

Community Legacies - Economic/Infrastructure

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Outline of Session

- Community Legacies - Economic/Infrastructure CA
- The promise and the reality CA
- Pre and post event studies CA
- Case studies – the good, the bad and the ridiculous CA
- Contextualising – the internal/external environments
- Review of Day 1 **KT/CA**
- **OUTPUT:** TOWS Matrix (external)

Economic Legacies

- Often assumed that hosting events generates net economic & social externalities
 - debates traditionally focused on economic rather than social/environmental and other areas
 - detractors emphasize costs - supporters overstate benefits

- Taxpayers (& politicians?) left only with information at endpoints of the spectrum of possibilities

Economic Legacies

- Much debate – controversial
- Legitimacy depends on integrity – questioned
- Evidence sometimes deliberately misleading
 - adverse incentives for policy makers to overstate benefits
- ‘gloomy’ data
- Differences between Ex Ante & Ex Post research

Economic Legacies

- Anticipated outcomes (especially economic) frequently not realized or below expectations
- Quantity & distribution of returns on public sector investment in sport events uncertain
 - no clear evidence that use of public funds results in sizable benefits
 - “gloomy” data (Downward et al, 2009)

Evidence

Ex ante Evidence (19 studies)

- often misleading
- considerable variance in results (data/assumptions/who)
- results not reliable
- incentives to win bids
- strong interest groups

Evidence

Ex post Evidence (5 long term studies)

- more reliable (consistent)
- neutral researchers
- data suggests that:

‘at best, hosting unique events or hosting post-season events adds nothing statistically to employment or the value of the economy, and at worst, can cost the locality’ (Downward et al, 2009, p. 369)

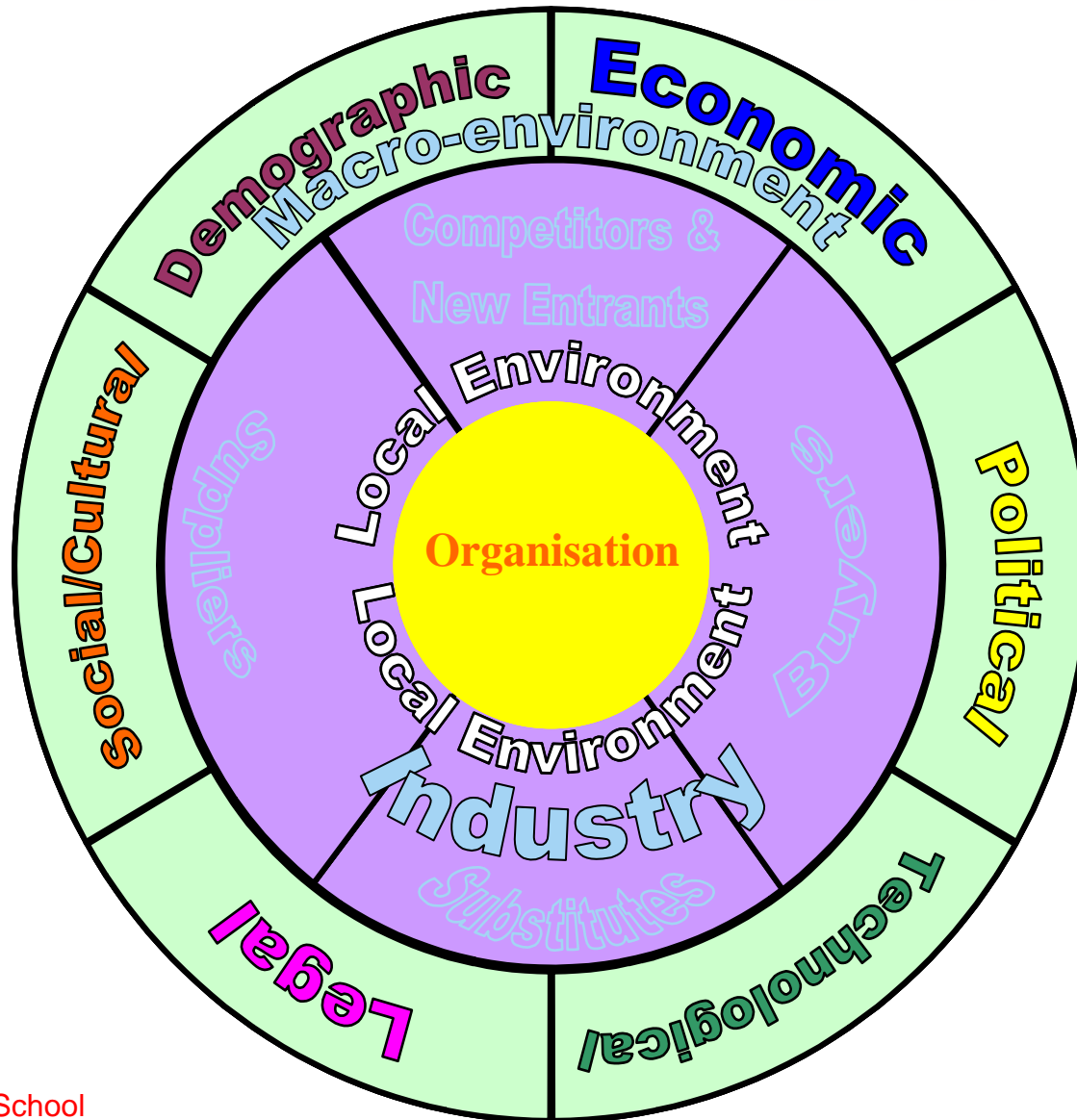
Economic Legacies

- Need for skepticism (Swindell & Rosentraub, 1998)
- Possible to assess expenditures during & immediately after sport events, but longer-term legacy is more elusive (Gratton et al., 2005).
- Ongoing stimulus may be required to sustain multiplier effects (Downward et al 2009)

Environmental Analysis

- The 'environment' consists of those factors **outside** the organisation that influence its strategy
- Two components:
 - macro-environment
 - industry or sector environment
- Macro-environment affects many sectors
- Industry environment affects the competitive positions of members

The external environment



The Macro-environment

- The analysis of the macro-environment attempts to answer two questions
 - 1. What major trends will impact the industry in the future?
 - 2. How will these trends impact the industry?
- This analysis typically conducted at the industry level not organisational level
- Identify OPPRTUNITIES AND THREATS

The Macro-environment

→ Macro-environment trends are divided into seven areas:

- Economic
- Political
- Technological
- Legal
- Social/cultural
- Demographic
- Sustainability

The Internal environment

- Understanding your organisation:
 - Distinctive competencies (unique?)
 - Staff
 - Culture
 - Processes
 - Areas of concern – needing development
- Requires rigour and honest/searching identification of **STRENGTHS** and **WEAKNESSES**

The TOWS Matrix

	STRENGTHS - <u>S</u> List strengths	WEAKNESSES - <u>W</u> List weaknesses
OPPORTUNITIES - <u>O</u> List opportunities	SO ACTIONS Use strengths to take advantage of opportunities	WO ACTIONS Overcome weaknesses by taking advantage of opportunities
THREATS - <u>T</u> List threats	ST ACTIONS Use strengths to avoid threats	WT ACTIONS Minimize weaknesses and avoid threats

QUESTIONS/DISCUSSION

