful to know how many volunteers are required overall before the event commences.

**Recruiting and Mobilising Volunteers**

The organisers of the 2005 Universiade decided to target the Innsbruck student population in their effort to recruit volunteers. In order to do this, they carried out a questionnaire aimed at the student population, from which it appeared that 55% of those surveyed were interested in participating in the event. Their primary motives for getting involved in the event were as follows:

- To have contact and involvement with people from different countries and cultures (social motive)
- To have the opportunity to make contacts and get experience that would be useful to a future career (professional motive)
- To be part of the organising team for the event (organisational motive)
- To feel useful in helping others and the organisation (altruistic motive)
- To test their worth, strengths, weaknesses and limits (challenge and self-diagnosis motive)
- To be rewarded and recognised for participation (remuneration motive)

A programme of action for getting the community of volunteers motivated before and during the event was established. Table 6.4 gives examples of the social activities that were developed for the volunteers during the event.

This illustration shows how volunteers can be targeted, motivated and used effectively to stage a large event. It is worth noting that the event organisers identified why students might become volunteers before beginning to recruit. This allowed the organisers to put together a programme of activities that ensured that volunteers’ motives were met. The organisers also had a clear idea of how many volunteers were required and carefully scheduled those requirements against the tasks required to stage the event. This systematic planning of the voluntary human resources meant that there was less risk of over- or underrecruitment, which resulted in a more effective use of human resources.
Table 6.4  Social Activities for Volunteers

<table>
<thead>
<tr>
<th>Daily</th>
<th>Volunteer lounge</th>
<th>Getting together, relaxing, warming up</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Feedback</td>
<td>Musical, DJs</td>
</tr>
<tr>
<td></td>
<td>Volunteer radio and CommUNITY 2005</td>
<td>Volunteer pin board</td>
</tr>
<tr>
<td></td>
<td>Daily feedback from team leader</td>
<td>Daily feedback from team leader</td>
</tr>
<tr>
<td></td>
<td>Volunteer of the day, funny stories, impressions, what's going on</td>
<td>Volunteer of the day, funny stories, impressions, what's going on</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Party</th>
<th>Election of Miss and Mr CommUNITY 2005</th>
<th>Presenting candidates on the pin boards and the official website</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CommUNITY 2005</td>
<td>Party for the CommUNITY 2005: speeches by important personalities, presentation of Miss and Mr CommUNITY 2005</td>
</tr>
<tr>
<td></td>
<td>Games-time clubbing</td>
<td></td>
</tr>
</tbody>
</table>


SECTION 6.5
ORGANISING AMENITIES, SITES AND SPACES

Organising a sport competition requires a large quantity of materials, facilities and amenities, some of which are sport related and others not. The first point of identifying these needs occurs at the event design phase and involves defining requirements, or taking a systematic inventory of the facilities and amenities needed to organise a successful competition. To do this, organisers refer to

- the sports and technical regulations of the relevant federations,
- the regulations specific to the contest being organised, and
- local legislation and regulations concerning the security of public venues in the country in which the competition takes place.

At the same time, organisers take a preliminary inventory of the resources available. This preliminary review is one of the steps in deciding whether to bid for the event.

However, sport events are part of the greater society, and other people are involved in addition to athletes. As the number of people involved increases, sport competitions can go from being local events to global events, like the Olympic Games. In order to ensure a successful sport event, organisers must therefore consider much more than just the facilities and amenities that are specific to the event. Organisers should focus on what are known as the three circles of a sport event (figure 6.14) when considering the amenities, sites and spaces they need for an event.
In this section the focus will be on amenities and facilities rather than on consumable materials. The section begins with a consideration of the areas of the sport zone, which is the heart of any sport event. It will look at what is required as auxiliary sites and then assess the impact of events on the environment. It concludes with an illustration of planning the facilities, sites and spaces for the 2007 Pan American Games.

**Sport Zone**

The first circle is the heart of any sport event. This is the sport zone, the area prepared for the competition. Event organisers should have full and complete authority within the sport zone; however, in order to mobilise this zone, organisers must pay attention to the contractual arrangements governing the loan or rental of the premises. These arrangements specifically define the area to be used, any improvements made by the owner of the facilities, the dates, the length of time and the cost of use. The sport zone can be further subdivided in specific areas.

**Competition Grounds and Areas**

These areas represent a central zone that can only be accessed by competitors, judges and officials. The guidelines for these areas, such as dimensions, signage, access and any specific improvements, will be defined in the regulations of the NFs and IFs that govern the relevant disciplines. The details and requirement to stick to these guidelines will depend on the level of the sport competition and its audience.

**Public Facilities**

The sport zone also includes areas for spectators. Organisers of sport events find that taking the public into account is difficult. They must strike a balance between having a large-capacity stadium that will guarantee the commercial success of the event, and dealing with limitations imposed by security, marketing needs and the intended legacy of the stadium. These limitations arise from the regulations imposed by the event owner and by the stadium owner, who is also expected to respect the rules of public order that guarantee the hygiene and security of public establishments.
In addition to following local building regulations, facilities must adhere to the guidelines of NFs and IFs. Shown here are workers constructing the sliding track for the Vancouver 2010 Olympic Winter Games.

**Service Facilities and Amenities**

Sport zone facilities should include spaces that have been specifically equipped for the following:

- Personal hospitality, such as locker rooms, bathrooms, warm-up rooms or spaces, treatment rooms and infirmaries.
- Security, such as clearly marked public access, restricted access for competitors and referees, first aid posts and evacuation routes.
- Promotion and commercialisation of the event, such as a press and media room, spaces reserved for sponsors and announcers, shops and eating spaces. Public hospitality facilities vary according to the nature of the sport event. Stands are usually fixed, but they can also be movable, removable or temporary.

**Holding Competitions in Nondedicated Spaces**

Many sport events are held in locations that are not permanently dedicated to the sport. In this case, defining the sport zone proves to be more difficult, particularly when sport events take place on public roads, such as cycling, driving and foot road races. These events are subject to specific rules requiring the advanced approval of public authorities. The perimeter of the sport zone can be represented physically with barriers or ribbons, or symbolically with signs, signals or the presence of marshals. In addition, temporary facilities may also be required, such as staging, which will help to define the sport zone. Routes or circuits on public roads require specific security measures and access restrictions. These issues are generally covered by the regulations of the appropriate sport federations, which are available to the organisers.
Auxiliary Sites for a Sport Event

In addition to the sport zone, an event will require auxiliary sites. Auxiliary sites are mostly dedicated to welcoming and housing participants and are included in the second circle of the event. The importance given to these sites depends on several factors:

- Length of the sport event, which will help define the accommodation limitations
- Number of people participating in the competition
- Size and demographics of the audience
- Expectations of the people supporting the event, as outlined in the regulations
- Organiser’s commitment to the quality of the hospitality.

There are, however, certain auxiliary areas that are common to most events.

Event Headquarters and Administration Site

These are amenities that the organisation will use throughout the event. Mostly used for administration, they can include offices, meeting rooms and storage spaces. The size of this area will depend on the different phases in the organisation of the event, which may be problematic since the implementation phase requires many more people than the design phase.

Reception Sites for Sport Delegations

This is the starting point for welcoming competitors and their delegations. These sites may be the same as the accommodation sites, with access being granted only to delegations. However, for major events, reception sites are usually at airports and railway stations. Organisers usually know in advance the locations, arrival dates and times and number of sportspeople and delegation officials, thanks to advanced registration to the competition. Welcoming delegations is often a good task for volunteers. The delegations’ transfer to the accreditation and accommodation sites will also need to be organised.

Accreditation Sites

The accreditation site for delegation members is often a sensitive area in the reception process as levels of accreditation dictate the access that delegates have to areas such as the sport zone and VIP hospitality. Accreditation means that different categories of participants, such as competitors, trainers, medical personnel, delegation officials and members of the international sport authorities, will have different rights to different areas, and often delegates will want greater access than their accreditation level allows. During accreditation, delegations are often also asked to pay any remaining expenses for accommodation and catering.
Although organisers try to obtain information in advance, the accreditation time is often an opportunity for delegation members to express particular requests. This is the first official contact between the delegations. The organising committee hands out various official passes that may include photographs of the cardholders. A dedicated and appropriately equipped site is needed for this process.

Accommodation Sites
Accommodation sites are often hotels and if so, are managed by hotel personnel. The organising committee simply makes use of these sites. Depending on the length, size and audience of the event, mobilising hotel capacity can be extremely important. The organiser is expected to ensure enough capacity and must reserve in advance the hotels and rooms to lodge and feed participants, particularly the following:

- Sport delegations made up of sportspeople, training personnel and officials
- Members from the body of judges and referees for the competitions
- Members of the sport family, such as members of the relevant international sport authorities and other guests
- Accredited journalists and technicians from the media
- Organisation members and salaried and volunteer personnel

As far as welcoming the public goes, the organiser can recommend certain hotels and tour operators. This can lead to economic partnerships between these businesses and the organising committee.

Other Sites Hosting Various Activities
The organisation may secure various other sites for

- cultural activities;
- meetings, such as conferences and assemblies of international sport authorities usually held during major competitions;
- auxiliary sport areas or training facilities; and
- amenities for the media or for sponsors to take advantage of the event, such as a village for sponsors and partners.

Athlete Village
The concept of the athlete village has been developed and successfully implemented during a number of Olympic Games. When a sport event brings delegations together for a long time, such as one or two weeks, it is usual to have the sportspeople live together in one location. The primary objective is to encourage the values of fraternity, universality and friendship that sport represents. Having people stay in one village also has other advantages. Creating a well-defined and protected zone assists in security and rule enforcement, as well as transport efficiency. The village also allows various services to be offered as a package, such as personal care, medical care, leisure activities and shops.
**Links Between Sites**

For events like the Olympic Games or world championships, links are required between multiple sites. In order to overcome the logistical problems that this creates, event organisers are starting to become innovative in their design of the sport zone and the auxiliary spaces. Many event organisers have grouped different sites into clusters in order to limit moving the public around. For example, aquatics venues and accommodation for swimmers and spectators may be in one geographical location. In many cases, this requires building spaces that will remain after the event [event legacy] and therefore subsequently have to be used for future sport events or by the host community.

The second idea involves optimising the links between the different sites through high-performance transport networks. Mass transit networks can be used, and organisers may also mobilise fleets of vehicles for moving sportspeople and officials around. In some instances, dedicated traffic lanes may be created, such as the Olympic lane that will be part of London 2012. The quality and performance of the transport services are an important consideration in applications to host major sport events.

**Environment of a Sport Event**

The third circle of a sport event is the environment in which the various sites are located. Organisers must keep this in mind during every step of the project because a sport event is likely to disturb the environment in which it takes place. From the design phase, the project must be defined so as to quell any concerns or suspicions about problems the event might cause and to gain the support of all those who are affected.

**Protecting the Environment of a Sport Event**

The potential challenges that the competition can cause to its environment and the steps taken to deal with these challenges throughout the phases of the event should be recorded. An influx of people into a single location can cause various problems, such as noise, increased traffic, chemical pollution, water shortages and increased waste. An analysis of bids for major sport events shows the importance that protecting the environment is given today. The candidates to organise the Olympic Games are required to include auxiliary programmes for public awareness, prevention and protection of the environment.

**Sustainable Development in Organising Sport Events**

The concept of sustainable development was adapted for sport events by the IOC and developed by certain national committees. It involves ensuring the development of sport and sport organisations whilst respecting the interests of future generations, with a concern for an economic and reasonable utilisation of resources. Intrinsic to this concept is the idea of legacy, which is what the event will leave behind once it has been completed. Host candidates must highlight the benefits that organising a certain sport event will have for local populations, such as improving housing, creating facilities that are new and useful to society and improving mass communication and transport resources.
Dismantling or Reconvert the Sites and Amenities

Amenities are dismantled during the dissolution phase of the event, but dismantling should be planned for from the design phase. This process involves restoring all event facilities, sites and spaces to a usable state. Organisers should consider how local populations will use the facilities and sites built for the occasion. Presented here are a few of the questions organisers should ask to ascertain the ecological, economic and social effects a sport event may have:

- Will the event have a negative or a positive, temporary or lasting effect on environmental quality?
- Will the developments be converted for use by the local population? If so, have the transfer of responsibility and the operational expenses been accounted for?
- Does the project require a new road infrastructure?
- Has the event’s impact on drainage, water treatment and waste collection and treatment been taken into account?
- Will the event improve local accommodation?
- Will the event reinforce the identity and image of the host territory?

By focusing on the three circles of a sport event, organisers can take a complete account of the amenities, sites and spaces required by an event. Of key importance is the need to consider environmental issues in the design and development of an event. Unfortunately, this circle of an event is often neglected, particularly when organising small events. Organisers must be aware of the impact of the event on the local environment, even when no significant changes are made to it, such as the building of new facilities or transport links.

**KEY RECOMMENDATIONS**

- Be clear about the technical requirements of the sport zone.
- Try to avoid the need for the mass movement of athletes and spectators.
- Ensure that the environment is not negatively affected by the event.
- Plan for the event’s legacy during the design phase.
- Make sure that the legacy is beneficial to the local community.

The following illustration shows how the facilities, sites and spaces for the 2007 Pan American Games were planned, as well as how the legacy of the event was taken into account.
Facilities, Sites and Spaces for the Rio de Janeiro 2007 Pan American Games

The Pan American Games are organised every 4 years, in the year preceding the Olympics. Rio de Janeiro is the site of the 2007 Games, with 5,500 athletes, 2,000 team officials, 42 countries and 34 sports. And for the first time in 2007, the Para Pan American Games occur immediately after the Pan American Games. A total of 1,300 athletes and 700 members of delegations are expected to participate in 10 different sports in the Para Pan American Games. The same sites and installations for sport and housing are used for both the Pan American Games and the Para Pan American Games, thus guaranteeing the highest level of quality for the Games as well as economising on space and cost. The apartments of the Village are adapted to meet the needs of athletes with disabilities.

Environment

The mayor of Rio de Janeiro, César Maia, and the president of the Brazilian Olympic Committee, Carlos Arthur Nuzman, specified that the events be concentrated at the Barra da Tijuca district. This is due to its flat topography, with areas that are easily adaptable for the Games and accessible by a good network of roads. This area was less developed than the centre of the city and was therefore in a position to benefit significantly from the amenities, sites and spaces required by the Pan American Games.

One of the advantages of the Barra da Tijuca district is its ability to concentrate about 60% of the competition sites and the Pan American Village within the same 10-kilometre circle, thus easing traffic problems and reducing transportation requirements. The organisation of the 2007 Games was viewed as an opportunity for the host city to develop new facilities and respond to future needs in this area.

Figure 6.15 presents the site plan and shows how the various sites for housing and competitions are grouped in four clusters, two of which are described here. The central and most important cluster in Barra da Tijuca includes the three housing sites. The competition sites are grouped around the four main clusters; the public can easily move from one to another. These groupings were planned in this way to facilitate communication and promote a festive mood typical of a great international sport event.
Figure 6.15  Rio 2007 Pan American Games site plan.

(continued)
Auxiliary Sites

The Pan American Village is located on a site 420,000 metres square in Barra da Tijuca. Inside the Village, the major routes are walkable, but an internal transport system facilitates movement around the Village. The Village is encircled by green space to ensure pleasant and quiet surroundings for the athletes. The project was developed to meet the directives of the IOC concerning Olympic villages, and it was planned with a maximum of comfort and security. A permanent facility was projected to have medical services available 24 hours a day. The units were designed with one to four rooms, and beds took athletes’ size into account. The restaurant has the capacity to serve 4,000 people at a sitting, and athletes can enjoy many leisure and relaxation activities made available to them. The official hotel is the residence for the officials of the sport and their guests.

The Riocentro Convention Centre houses the Main Press Centre (MPC) and the International Broadcasting Centre (IBC). They occupy approximately 15,000 square metres of the PoloRio Cine & Vídeo, a facility built during the 1980s. The Riocentro Convention Centre is also a venue for sport events. Located 7 kilometres from the centre of Rio, the Riocentro Convention Centre has a large car park for cars and television trucks, making movement to and from the centre relatively simple.

Sport Zone

The second cluster, Maracanã, mainly consists of two sport complexes. The first, the Maracanã Sports Complex, was an existing facility managed by the state authority, which contains three of the main sport venues. The Maracanã Stadium is the venue for the opening and closing ceremonies as well as the football finals. The Maracanãzinho Arena accommodates the volleyball competition, and the Júlio Delamare Aquatic Centre accommodates the water polo competition.

The second complex, the joão havelange Sports Complex, was built for the 2007 Games. It includes the João Havelange Stadium, the site of athletics competition. This complex is situated 13 kilometres from the Pan American Village; however, La Linha Amarela, an expressway, allows easy and quick access to Barra da Tijuca.

The amenities, sites and spaces required by the 2007 Pan American Games came from a mix of existing facilities and newly built facilities. The choice of Barra da Tijuca as the main base for the Games is excellent because it offers the space to build new facilities designed to provide a positive legacy and also benefit the local community through the construction of new transport links. The organisers made good use of existing sites, such as the Media and Communication Centre, which was based in an existing media facility with adequate parking. New facilities, such as the João Havelange Sports Complex, were planned and built with a postevent purpose in mind.
The main legacy of the Games, however, will be the Pan American Village. The houses and apartments in the Village were sold to local buyers before the Games began and thus the housing available in Barra da Tijuca is expected to increase significantly in quantity and quality. In addition, there is an additional social benefit in that those interested in purchasing accommodation were offered low-interest mortgages. It is hoped that such mortgages will allow many people who could not otherwise afford housing to benefit from the legacy of the 2007 Pan American Games. This illustration shows how a major event can make a fundamental difference to its host environment by leaving a positive legacy.

The following case study applies many of the points covered in this chapter to the organisation of a regional event: the Mediterranean Games. Although your organisation may be concerned with much smaller events, the case study will highlight how the concepts covered in this chapter can be put into practice.

**CASE STUDY 6**

Organising the Mediterranean Games: Almería 2005

The Mediterranean Games are competitions involving the athletes of the NOCs of the Mediterranean Basin. The Mediterranean Games take place every 4 years, during the post-Summer Olympic year, and the XV Mediterranean Games took place in Spain, in Almería, Andalusia, in 2005.

The opening ceremony of the 2005 Mediterranean Games. (continued)
Deciding Whether to Organise the Event

The bid process began in 1990, when the city of Almería considered bidding for the 2005 Mediterranean Games. At the local level, the main objective to be achieved by holding the Games was to improve the future of the city. The event was perceived to transcend sport and to become the catalyst for the transformation of an entire region.

In 1995, an independent study introduced the Sports Infrastructure Strategic Scheme, which highlighted Almería's qualifications and ability to organise the Mediterranean Games. The scheme outlined the benefits and risks associated with holding the event and allowed the city to decide to proceed with developing the event. Almería's bid was presented at the International Committee for the Mediterranean Games (ICMG) Assembly in Bari, Italy. Officially designated by the Comité Olímpico Español (COE, Spanish Olympic Committee) with the support of the Senate, Parliament, government of Andalusia and Secretary of State for Sport, Almería was declared by the ICMG as the venue for the XV Mediterranean Games on 28 April 1999.

Legal and Functional Structures

The ICMG is the body responsible for coordinating each set of Games and for choosing the host city for the next Games. The guiding body is the Executive Committee, which represents 12 countries. The ICMG meets periodically in the city that is organising the next Games. The Mediterranean Games are the exclusive property of the ICMG, which holds all rights related to any organisation, exploitation, broadcasting and reproduction associated with the Games.

The project began with a contract between the ICMG and the host city. This contract defined the organiser's conditions and limitations and its associated rights and powers. The city of Almería and the COE then created a separate legal structure called the Comité Organizador de los Juegos Mediterráneos Almería 2005 (COJMA, Organising Committee of the Mediterranean Games Almería 2005). These three organisations were jointly responsible for all agreements contracted by one or all of them that concerned the organisation or course of the Games, including financial agreements.

Legal Framework

As outlined in figure 6.16, the basic structure of the Mediterranean Games consisted of three committees: the Organising, Standing and Technical Committees. The decision-making structure of the COJMA reflected that of most major events. The Organising Committee brought together all parties involved in the organisation of the Games and defined the relevant COJMA objectives. An elected official from the host city presided over this committee.

The Mediterranean Charter is the authoritative document for the Mediterranean Games and defines the applicable rules and operating principles of the Games. It contains the key elements and concepts for this regional and multisport event: encouraging solidarity amongst people, spreading Olympic ideals, reinforcing friendly ties amongst athletes and promoting sport in the Mediterranean Basin.
**Functional Structures**

The operational aspects of the Games were delivered by the Technical Committee, which carried out the instructions of the decision-making bodies: the Organising Committee and the Standing Committee. Consideration of figure 6.17 shows that the Technical Committee adopted a functional structure, which included all of the functions discussed in this chapter.

**Figure 6.16** Legal and administrative structure.

**Figure 6.17** Structure of the COJMA 2005 Technical Committee.
Managing Areas of Activity Through Subcontracting

Organising an event as large as the Mediterranean Games is a complex task and requires skills and resources not always at the disposal of organisers. The COJMA chose to subcontract the following activities to other specialised groups:

- Management of the results of the Games and accreditations for the event was handled through a contract with the company MSL-Sportec.
- Internal transport for the Games was awarded to the company Enatcar, in association with other transport companies.
- The search for and administration of partners, an important process in maintaining a balanced budget for the Games, was awarded to the multinational company Carat Sport.
- Catering for the event was awarded to the company Sodexho.
- With respect to internal security at the Games, security companies with sworn-in security guards were mobilised.

This subcontracting meant that these functions could be carried out by people with the appropriate expertise and that the COJMA did not have to employ people with this expertise or train staff or volunteers to carry out these functions.

Organising the Event

The staging of the Mediterranean Games in Almería involved three major organisational and operational phases in addition to the final phase of closing and evaluating the Games and the Organising Committee. Figure 6.18 shows the similarity between the phases traditionally used in organising major events (design, development, implementation and dissolution) and those defined for the Games in Almería. The main difference is that the execution phase included the Games preparation period, not just the Games themselves. This is similar to what occurred in the organisation of the 9th World Athletics Championships and is helpful because it allowed practice events to be held and systems and procedures to be tested before the main event. It also allowed athletes to train at the venues before the event.

Planning Phase (2000-01)

This phase was similar to the design phase and involved formalising the project to an almost-final state. The phase included the following:

- Determining the organisational structure, choosing the technical sport commissions and designing the functional organisation chart
- Determining financial conditions, developing the COJMA 2005 financing conventions, developing facility financing conventions, developing sponsorship and marketing plans, and starting the search for sponsorship
• Promoting the event to all partners, including the administrations of Andalusia and Spain and media and businesses; deciding on the COJMA’s graphical identity, creating the website and designing the mascot; and defining and implementing the sport events programme

• Precisely defining the tasks to be accomplished and their deadlines in a document called the “Overall Guiding Plan”, which was presented in the form of a Gantt chart

• Mobilising a team around the Project Leader, including nominating members of different committees and recruiting Managers, Assistant Managers, Coordinators and Staff Assistants

• Designing the programme and facilities, developing plans for new facilities and creating the cultural programme

**Development Phase (2002-03)**

The development phase involved these steps:

• Constructing important infrastructure, including competition facilities, the Mediterranean Village, highways and residential housing

• Signing bid contracts for subcontracting and partnership contracts

• Making progress on the promotional campaign, particularly outside Almería, in Andalusia, and at the domestic and international level

• Making organisational adjustments in response to preliminary evaluations, such as modifying the COJMA Technical Committee, which went from four to seven general management departments as the event developed

• Recruiting volunteers, which was a fundamental element of this phase
Programme Execution Phase (2004-05)

This phase combined aspects of the development and implementation phases discussed in the third section. Activities included the following:

- Testing the facilities and preparing volunteer and professional teams before the start of the Games
- Selling tickets
- Continuing to promote the Games in participating countries
- Ensuring the efficient operation of the event during the Games period

The COJMA conducted a series of tests during the programme execution phase that allowed the staff in charge of each sport to gain organisational experience and to evaluate the operation of the facilities as well as the technical resources used to carry out the Games. Following this, the Games involved 10 days of competition. As outlined in figure 6.19, a total of 27 disciplines affiliated with 25 sports were represented in the XV Mediterranean Games.

Closure and Evaluation Phase (2005)

At the end of the Games, as part of the dissolution phase, the COJMA was required to publish an official report in French, English and Arabic on all aspects of the event’s organisation, including verified evaluations and accounts. The documents had to be submitted to the ICMG for approval before being released. The COJMA also gave 50 free copies to the ICMG as well as a copy to each of the ICMG’s NOC members and the relevant IFs.

Managing Human Resources

The organisation of the 2005 Mediterranean Games was entrusted to personnel who were represented in the functional organisation chart (figure 6.17) and who fell under the authority of the chief executive (COJMA Director). During the Games, COJMA staff and volunteers were supported by Spanish security forces and personnel from the region, emergency services, and the Red Cross. The human resources plan outlined in the bid relied mostly on the support of volunteers specifically trained for the event; therefore, this part of the case study will focus on activities involving the volunteers.

Volunteer Programme

In Andalusia, there is a law for volunteers that defines their areas of responsibility. According to this legal framework, a volunteer is a person who undertakes a voluntary action. This definition requires that the following conditions be met:

- The activity is of general interest.
- The completion of the activity is the result of a decision that the individual has taken freely.
- The task is carried out in a manner that is responsible and not remunerated.
- The activity takes place within a framework of specific programmes.
### Figure 6.19  Competition schedule.

<table>
<thead>
<tr>
<th>Sport</th>
<th>Discipline</th>
<th>Gender</th>
<th>June</th>
<th>July</th>
<th>Facility</th>
<th>Municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Ceremony</td>
<td></td>
<td></td>
<td>24</td>
<td></td>
<td>Mediterranean Stadium</td>
<td>Almería</td>
</tr>
<tr>
<td>Aquatics</td>
<td>Swimming</td>
<td>M/W</td>
<td>24</td>
<td>25</td>
<td>Mediterranean Village Golf Course</td>
<td>Almería</td>
</tr>
<tr>
<td></td>
<td>Water Polo</td>
<td>M</td>
<td>26</td>
<td>27</td>
<td>Mediterranean Sports Palace</td>
<td>Almería</td>
</tr>
<tr>
<td>Archery</td>
<td></td>
<td></td>
<td>28</td>
<td>29</td>
<td>Emilio Campra Youth Stadium</td>
<td>Almería</td>
</tr>
<tr>
<td>Athletics</td>
<td></td>
<td></td>
<td>29</td>
<td>30</td>
<td>Mediterranean Stadium</td>
<td>Almería</td>
</tr>
<tr>
<td>Basketball</td>
<td></td>
<td></td>
<td>24</td>
<td>25</td>
<td>El Ejido Sports Hall</td>
<td>El Ejido</td>
</tr>
<tr>
<td></td>
<td>Lyonnaise</td>
<td>M</td>
<td>26</td>
<td>27</td>
<td>Bullring</td>
<td>Almería</td>
</tr>
<tr>
<td></td>
<td>Pétanque</td>
<td>M/W</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boxing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>La Juventud Sports Hall</td>
<td>Almería</td>
</tr>
<tr>
<td>Canoe-kayak</td>
<td>Flat water</td>
<td>M/W</td>
<td>25</td>
<td>26</td>
<td>Cuenas del Almanzora Canal</td>
<td>Cuenas del Almanzora</td>
</tr>
<tr>
<td>Cycling</td>
<td>Road</td>
<td>M</td>
<td></td>
<td>29</td>
<td>Road Race Course</td>
<td>Almería</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Time Trial Course</td>
<td></td>
</tr>
<tr>
<td>Equestrian sports</td>
<td>Endurance</td>
<td>Mixed</td>
<td>26</td>
<td></td>
<td>Almería Equestrian Club</td>
<td>Almería</td>
</tr>
<tr>
<td></td>
<td>Jumping</td>
<td>Mixed</td>
<td></td>
<td>29</td>
<td>Almería Equestrian Club</td>
<td></td>
</tr>
<tr>
<td>Fencing</td>
<td></td>
<td></td>
<td>25</td>
<td>26</td>
<td>Maximo Cuervo Sports Hall</td>
<td>Agua dulce</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(Roquetas de Mar)</td>
</tr>
<tr>
<td>Football</td>
<td></td>
<td></td>
<td>24</td>
<td>25</td>
<td>El Ejido Stadium</td>
<td>El Ejido</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>26</td>
<td>27</td>
<td>Vicar Stadium</td>
<td>Vicar</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>28</td>
<td>29</td>
<td>Juan Rojas Stadium</td>
<td>Vicar</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>30</td>
<td>01</td>
<td>Mediterranean Stadium (final)</td>
<td></td>
</tr>
<tr>
<td>Golf</td>
<td></td>
<td></td>
<td>27</td>
<td>28</td>
<td>Mediterranean Village Golf Course</td>
<td>Almería</td>
</tr>
<tr>
<td>Gymnastics</td>
<td>Artistic</td>
<td>M/W</td>
<td>25</td>
<td>26</td>
<td>Mediterranean Sports Palace</td>
<td>Almería</td>
</tr>
<tr>
<td></td>
<td>Rhythmic</td>
<td>W</td>
<td>27</td>
<td>28</td>
<td>Diputación Sports Hall</td>
<td></td>
</tr>
<tr>
<td>Handball</td>
<td></td>
<td></td>
<td>24</td>
<td>25</td>
<td>Infanta Cristina Sports Hall</td>
<td>Almería</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>26</td>
<td>27</td>
<td>Vicar Sports Hall</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>28</td>
<td>29</td>
<td>Roquetas de Mar</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>30</td>
<td>01</td>
<td>Vicar</td>
<td></td>
</tr>
<tr>
<td>Judo</td>
<td></td>
<td></td>
<td>25</td>
<td>26</td>
<td>Rafael Florido Sports Hall</td>
<td>Almería</td>
</tr>
<tr>
<td>Karate</td>
<td></td>
<td></td>
<td>25</td>
<td>26</td>
<td>Rafael Florido Sports Hall</td>
<td></td>
</tr>
<tr>
<td>Rowing</td>
<td></td>
<td></td>
<td></td>
<td>30</td>
<td>Cuenas del Almanzora Canal</td>
<td>Cuenas del Almanzora</td>
</tr>
<tr>
<td>Sailing</td>
<td></td>
<td></td>
<td>25</td>
<td>26</td>
<td>Club de Mar</td>
<td>Almería</td>
</tr>
<tr>
<td>Shooting</td>
<td></td>
<td></td>
<td>25</td>
<td>26</td>
<td>Mediterranean Games Shooting Centre</td>
<td>Gádor</td>
</tr>
<tr>
<td>Sports for the disabled</td>
<td>Athletics</td>
<td>M/W</td>
<td>25</td>
<td>26</td>
<td>Mediterranean Stadium</td>
<td>Almería</td>
</tr>
<tr>
<td></td>
<td>Swimming</td>
<td>W</td>
<td>25</td>
<td>26</td>
<td>Las Almadrabillas Sports Centre</td>
<td></td>
</tr>
<tr>
<td>Table tennis</td>
<td></td>
<td></td>
<td>29</td>
<td>30</td>
<td>Maximo Cuervo Sports Hall</td>
<td>Agua dulce</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>01</td>
<td></td>
<td>(Roquetas de Mar)</td>
</tr>
<tr>
<td>Tennis</td>
<td></td>
<td></td>
<td>29</td>
<td>30</td>
<td>Almería Tennis Club</td>
<td>Huércal de Almería</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>01</td>
<td>02</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Volleys</td>
<td>M/W</td>
<td>25</td>
<td>26</td>
<td>Diputación Sports Centre</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Beach</td>
<td></td>
<td>25</td>
<td>26</td>
<td>Los Angeles Sports Hall</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Volleyball</td>
<td></td>
<td></td>
<td>27</td>
<td>Méditeranéen Sports Palace (F)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>28</td>
<td>El Palmeral Beach Volleyball Stadium</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>29</td>
<td>Almería</td>
<td></td>
</tr>
<tr>
<td>Weightlifting</td>
<td></td>
<td></td>
<td></td>
<td>30</td>
<td>University Sports Hall</td>
<td>Almería</td>
</tr>
<tr>
<td>Wrestling</td>
<td>Greco-Roman</td>
<td>M</td>
<td></td>
<td>26</td>
<td>Huelva de Almería Sports Hall</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Freestyle</td>
<td>M/W</td>
<td>27</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing Ceremony</td>
<td></td>
<td></td>
<td></td>
<td>01</td>
<td>Mediterranean Stadium</td>
<td>Almería</td>
</tr>
</tbody>
</table>

(continued)
Recruitment

The recruitment campaign began in 2002 and succeeded in mobilising 6,000 volunteers, which exceeded the COIMA’s goal of 4,500 people. David Bisbal, an Almerían singer who is very popular in Spain and South America, was the image of the recruitment initiative, with the slogan “I am the first volunteer. Join us.” Five weeks after the recruitment campaign began, 3,000 people had signed up.

Roles Filled by Volunteers

The first volunteers to be mobilised were the expert volunteers. These volunteers already had some kind of experience managing sport events. Figure 6.20 shows the roles filled by volunteers in the Mediterranean Games and the corresponding percentages of volunteers involved.

![Figure 6.20 Volunteer roles.](image-url)
It is apparent that volunteers were involved in all aspects of the Games. Understandably, the largest percentage of volunteers worked with the various sports, and many worked in key support functions such as sponsorship, media and security. It would appear that volunteers not only performed most of the functions organised by the COJMA but also supported the tasks that had been contracted out.

Preparing to Recruit

A general catalogue of profiles of volunteer positions was created for the first time within the framework of organising the Mediterranean Games. As recommended in section 6.4, each job description listed the position title, the assigned responsibilities, the volunteer profile, the centre of operations and the associated department within the COJMA’s Technical Committee. As an example, table 6.5 presents the job description for a Protocol Assistant.

Volunteer Training Programme

All volunteers have the right to receive the information, training and support necessary to carry out the roles and tasks assigned to them. Following this principle, the COJMA developed a training programme for all volunteers to meet the following objectives:

- To create a feeling of active participation and involvement in the project of organising the Games
- To provide access to quality training services that are advanced, innovative and flexible
- To facilitate the dissemination, updating and development of knowledge within the network of 2005 volunteers
- To facilitate communication amongst COJMA volunteers
- To gain the loyalty of the 2005 volunteers through access to an exclusive informational plan

Table 6.5  Job Description for a Protocol Assistant

<table>
<thead>
<tr>
<th>Position</th>
<th>Responsibilities</th>
<th>Profile</th>
<th>Centre of operations</th>
<th>Associated department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protocol Assistant</td>
<td>Reception at the Protocol Office at the official hotel</td>
<td>Advanced level in foreign languages (English, French or Arabic) and knowledge of protocol</td>
<td>Official hotel</td>
<td>NOC Relations</td>
</tr>
</tbody>
</table>

(continued)
This programme took an innovative form that consisted of online training, and the vast majority of volunteers were trained over the Internet. The rest were regularly assembled for training days that required them to be in attendance. The contents of the training programme covered five thematic blocks corresponding to the five colours of the Mediterranean star, the logotype for the Almería Mediterranean Games:

- Green referred to general aspects of volunteering
- Blue referred to the Mediterranean Games and the Mediterranean spirit
- Red referred to the Almería 2005 project and its organisational structure
- Black referred to themes involving the city and province of Almería
- Yellow referred to first aid and security activities

The training package created for the 2005 Games contained the three aspects outlined in section 6.4. It included information on the event, information on its mission and information specific to the volunteer’s team. In addition, the training programme allowed the volunteers to learn the values and symbols of the event, to understand how they fit into the organisation, and to understand the operational details of the event. This resulted in an effective and efficient voluntary workforce.

**Amenities, Sites and Spaces**

The XV Mediterranean Games Almería 2005 were staged at a central location, the city of Almería, as well as at six sport sites and two cultural sites. The spatial organisation of the Games can be considered using the three circles of a sport event.

**Sport Zones**

The sport sites were El Ejido (football and basketball), Vícar (handball and football), Roquetas de Mar (handball, table tennis, fencing and football), Húercal de Almería (wrestling and tennis), Gádor (shooting) and Cuevas del Almanzora (rowing and canoeing and kayaking). The cultural sites were Adra and Vera. The other sport competitions took place in existing facilities within the capital.

A total of 27 sport stadiums were used during the Games, among which the Mediterranean Stadium and the Mediterranean Sports Palace stand out. Both of these facilities are located on the Vega de Acá Complex. The Mediterranean Stadium was the main construction project completed for the Mediterranean Games. It housed the athletic competitions and the competitions for the para athletics, the football final, and the opening and closing ceremonies. In terms of legacy, the stadium, designed as a multifunctional facility, now serves as a conference and exhibition hall and is the future site of the Mediterranean Museum.
Auxiliary Facilities

In addition to the artistic gymnastics and volleyball competitions, the Mediterranean Sports Palace held a variety of support facilities. This new facility included spaces essential to running the Games, such as the VIP lounge, press room, organisation offices, anti-doping control office, federation area and volunteer lounge. It also has a covered athletic track, which meant that athletic competitions could take place on a covered surface.

The Village included 1,052 apartments and individual houses. The Multipurpose Building, which housed all of the services for the Mediterranean Village and covered more than 7,500 square metres of construction, included organisational offices, accreditation offices, dining halls, leisure rooms and rooms for religious services, as well as gyms for the athletes’ personal training. Following the Mediterranean Games, the building now serves as an exhibition and conference centre, and it is a supplement to the services provided by hotels constructed in El Toyo, adding to the offering of tourist and residential apartments.

Environmental Impact

Sport events of this size inevitably have an impact on the cities that host them. Constructing or equipping large-capacity sport facilities, accommodations for athletes, and ad hoc communication systems all affect the locality. In order to protect the environment, and in accordance with legislation passed by both Spain and the European Union, all projects for Almería 2005 underwent a study to evaluate their environmental impact. The organisation of the 2005 Games also followed the recent Olympic sustainable sport movement to protect the environment and was supported by an environmental action plan. All of this reflects best practice in the management of amenities, sites and spaces.

This case study shows how the staging of a major event needs to take into account the principles discussed in this chapter. Although the Mediterranean Games is a large event, most of the phases followed by the COJMA are also applicable for smaller events. All events require careful planning and a management structure. Venues will need to be identified, and although there may be no legacy involved, it is important to consider the circles of the event. All events require a sport zone and auxiliary facilities, even if these are limited in size. All events have an environmental impact, which may simply be the impact of car parking on the local community or increased use of public transport. Human resources will be needed to stage the event and these should be planned carefully. Planning the human resources for an event is arguably more important if the event is small since it may attract limited numbers of volunteers. The size of an event makes little difference to the process followed in staging that event.
References


Index

Note: The letters f and t after page numbers indicate figures and tables, respectively.

<table>
<thead>
<tr>
<th>A</th>
<th>accommodation sites 327</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>accounting for finances</td>
</tr>
<tr>
<td></td>
<td>auditing accounts 195-196</td>
</tr>
<tr>
<td></td>
<td>financial record keeping 192-195</td>
</tr>
<tr>
<td></td>
<td>managing risk with legal documentation 190-192, 196f-197f</td>
</tr>
<tr>
<td></td>
<td>receipts of transactions 194</td>
</tr>
<tr>
<td></td>
<td>accreditation sites 326-327</td>
</tr>
<tr>
<td></td>
<td>action plans</td>
</tr>
<tr>
<td></td>
<td>content of 85t</td>
</tr>
<tr>
<td></td>
<td>developing 86</td>
</tr>
<tr>
<td></td>
<td>OSO objectives and 84</td>
</tr>
<tr>
<td></td>
<td>partnerships and 87f</td>
</tr>
<tr>
<td></td>
<td>Swaziland Olympic and Commonwealth Games Association [SOCGA] 88f-90f</td>
</tr>
<tr>
<td></td>
<td>Zimbabwe Olympic Committee [ZOC] 104-105f</td>
</tr>
<tr>
<td></td>
<td>activation, brand 255-256</td>
</tr>
<tr>
<td></td>
<td>administrative and secretarial tasks 302f</td>
</tr>
<tr>
<td></td>
<td>advantage, competitive</td>
</tr>
<tr>
<td></td>
<td>defined 266</td>
</tr>
<tr>
<td></td>
<td>factors likely to create 276f</td>
</tr>
<tr>
<td></td>
<td>advertising 226. See also marketing agreements</td>
</tr>
<tr>
<td></td>
<td>advertising 227-228</td>
</tr>
<tr>
<td></td>
<td>licensing 228</td>
</tr>
<tr>
<td></td>
<td>sponsorship 228, 230-231</td>
</tr>
<tr>
<td>B</td>
<td>Amateur Swimming Association [ASA]</td>
</tr>
<tr>
<td></td>
<td>balance sheet 206f</td>
</tr>
<tr>
<td></td>
<td>operating statement 203, 204f-205f</td>
</tr>
<tr>
<td></td>
<td>amenities, sites, and spaces</td>
</tr>
<tr>
<td></td>
<td>auxiliary sites 326-328</td>
</tr>
<tr>
<td></td>
<td>environment of a sport event 328-329</td>
</tr>
<tr>
<td></td>
<td>Mediterranean Games example 342-343</td>
</tr>
<tr>
<td></td>
<td>Pan American Games example 329, 330-333</td>
</tr>
<tr>
<td></td>
<td>sport zone 324f-325</td>
</tr>
<tr>
<td></td>
<td>three circles of a sport event 323, 324f</td>
</tr>
<tr>
<td></td>
<td>analysis, SWOT</td>
</tr>
<tr>
<td></td>
<td>defined 73f-75</td>
</tr>
<tr>
<td></td>
<td>examples of 75-76f, 101f</td>
</tr>
<tr>
<td></td>
<td>annual budget 179, 180f</td>
</tr>
<tr>
<td></td>
<td>Argentine Olympic Committee</td>
</tr>
<tr>
<td></td>
<td>prospecting strategy of 229-230</td>
</tr>
<tr>
<td></td>
<td>sponsorship agreements of 230-231</td>
</tr>
<tr>
<td></td>
<td>assets</td>
</tr>
<tr>
<td></td>
<td>cash 171</td>
</tr>
<tr>
<td></td>
<td>defined 167</td>
</tr>
<tr>
<td></td>
<td>value in-kind 172</td>
</tr>
<tr>
<td></td>
<td>athletes, challenging talented 282</td>
</tr>
<tr>
<td></td>
<td>athlete village 327</td>
</tr>
<tr>
<td></td>
<td>auditing, environmental 46-47</td>
</tr>
<tr>
<td></td>
<td>auditing accounts 195-196</td>
</tr>
<tr>
<td></td>
<td>auxiliary sites</td>
</tr>
<tr>
<td></td>
<td>accommodation sites 327</td>
</tr>
<tr>
<td></td>
<td>accreditation sites 326-327</td>
</tr>
<tr>
<td></td>
<td>athlete village 327</td>
</tr>
<tr>
<td></td>
<td>defined 324f, 326</td>
</tr>
<tr>
<td></td>
<td>event headquarters 326</td>
</tr>
<tr>
<td></td>
<td>links between 328</td>
</tr>
<tr>
<td></td>
<td>Mediterranean Games example 342</td>
</tr>
<tr>
<td></td>
<td>Pan American Games example 332</td>
</tr>
<tr>
<td></td>
<td>reception sites for sport delegations 326</td>
</tr>
<tr>
<td></td>
<td>Badminton Federation, French 285-287</td>
</tr>
<tr>
<td></td>
<td>balance sheet 167, 203, 205, 206f</td>
</tr>
<tr>
<td></td>
<td>Barbados Olympic Association (BOA) staff handbook</td>
</tr>
<tr>
<td></td>
<td>description of BOA 114</td>
</tr>
<tr>
<td></td>
<td>formalising hours of work 116-117</td>
</tr>
<tr>
<td></td>
<td>formalising positions and responsibilities 116</td>
</tr>
<tr>
<td></td>
<td>formalising relationships 116</td>
</tr>
<tr>
<td></td>
<td>formalising remuneration conditions 117-118</td>
</tr>
<tr>
<td></td>
<td>general rules and regulations 119-120</td>
</tr>
<tr>
<td></td>
<td>purpose of 115</td>
</tr>
<tr>
<td></td>
<td>bidding on organising a world championship 284, 285-287</td>
</tr>
<tr>
<td></td>
<td>bidding phase</td>
</tr>
<tr>
<td></td>
<td>defined 305</td>
</tr>
<tr>
<td></td>
<td>example of 305</td>
</tr>
<tr>
<td></td>
<td>Board members</td>
</tr>
<tr>
<td></td>
<td>conflict management by 154-156</td>
</tr>
<tr>
<td></td>
<td>effectiveness of 30</td>
</tr>
<tr>
<td></td>
<td>key functions of 12</td>
</tr>
<tr>
<td></td>
<td>in organisational hierarchy 14f, 15</td>
</tr>
<tr>
<td></td>
<td>risk management and 29-33</td>
</tr>
<tr>
<td></td>
<td>role in governance 27-29</td>
</tr>
<tr>
<td></td>
<td>as stakeholders 70</td>
</tr>
<tr>
<td></td>
<td>strategic plan and 64, 66f, 67</td>
</tr>
<tr>
<td></td>
<td>brand, defined 222</td>
</tr>
<tr>
<td></td>
<td>brand activation 255-256</td>
</tr>
<tr>
<td></td>
<td>brand equity 262, 263f</td>
</tr>
<tr>
<td></td>
<td>British Olympic Association (BOA)</td>
</tr>
<tr>
<td></td>
<td>goals and purposes of 20</td>
</tr>
<tr>
<td></td>
<td>people of 20-22</td>
</tr>
<tr>
<td></td>
<td>structure, roles, and responsibilities of 18, 19f</td>
</tr>
<tr>
<td></td>
<td>British Swimming 176-177</td>
</tr>
<tr>
<td></td>
<td>budget expenditure and control 183</td>
</tr>
<tr>
<td></td>
<td>budget income 182-183</td>
</tr>
</tbody>
</table>
budgeting
  compiling a budget 178-179
  defined 177
  in Ecuador Olympic Committee 183, 184-189f
  types of budgets 179-182
C
  Canadian Olympic Committee 17f
  capital budgets 182f
  capital expenditure 167
  centralisation 13
  change, management of
    environmental auditing and 46-47
    examples of change 45
    resistance to change 48-49
    South African sport and 52-54
    success in 50-52
  change team 50
  communication skills 149-151
  communication strategy, marketing
    choice of media 244f-245
    defined 240
    impact of 245f-246
    objectives 241-242
    Olympic Committee of Slovenia example 273-275
    process of developing 241f
    tactics 243-244
    targets 241, 242-243
  competition grounds and areas 324
  competitive advantage
    defined 266
    factors likely to create 276f
  competitor analysis 261f
  confidentiality of information 201-203
  conflict management
    example of 154-156
    need for 152
    timing of intervention 153
    strategy for 153
  conflicts of interest 191-192
  consultants, outside 65, 66f
  contracts
    advertising agreements 227-228
    licensing agreements 228
  contracts, employment 110
  control and evaluation
    barriers to evaluation 93-94
    French Federation of Canoeing and Kayaking
      evaluation criteria 95-97
      how to evaluate 90-91f
    performance indicators and 91, 92-93
    of Zimbabwe Olympic Committee (ZOC) 106
  corporate governance 22, 23. See also
governance of OSOs
  cost estimating 174
  culture, organisational
    change and 47
    description of 23-24
  currency conversion 195
  Cyprus National Olympic Committee 75-76f
D
  decision making 147, 148f
  deficit 167
delic or tort 5
  diagnosis, market
    competitor analysis 261f
    defining your marketplace 260
    market position 261-262
    market segmentation 260t
    purpose of 259
diagnosis, OSO environment
  Cyprus National Olympic Committee
    example 75-76f
  defined 70
  identifying stakeholders 70-72
  internal and external analysis 72-75
  key recommendations for 75
diffusion 242, 244f
directors and officers liability insurance (DOLI) 190
diversification 267
divisional structure 292f
don’t go segments 266
dress code 316f
E
  economic factors
    description of 4-5
    example of 9
  Ecuador Olympic Committee 183, 184-189f
  electronic management in OSOs
    extranets 41
    forms of 39
    implementation of 42
    internal communication and 40
    Internet as interface 39, 40
  Oceania National Olympic Committees example 43-45
  organising OSO development and 41
  questions to ask about 41-42
  shared networks and 39
  employment contracts 110
  employment law 6
  environmental auditing 46-47
  environmental diagnosis of the OSO
  Cyprus National Olympic Committee
    example 75-76f
    defined 70
    identifying stakeholders 70-72f
    internal and external analysis 72-75
    key recommendations for 75
  Zimbabwe Olympic Committee example 99-101f
  Estonian Olympic Committee (EOC) 35-36
evaluation and control
  barriers to evaluation 93-94
  French Federation of Canoeing and Kayaking
    evaluation criteria 95-97
    how to evaluate 90-91f
  performance indicators and 91, 92-93
  of Zimbabwe Olympic Committee (ZOC) 106
event, phases of
  design 298
  development 299
  implementation 299
Mediterranean Games example 336-338
World Athletics Championships example 304, 305-308

event management
  bidding on World Badminton Championships 284, 285-287
  coordination and logistics 303
  promotion and sales 303-304
  risks involved in 284
  secretarial, administrative and management work 302
  tasks to be accomplished 299-304
  three goals achieved by 282-284
World Athletics Championships example 304, 305-308

Executive Board
  conflict management by 154-156
  effectiveness of 30
  key functions of 12
  in organisational hierarchy 14f, 15
  risk management and 29-33
  role in governance 27-29
  as stakeholders 70
  strategic plan and 64, 66t, 67
  expectations, stakeholder 233-234
  expected quality 232
  expert skills 25
extranets 41

filing systems, Web-based 39
financial evaluation and reporting
  balance sheet 203, 205, 206t
  evaluation 198-199
  operating statement 203, 204t-205t
  of Palestinian Rowing Federation (PRF) 207-210
  reporting 199-203

financial management
  Board chair and 164
  defined 164
  key definitions in 167
  of Papua New Guinea Olympic Committee (PNGOC) 168-170
  treasurers and 165

financial management cycle 165-167
financial planning. See also budgeting
  assets and 171-173
  in British Swimming 176-177
  defined 170
  key concepts in 173-175

financial prudence and risk management 30
financial record keeping
  currency conversion 195
  generally accepted accounting principles (GAAP) 193-194

receipts 194
retrievable records 192, 193

financial reporting project, Swiss Olympic Association
  classification codes for 213, 214t-215t
  data collection for 211, 213
  GAAP implementation in Swiss Gymnastics Association 217-218
  generally accepted accounting principles (GAAP) and 193-194, 210-211
  project limitations 216
  project strengths 217
  time frame and process for 212f

flag, emblem, and anthem 16, 17
formalisation, defined 14
formalising hours of work 116-117
formalising positions and responsibilities 116
formalising relationships 116
formalising remuneration conditions 117-118
formal training 140

French Badminton Federation 285-287
French Federation of Canoeing and Kayaking (FFCK) 95-97
French Volleyball Federation (FFVB) 262, 263t

functional aspects of the organisation
  divisional structure 292f
  matrix structure 293, 306f
  South Pacific Games example 293, 294-298

Gambia National Olympic Committee (GNOC) 157-162t
General Assemblies, purpose of 16
General Assembly members
  as stakeholders 70
  strategic planning and 64, 67

generally accepted accounting principles (GAAP)
  defined 193-194
  for Swiss OSOs 210-218
goals achieved by organising events 282-284
goals and purposes of OSO 17

governance of OSOs
  Board’s role in 27-29
  checklist 33-35
  corporate governance 22, 23
  Estonian Olympic Committee (EOC) example 35-36
  organisational culture and 23-24
  politics and 26
  power and 25-26
  risk management and 29-33
  South African sport and 52-54

grant writing 183

handbook, Barbados Olympic Association staff
  description of BOA 114
  formalising hours of work 116-117
  formalising positions and responsibilities 116
  formalising relationships 116
handbook, Barbados Olympic Association staff  
(continued)  
formalising remuneration conditions 117-118  
general rules and regulations 119-120  
purpose of 115  
hours, work 111-112, 116-117  
human resources management (HRM)  
  auditing and 46  
  defined 108  
  developing HRM strategy 120-128  
  for Gambia National Olympic Committee (GNOC) 157-162  
  key recommendations for 114  
  organising 109-120  
  recruitment and motivation 128-137  
  skills for 146-157  
  training 137-146  
I  
indemnification and waivers 192, 196f-197f  
informal training 140  
information and communication technology (ICT)  
  description of 37, 39-42  
  in Oceania National Olympic Committees (ONOC) 43-45  
information management  
  electronic management 39-42  
  good information 38-39  
  in Oceania National Olympic Committees (ONOC) 43-45  
  in Olympic Council of Malaysia (OCM) 60  
  use of information in OSOs 37-38  
infrastructure 89t, 172  
inpirational dream 68, 69f  
isurance 190-191  
integrated marketing communication (IMC)  
  choice of media 244f-245  
  communication objectives 241-242  
  communication tactics 243-244  
  communication targets 241, 242-243  
  defined 240  
  impact of communication strategy 245f-246  
  process of developing 241f  
intellectual property 6, 31  
internal communication 316f, 317  
internal recruitment 130f, 131f  
International Accounting Standards Board (IASB) 194  
International Federations (IFs) 3f  
International Olympic Committee (IOC)  
  founding of 3  
  website 3  
Internet domain names 225  
Internet use 39, 40  
intranet 40  
intrinsic rewards 132, 133-134  
Iran, Olympic Day Run in 283  
Iraq, National Olympic Committee of 13, 14f  
J  
job descriptions  
  example of 111f  
  formalising positions with 110  
  roles, responsibilities, and 15  
  sport events and 311  
  volunteers and 341f  
K  
Kuwait Olympic Committee (KOC) 247-249  
L  
learning organisations 143  
legal and political aspects of organisational structure  
  Mediterranean Games example 334  
  South Pacific Games example 293, 294-298  
  types of legal entity 289-290  
  types of legal structure 290-291  
  who organises event? 288  
legal documentation and risk management 190-192  
legal factors in OSOs 5-6  
  in Trinidad and Tobago Olympic Committee (TTOC) 10  
legal risks 31  
Lesotho National Olympic Committee 268-272  
liability 167. See also risk management  
liability, waivers of 192, 196f-197f  
liability insurance, directors and officers 190  
licensing 226  
licensing agreements 228  
lipidity 167  
listening skills 150-151  
logistics 303f  
logos 225  
M  
macroenvironment 71f  
management, change  
  environmental auditing and 46-47  
  examples of change 45  
  resistance to change 48-49  
  South African sport and 52-54  
  success in 50-52  
management, financial. See also budgeting  
  Board chair and 164  
  cycle 165-167  
  defined 164  
  key definitions in 167  
  of Papua New Guinea Olympic Committee (PNGOC) 168-170  
  treasurers and 165  
management, quality  
  expected quality 232f  
  gap between expectations and perceptions 236-237f  
  importance of 231  
  key recommendations for 237
Olympic Committee of Slovenia example 273
perceived quality 232f, 235-236
Romanian Olympic and Sports Committee (ROSC) example 238-240
stakeholder expectations and 233-234f
stakeholder satisfaction and 233
management, risk
annual reports and 33
assessment of risks 29, 30-31
insurances 190-191
quantifying risk 31
waivers of liability 192, 196f-197f
management, strategic
action plans 84-90
control and evaluation 90-97f
cycle 62f
defined 62
diagnosis of OSO environment 70-76f
as five-step process 62f
key recommendations for 67
Peak Performance Framework for 68, 69t
preparation for 63-69t
steps of strategic planning 97t-98t
vision, values, mission and strategic objectives 77-84
of Zimbabwe Olympic Committee (ZOC) 98-106
marketing
current offerings 222-224t
defined 220
four challenges in 220
key recommendations for 229
quality of offerings and 231-240
of services 221-222
sponsorship and 249-259
marketing communication strategy
choice of media 244t-245
communication objectives 241-242
communication tactics 243-244
communication targets 241, 242-243
defined 240
impact of 245t-246
Olympic Committee of Slovenia example 273-275
process of developing 241f
marketing rights
categories of marketing activity 226
contracts and 227-228
defined 224
legal position 226
limitations on activities due to rights of third parties 226
Olympic Charter limitations 227
trademarks 224, 225
marketing strategy
environmental analysis 262
of Lesotho National Olympic Committee 268-272
market diagnosis 259-262
Olympic Committee of Slovenia example 275-277
strategic marketing decisions 262-267
market penetration 267
market portfolio
Argentine Olympic Committee 229-231
defined 223, 224t
market segmentation 260t
mascots 225f
matrix structure 293, 306f
Mediterranean Games, 2005
amenities, sites and spaces 342-343
competition schedule 339f
deciding whether to organise 334
functional structures 335f
human resources for 338, 340/342
legal and functional structures 334
mascot 225f
opening ceremony of 333
organising 336-338
recruitment 340-342
subcontracting and 336
microenvironment 71f
mission
defined 78
of NOCs 15
questions for developing a 78-79
social concerns in 79-80
strategic objectives and 81
of Swiss Swimming Federation 80f
motivation at work
defined 132
intrinsic rewards and 132, 133-134
volunteers and 134-137
N
National Federations [NFs] 3f
National Olympic Committee of Albania 144-146
National Olympic Committees [NOCs] 3f
nature of Olympic Sport Organizations (OSOs)
core elements 11
goals and purposes 17
people 11, 12-15
resources 11
rules, tasks, roles and responsibilities 15-16
structural change in an NOC 18-22
New Zealand Olympic Committee (NZOC) 68, 69t
NOCs. See National Olympic Committees
nondisclosure agreement 202
not-for-profit structure 290
O
objectives, strategic
defined 81-82f
example of 84
Oceania National Olympic Committees 43-45
offerings
core and peripheral 223
defined 221-222
offerings (continued)
expectations of 233-234f
identifying 222
listing 222
portfolio assessment and 223-224t
quality of 231-232
stakeholders and 223t

offerings, quality management of
expected quality 232f
gap between expectations and perceptions 236-237f
importance of 231
key recommendations for 237
Olympic Committee of Slovenia example 273
perceived quality 232f, 235-236
Romanian Olympic and Sports Committee (ROSC) example 238-240
stakeholder expectations and 233-234f
stakeholder satisfaction and 233
office hours 111-112, 117
office rules and regulations
employment contracts 110
remuneration conditions 112-113t
staff handbook example 114-120
work hours 111-112, 116-117

Olympic Council of Malaysia (OCM) 54, 55-60
Olympic Movement 3f
Olympic rings 2, 3, 224, 225

Olympic Sport Organisations (OSOs)
defined 11
governance of 22-36
information management in 37-45
management of change in 45-54
nature of 11-22
operating environment of 2-10
Olympic Sport Organisations, governance of Board’s role in 27-29
checklist 33-35
corporate governance 22, 23
Estonian Olympic Committee (EOC) example 35-36
organisational culture and 23-24
politics and 26
power and 25-26
risk management and 29-33
South African sport and 52-54

Olympic Sport Organisations, information management in
electronic management 39-42
good information 38-39
in Oceania National Olympic Committees (ONOC) 43-45
in Olympic Council of Malaysia (OCM) 60
use of information in OSOs 37-38

Olympic Sport Organisations, management of change in
environmental auditing and 46-47
examples of change 45
resistance to change 48-49
South African sport and 52-54
success in 50-52

Olympic Sport Organizations (OSOs), nature of core elements 11
goals and purposes 17
people 11, 12-15
resources 11
rules, tasks, roles and responsibilities 15-16
structural change in an NOC 18-22
operating environment of OSOs
economic factors in 4-5
illustration of 7-10
legal factors in 5-6
Olympic Movement and 2, 3f
political factors in 4
operating statement
defined 203
example of 204t-205t
operational summary 311, 312f
opportunities and threats
defined 73f, 74
examples of 76f, 101f
organisation, an
defined 11
people in 11, 12-15
resources of 11-12
rules of 11, 15-16
three core elements of 11
organisational culture
change and 47
description of 23-24
organisation chart
divisional structure for 292f, 293
formalising relationships with 111
human resources requirements and 311
matrix structure for 293, 306f
operating structure and 297f
South Pacific Games Organising Committee (SPGOC) 296f
organising a sport event
bidding on World Badminton Championships 284, 285-287
logistics 303f
management and coordination 299-300f
managing sport operations 301f
phases of an event 298-299
promotion and sales 303-304f
risks involved in 284
secretarial, administrative and management work 302f
tasks to be accomplished 299-304
three goals achieved by 282-284
World Athletics Championships example 304, 305f-308

OSOs. See Olympic Sport Organisations
OSO environment, diagnosis of
Cyprus National Olympic Committee example 75-76f
defined 70
identifying stakeholders 70-72f
internal and external analysis 72-75
key recommendations for 75
Zimbabwe Olympic Committee example 99-101f
OSO governance
- Board’s role in 27-29
- clear delineation of governance roles 26, 33
- Estonian Olympic Committee (EOC) example 35-36
- governance controls 27, 33-34
- governance improvement 27, 34
- governance processes 26, 33
- member responsiveness and 27, 34
- organisational culture and 23-24
- politics and 26
- power and 25-26
- risk management and 29-33
- size of the Board and 28-29
- South African sport and 52-54
- stakeholder involvement and 29
- overheads 167

P
- Palestinian Rowing Federation (PRF) 207-210
- Papua New Guinea Olympic Committee (PNGOC)
  - financial management principles for 168-170
  - vision, values, mission, and strategic objectives of 83-84
- Peak Performance Framework (PPF)
  - aspects of 69f
  - strategic planning and 68, 78
- people. See also personnel management in OSO; stakeholders
  - as core of organisation 111
  - individual identities 12
  - roles and formal positions of 12-15
  - stakeholders 15
- perceived quality 232f, 235-236
- performance indicators (PIs)
  - defined 91
  - French Federation of Canoeing and Kayaking 95-97
  - milestones 91
  - using 92-93
- personalisation 242, 244f
- personality and power 25
- personnel for a sport event
  - evaluation, follow-up, and 317-318
  - internal communication and 316f, 317
  - motivating 314-316
  - organising and scheduling 308-310f
  - recruiting 312-313, 322
  - required services 310
  - training 309, 313
  - volunteer management 315f-316f, 319f-322
- personnel management in OSO
  - defined 108
  - developing HRM strategy 120-128
  - for Gambia National Olympic Committee (GNOC) 157-162f
  - organising 109-120
  - recruitment and motivation 128-137
  - skills for 146-157
  - training 137-146

phases of an event
- design 298
- development 299
- dissolution 299
- implementation 299
- Mediterranean Games example 336-338
- World Athletics Championships example 304, 305/308
- Philippine Amateur Swimming Association (PASA) sponsorship plan 257-259

plans, action
- content of 85f
- developing 86
- OSO objectives and 84
- partnerships and 87f
- Swaziland Olympic and Commonwealth Games Association (SOCGA) 88-90f
- Zimbabwe Olympic Committee (ZOC) 104-105f

political factors 4
- power and governance 25-26
- problem solving 148-149
- professionalisation 14
- profit and loss account 167
- project budgets 180, 181f
- promotion and sales 303-304f
- public relations strategy. See also marketing communication strategy
  - choice of media 244t-245
  - Kuwait Olympic Committee (KOC) example 247-249
  - stages of planning 240-241f

Q
- Qatar National Olympic Committee (QNOC) 134-137
- quality management of OSO offerings
  - expected quality 232f
  - gap between expectations and perceptions 236-237f
  - importance of 231
  - key recommendations for 237
  - Olympic Committee of Slovenia example 273
  - perceived quality 232f, 235-236
  - Romanian Olympic and Sports Committee (ROSC) example 238-240
  - stakeholder expectations and 233-234f
  - stakeholder satisfaction and 233
- quantifying risk 31

R
- receipts of transactions 194
- reception sites for sport delegations 326
- record keeping, financial
  - currency conversion 195
  - generally accepted accounting principles (GAAP) 193-194
  - receipts 194
  - retrievable records 192, 193

recruitment
- defined 129
- evaluating human resources needs 129f
recruitment \(\text{(continued)}\)
importance of 128
internal 130f., 131f.
procedures 131-132
strategies 130f.
remuneration conditions 112-113t
reporting, financial
balance sheet 203, 205, 206t
evaluation 198-199
operating statement 203, 204t-205t
of Palestinian Rowing Federation (PRF) 207-210
reporting 199-203
reserves 167
resistance to change 48-49
revenue expenditure 167
rewards, intrinsic 132, 133-134
rings, Olympic 2, 3, 224, 225
risk management 31
risk management and governance
annual reports and 33
assessment of risks 29, 30-31
quantifying risk 31
risk management and legal documentation
conflicts of interest 191-192
insurances 190-191
waivers of liability 192, 196f-197f
risk register 32t
Romanian Olympic and Sports Committee (ROSC) 238-240
rules
of NOCs 15-16
organisations and 11, 15
rules, office
employment contracts 110
remuneration conditions 112-113t
staff handbook example 114-120
work hours 111-112, 116-117
S
salary policy 112-113t
sales and promotion 303-304t
scheduling human resources activities 310f.
secretarial, administrative and management work 302f.
segment attractiveness–competitiveness matrix 265f.
service facilities and amenities 325
service offerings
core and peripheral 223
defined 221-222
expectations of 233-234f
identifying 222
listing 222
portfolio assessment and 223-224t
quality of 231-232
stakeholders and 223t, 233-234f
service offerings, quality management of
expected quality 232f
gap between expectations and perceptions 236-237f
importance of 231
key recommendations for 237
Olympic Committee of Slovenia example 273
perceived quality 232f, 235-236
Romanian Olympic and Sports Committee (ROSC) example 238-240
stakeholder expectations and 233-234f
stakeholder satisfaction and 233
sites, amenities, and spaces
auxiliary sites 326-328
environment of a sport event 328-329
Mediterranean Games example 342-343
Pan American Games example 329, 330-333
sport zone 324f-325
three circles of a sport event 323, 324f
sites, auxiliary
accommodation sites 327
accreditation sites 326-327
athlete village 327
defined 324f, 326
event headquarters 326
links between 328
Mediterranean Games example 342
Pan American Games example 332
reception sites for sport delegations 326
size, Board 28
size, organisational 13
skills for managing human resources
communication skills 149-151
conflict management 152-157
decision making 147, 148f
problem solving 148-149
time management 151-152
slander and libel 6
social activities for volunteers 323t
social bonding 243, 244t
sociocultural factors 4
South African Sports Confederation and Olympic Committee (SASCOC) 53
South Pacific Games, 2003 293, 294-298
spirit, organisation’s 68, 69t
sponsoring, defined 226
sponsors
objectives of 251-253t
as stakeholders 70
sponsorship
associations created by 250-251t
brand activation 255-256
defined 249
Olympic Committee of Slovenia example 273-275
operational model for managing 253f
packages 254, 255, 258
Philippine Amateur Swimming Association (PASA) sponsorship plan 257-259
return on investment (ROI) and 256
sponsorship agreements 228
sport event
amenities, sites and spaces for 323-333
classification of 281
deciding whether to organise 282-287
defined 280
human resources for 308-323
legal and functional structures of 288-298
Mediterranean Games case study 333-343
sport event, phases of
design 298
development 299
dissolution 299
implementation 299
Mediterranean Games example 336-338
World Athletics Championships example 304, 305-308
sport event management
bidding on World Badminton Championships 284, 285-287
coordination and logistics 303
managing sport operations 301
promotion and sales 303-304
risks involved in 284
secretarial, administrative and management work 302
tasks to be accomplished 299-304
three goals achieved by 282-284
World Athletics Championships example 304, 305-308
sport event personnel
evaluation, follow-up, and 317-318
internal communication and 316, 317
motivating 314-316
going and scheduling 308-310
recruitment of 312-313, 322
required services and 310
training of 309, 313
volunteer management 315f-316t, 319f-322
SPORTS acronym 91
sport zone
competition grounds and areas 324
defined 324f
Mediterranean Games 342
Pan American Games 332
public facilities 324
service facilities and amenities 325
staff handbook, BOA
description of Barbados Olympic Association (BOA) 114
formalising hours of work 116-117
formalising positions and responsibilities 116
formalising relationships 116
formalising remuneration conditions 117-118
general rules and regulations 119-120
purpose of 115
Stakeholder Interest-Control Matrix 72f
stakeholders
defined 15
expectations of 233-234f, 235t, 236
goals of 17
involvement of 29
market segmentation and 260t
satisfaction of 233
service offerings related to 223t
as targets for marketing 222
Zimbabwe Olympic Committee (ZOC) 99-100
standardisation of tasks 14
statutes 15-16, 291
strategic control and evaluation
barriers to evaluation 93-94
French Federation of Canoeing and Kayaking evaluation criteria 95-97
how to evaluate 90-91f
key recommendations for 94
performance indicators and 91, 92-93
of Zimbabwe Olympic Committee (ZOC) 106
strategic management cycle 62f
strategic management process
action plans 84-90
control and evaluation 90-97t
defined 62
diagnosis of OSO environment 70-76f
as five-step process 62f
key recommendations for 67
Peak Performance Framework for 68, 69t
preparation for 63-69t
steps of strategic planning 97t-98t
vision, values, mission and strategic objectives 77-84
of Zimbabwe Olympic Committee (ZOC) 98-106
strategic objectives
defined 62f, 81-82t
example of 84
strategic plan. See also strategic management process
developing a 64-69t
reasons for implementing 63-64
strengths and weaknesses
defined 73f, 74
elements of 76f, 101f
surplus 167
Swaziland Olympic and Commonwealth Games Association (SOCGA) 88t-90t
Swiss Gymnastics Association (SGA) 217-218
Swiss Olympic Association financial reporting project
classification codes for 213, 214t-215t
data collection for 211, 213
GAAP implementation in Swiss Gymnastics Association 217-218
generally accepted accounting principles (GAAP) and 193-194, 210-211
project limitations 216
project strengths 217
time frame and process for 212f
Swiss Swimming Federation (SSF)
misson of 80f
values of 79f
SWOT analysis
defined 73f-75
elements of 75-76f, 101f
symbols of OSOs
   examples of 225f, 272, 273t
   trademarks 224, 225

T
   threats and opportunities
      defined 73f, 74
      examples of 76f, 101f
   three-tier controlling and reporting structure 201f
   time management 151-152
   trademarks
      defined 225
      protection of 224
   training
      evaluation of 142
      for Gambia National Olympic Committee (GNOC) 161
      for Mediterranean Games 341-342
      for National Olympic Committee of Albania 144-146
      needs 138-139f
      plan 140-141f
      purpose of 137
      for sport event 313
   transparency
      confidentiality versus 202f
      defined 201
   Trinidad and Tobago Olympic Committee (TTOC)
      economic factors in 9
      legal factors in 10
      operating environment of 7
      political factors in 8
      sociocultural factors in 9

U
   United States Olympic Training Center waiver
      and release of liability 196f-197f

V
   value framework (Peak Performance Framework)
      aspects of 69f
      strategic planning and 68, 78
   values
      banners communicating 77
      of Papua New Guinea Olympic Committee (PNGOC) 83
      strategic planning and 78
      of Swiss Swimming Federation 79f
      of Zimbabwe Olympic Committee (ZOC) 103
   visibility of a sport 283
   vision, values, mission, and strategic objectives
      key recommendations for 82
      mission 78-81
      of Papua New Guinea Olympic Committee (PNGOC) 83-84
      strategic objectives 62f, 81-82t
      vision and values 78, 79f
      of Zimbabwe Olympic Committee (ZOC) 102-104
   volunteers
      at Mediterranean Games 338, 340f-342
      motivations of 134-137, 315
      recruitment of 313, 322
      salaried employees and 316
      social activities for 323t
      as stakeholders 70
      successful management of 315t-316t
      at Winter Universiade 319f-322

W
   waivers of liability 192, 196f-197f
   weaknesses and strengths
      defined 73f, 74
      examples of 76f, 101f
   Winter Universiade 319f-322
   work hours 111-112, 116-117
   workload and change 49
   World Anti-Doping Agency (WADA) 4, 45
   World Athletics Championships, 9th
      bidding phase 305
      closure phase 308
      operations phase 306
      planning phase 305-306
      site schedule 307f

Z
   Zimbabwe Olympic Committee (ZOC)
      action plans of 104-105f
      control and evaluation of 106
      diagnosis of environment in 99-101
      planning process in 98-99t
      SWOT analysis of 101f
      vision, values, mission, and strategic objectives of 102-104
   zone, sport
      competition grounds and areas 324
      defined 324f
      Mediterranean Games 342
      Pan American Games 332
      public facilities 324
      service facilities and amenities 325
About the Contributors

**Amar Addadi**, MA, is President of the International Committee for the Mediterranean Games (ICMG). Addadi holds a CAPEPS (physical education teacher qualification) and an Executive Masters in Sports Organisation Management (MEMOS) and has been Director of Classes for management training at the National Sports Centre in Algiers and Director of Performance Sport at the Ministry of Youth and Sports. Addadi was Secretary General of the Comité Olympique Algérien (Algerian Olympic Committee) for several mandates. He was Chairman of the ICMG Technical Commission from 1987 to 2003, Chairman of the Candidate Evaluation Commission for the 2005 and 2009 Mediterranean Games, and a member of the Executive Committee in 2001. He has been President of the ICMG since 2003.

**Gérard Barreau**, MA, is a professor at the Institut National du Sport et de l’Education Physique (INSEP, National Institute for Sport and Physical Education) in Paris. He obtained a DESS (master’s degree) in sport law and economics and a DEA (master’s degree) in sport culture. Barreau has worked as director or general manager for several local and national sport organisations and has written several articles and books about management of sport organisations and especially about legal matters. He teaches sport law and sport management in INSEP, in several French universities and in the MEMOS in French. Today he runs the sport management course of the INSEP Degree, the vocational training programme organised by the French Sport Ministry.

**Emmanuel Bayle**, PhD, is a professor at the University of Bourgogne in Dijon, France, and a MEMOS tutor. He earned a PhD in management and a master’s degree in management as well as a master’s degree in law and economics of sport from the University of Limoges. Bayle has taught sport management for 10 years at Lyon and Limoges Universities. He was a researcher in the Centre for Sport Law and Economics at the University of Limoges from 1994 to 2000 and worked in the Comité National Olympique et Sportif Français [French National Olympic and Sports Committee] from 1993 to 1994. Bayle has written several articles and three books on sport management, including *Strategic and Performance Management of Olympic Sport Organisations*. 
Laurence Boyer Collas, MA, is a professor at the Institut National du Sport et de l’Education Physique (INSEP, National Institute for Sport and Physical Education) in Paris. She has a master’s degree in urban sociology from the School of Higher Studies in Social Sciences (EHESS), a master’s degree in urban development and a master’s degree in management from the Institute of Business Administration (IAE). As a specialist in issues related to information systems, survey methodologies and the statistical treatment of data, she has held the position of researcher at the Ministry of Youth and Sports for eight years. At INSEP, Boyer Collas is responsible for sport organisation management training for high-level athletes and has contributed to the organisation of the MEMOS programme in French. She is a representative of the National Observatory of Careers in Sport and Organised Activities (ONMAS).

Laurent Boyer, MA, is a professor at the Institut National du Sport et de l’Education Physique (INSEP, National Institute for Sport and Physical Education) in Paris, where he teaches in the sport management programme. Boyer holds a master’s degree in sport management from the University of Paris Sud Orsay. For 10 years he has been manager of the data bank on the socioeconomic aspects of sport at the Ministry for Youth and Sports in France. In this capacity, he has designed information systems and models to aid in decision making. At INSEP and various other universities he teaches strategy, marketing and project management. Boyer works as a consultant on development strategies for sport organisations (NOCs and National and International Federations). He is the director of the MEMOS programme in French and for several years has been involved in the MEMOS programme in English.

Andreu Camps Povill, PhD, obtained a PhD in law from the University of Barcelona in 1992 and a master’s degree in sport law and economics from the University of Limoges in 1990. Camps graduated in physical education from INEFC-Barcelona (University of Barcelona) in 1985. Since then, he has been teaching at the National Institute of Physical Education of Catalonia at the University of Lleida. He specialises in legislation, organisation and marketing of sport. In 2004 he was elected as General Director of INEFC. Camps is a mediator at the Court for Arbitration of Sport (CAS). He is a MEMOS tutor and one of the academic directors of the MEMOS in Spanish, launched in November 2005.

Jean Camy, PhD, is professor emeritus at the University of Lyon, France. He obtained a PhD in sociology in 1981. Camy has been teaching sport sociology and human resource management in Lyon and, as an invited professor, in several European and American universities. He has completed research on the organisation and development of Olympic Sport Organisations in various countries.
and written more than 10 books in those areas. With European and international sport organisations, he has initiated programmes responding to their staffs’ needs. Camy was the first Director of the MEMOS programme, created in 1994 with the support of the IOC, and contributed to the conception of the Advanced Sport Management Courses, to which this manual corresponds.

**Jean-Loup Chappelet**, PhD, is a professor of public management at the Swiss Graduate School of Public Administration (IDHEAP) associated with the University of Lausanne. He was elected IDHEAP Director in 2003. He obtained a PhD from the University of Montpellier, France, and an MSc from Cornell University, New York. In the 1980s, he worked as Head of the IOC IT Department. He joined IDHEAP in 1993 after six years of management consulting in a Big Four firm. Chappelet specialises in sport management and sport policy with a particular emphasis on the organisation of Olympic Games and other sport events. He has written several books on sport organisations and is on the editorial boards of three sport management journals. Chappelet has been the MEMOS Director since 1999.

**Packianathan “Chella” Chelladurai**, PhD, has taught at the University of Madras in India, the University of Western Ontario in Canada, and Ohio State University in the United States. Chella has authored 5 books and more than 85 research articles on sport management and sport psychology. He is the first recipient of the Earle F. Zeigler Award from the North American Society for Sport Management and the first recipient of the Merit Award for Distinguished Service to Sport Management Education from the European Association of Sport Management. Chella has tutored in MEMOS ever since its inception. He obtained a BCom and DPE from the University of Madras, an MA from the University of Western Ontario and an MASc and PhD in management science from the University of Waterloo in Canada.

**Mark Clark**, MBE, MA, is a Sport for Development consultant. He obtained an LLB with honours from the University of Edinburgh in 1996. A solicitor and notary public specialising in intellectual property and technology law in the UK and India, he acted for the Scottish Premier Football League, the Rangers Football Club and the Scottish Rugby Union. Clark served in Iraq from June 2003 to June 2004, working to restart youth and sport activities and re-establish the Iraqi Ministry of Youth & Sport and sport institutions, including a new National Olympic Committee of Iraq (NOCI). Clark was a consultant to the NOCI from July 2004 to July 2005 and an advisor to the Iraqi team at the Athens 2004 Olympic Games. He was awarded an MBE for service in post-conflict reconstruction of Iraqi sport. A graduate of MEMOS VIII in 2005, Clark subsequently worked in the Democratic Republic of Congo. He currently works in Papua New Guinea, designing a Sport for Development initiative for AusAID.
**Joan Duncan** has been President of JDI Consulting, a professional management consulting firm specializing in not-for-profit organizations, since 1988. Duncan's experience includes physical education teacher, numerous management roles in municipal recreation and executive director of a national sport organization. She has experienced the Canadian sport system as an athlete, parent, volunteer and employee and has worked with many National Olympic Committees, Sport Councils and government agencies in Southern Africa, the Caribbean and Sri Lanka, particularly in the areas of capacity building and using sport as a tool in human development. Duncan was President of Commonwealth Games Canada and currently serves on the Board of Directors of the International Lifesaving Federation and the Halifax 2014 Commonwealth Games Bid Society. She lectures in the MEMOS Strategic Management Module.

**Alain Ferrand**, PhD, has been Head of the Sport Management Department at the University of Lyon since 1991. He is an associate professor at Scuola Dello Sport (Comitato Olimpico Nazionale Italiano, CONI—Italian National Olympic Committee) at the University of Turin and collaborates with the French national training and educational centre for top athletes (INSEP). He is in charge of the MEMOS in French, and he and Luiggino Torrigiani are both in charge of the English MEMOS module on sport marketing. Ferrand has experience with the marketing issues of National Olympic Committees, National Federations and sport clubs around the world. He has written several books and scientific articles on marketing of sport organisations and is on the editorial boards of two sport management journals.

**Ghassan Haddad**, MAT, is a DC Teaching Fellow in Washington, DC, where he is also completing a master’s degree in teaching at Trinity University. He received a MEMOS degree from Claude Bernard University at Lyon in 2003. His project—Toward a Sustainable Palestinian Rowing Federation: Sport as a Tool for Development—fostered important debate on changes in Palestinian sport policy. From 2002 to 2004 Haddad consulted for the Palestinian Olympic Committee, the United Nations Development Programme (UNDP) and Islamic University of Gaza, helping develop the first sport management diploma offered by a Palestinian university. He is a 2004 PARC Fellowship recipient for his research on the history of Olympism in the Mandate for Palestine. Haddad worked for four years in marketing and design and holds a bachelor’s degree in art history and interdepartmental programs from the University of Rochester in New York.

**Ian Henry**, PhD, is professor of Leisure Policy and Management at Loughborough University, UK. He is Director of the Centre for Olympic Studies and Research, established as a partnership between the university and the British Olympic Foundation in 2004. Henry obtained a PhD from Loughborough in 1987 and an MSc in recreation management from the same university in 1976. In 1974 he earned a BA in English and philosophy from the
About the Contributors

Henry has worked on policy projects for the European Union, the Council of Europe, the IOC and a variety of national sport governing bodies. He is currently responsible for the research project module of the English MEMOS.

Nicos Kartakoullis, PhD, is Director of the Centre for Leisure, Tourism and Sports Research and Development and a faculty member in the School of Business at Intercollege, Cyprus. He served as Director General of the Cyprus National Olympic Committee for nine years. Since 2000 he has been involved with the Sport Administrators Programme of Olympic Solidarity. He received his BSc degree with honours from Michigan State University, holds three postgraduate degrees (MA in education, MSc, MBA) and earned his PhD from the University of Southampton, UK. Kartakoullis served as Chef de Mission for the Cyprus delegation to the Atlanta and Sydney Olympic Games. He has been honoured by Michigan State University and by the House of Commons of Canada.

Marie Leroux, MSc, is the Human Resource Director of the Comité National Olympique et Sportif Français (French National Olympic and Sports Committee). She is also in charge of the training, employment and qualification issues for the French NOC. Leroux has three master’s degrees: in labour law from the University of Paris II, in sport law and economics from the University of Limoges, and the MEMOS. She is also President Delegate of EASE (European Association of Sport Employers) and manages a European project on the implementation of the social dialogue in the sport sector for the European Commission.

Denis Musso, MA, is a professor at the Institut National du Sport et de l’Education Physique (INSEP, National Institute for Sport and Physical Education) in Paris. Since 1992, he has managed the Sport Law Economics and Management Department, which established research, counselling and training. He tutors in MEMOS on a regular basis. In 1988 he earned a master’s degree in sport law and sport economics from Limoges University. Musso has been a board member of the European Association for Sport Management since 1998. Musso’s interests are elite and professional sport. In 2000 he delivered for the French government a report on the situation of professional sport in France. He is a member of the legal commission of both the French Basketball League and the French Rugby League.

Dick Palmer, CBE, MEd, FRSA, began his career as a physical education teacher. He moved into sport management, becoming Secretary General of the British Universities Sports Federation. In 1975 Palmer was appointed Deputy Secretary General of the British Olympic Association and in 1977 Secretary General, a post he held for 20 years until his retirement in 1997. During that period he was Chef de Mission of the British teams at 10 Summer and Winter
Olympic Games. For many years Palmer has been an advisor to the International Olympic Committee and Olympic Solidarity, especially regarding sport management. He is actively engaged in MEMOS and the Sport Administrators Programme. He was Technical Director of the successful London Olympic bid for the 2012 Games. Palmer was Vice President of the European Olympic Committees and was a member of the ANOC Executive Board for many years. In addition, he has served on the IOC’s Games Co-ordination Commissions for Atlanta, Sydney and Athens.

**Damjan Pintar**, MA, is a graduate in physical education from the University of Ljubljana and has a postgraduate degree in sport management (MEMOS). As a Marketing Director of the Olympic Committee of Slovenia, Association of Sports Federations (1998 to 2006), he developed an efficient model of Olympic marketing for small countries. Currently he is General Director of the Unior Turizem Company, which owns ski resorts, spas and sport centres in Slovenia. Pintar is an advisor of marketing matters for the Olympic Committee of Slovenia and the Slovenian Olympic Academy and provides marketing assistance to other NOCs through Olympic Solidarity’s NOC Exchanges. As an invited lecturer, he participated in numerous sport marketing seminars and helped several NOCs to develop their marketing. In Slovenia, he currently works as a part-time lecturer on sport marketing in the faculty of sport of the University of Ljubljana.

**Leigh Robinson**, PhD, is a lecturer in sport and leisure management at Loughborough University, UK. A graduate in physical education from the University of Otago, New Zealand, she obtained her PhD from Loughborough University in the area of quality management and municipal sport facilities. Her principal research interest is the management and measurement of performance, quality and governance in Olympic Sport Organisations. She works with public and voluntary organisations in order to improve performance and organisational change and is a member of England’s Amateur Swimming Association’s Board. She has been a tutor for the MEMOS programme since 2002.

**Luc Vandeputte**, MSc PE, ExMA, has a master’s degree in physical education from the Université Libre de Bruxelles and an executive master’s in general management from the Solvay Business School. He also specialised in sport management at the Belgian Olympic Academy. Vandeputte developed the FISU (International University Sport Federation) world headquarters in Brussels and was involved in supervising the organising committees of 20 biennial world championships and more than 18 World University Games. He culminated his FISU career as Director of the Summer World University Games. In 2002 Vandeputte established his own international consultancy and founded the Brussels European Sport Management Centre (BESMaC), a centre of excellence in sport management at the Solvay Business School, ULB. He is Executive Director of the Executive Programme in Sports Business Management and specialises in sport governance, value-driven management and e-management. Vandeputte joined MEMOS as a tutor in 2002.