

A Study on Public-Private Partnership Development in Sports From the Perspective of the Stakeholder

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ABSTRACT

Public private partnership (PPP) involves many stakeholders whose personal interests may be inconsistent, leading to conflict of objectives. The purpose of this study is to find out the challenges of PPP development in sports field by comparing the views and benefits of different levels of severe stakeholders from the perspective of fierce stakeholders. Using the method of systematic literature review, the library of Taiwan Normal University was selected to search. Research shows that the PPP in the field of sports mainly focuses on sports infrastructure and sports health promotion projects. The analysis of key stakeholders shows that the government, the private sector, non-profit private charities, autonomous institutions, multi donor agencies, research and implementation personnel, and users / activity objects are the main stakeholders. According to the classification, the government and investors are still dominant. In the future, whether the government can form a partnership with the alliance and co-ordinate the development of public benefits of sports facilities depends on whether they can reach a consensus among policies. It is necessary to use the power in the leading field to protect the public interest. Different challenges faced by different stakeholders in PPP projects.

Keywords: stakeholder, PPP, public, private.

1. INTRODUCTION

Actively carrying out sports activities can help maintain and improve public health, improve the quality of life, prevent diseases and unite the society. Due to its social importance, sports development is becoming one of the priority directions of national policy. In the era when the government's financial resources are limited and the public demand is increasing, the government cooperates with non-governmental organizations to produce goods or provide services, and uses public private partnership (PPP) policy strategies to solve these difficulties [1]. Even governments around the world have increasingly turned to the private sector to participate in the development, financing and provision of sports infrastructure, as well as services, and partnerships are a key element of any successful organization [2]. PPP has been widely used in the field of sports, including venue construction, public private and outsourcing [3]. Although PPP has aroused the interest of practitioners and academia in sports field, it has not yet tried to integrate the literature to provide an overall view of PPP in the field of sports [4].

Previous studies have shown that PPP involves many stakeholders, whose personal interests may be inconsistent, leading to conflict of objectives [5]. In some cases, stakeholder opposition is the main cause of failure [6]. At the same time, stakeholder relationship is the main source of poor project performance [7]. The world bank has identified seven major barriers to private investment. The first is that there is a greater gap between government and the private sector in terms of reasonable and acceptable expectations. To ensure the operational efficiency of PPP projects is not a matter of one party, but the collective efforts of all stakeholders in the public-private partnership [8].

For example, stakeholder analysis and management (stakeholder analysis and management) includes stakeholders into the policy-making process, which is conducive to the decision-making process of multi stakeholder and multi-objective conflict [9]. Through the perspective of stakeholders, it is to compare the interests of different levels of stakeholders to understand the problems and the role of PPP development in the sports

field [10]. The purpose is to have better plans and policies for PPP projects.

Understanding the key stakeholders and roles in public private partnerships in sports [11].

Major challenges of public private partnership in sports field.

2. LITERATURE REVIEW

2.1 The Origin and Connotation of PPP

The origin and development of PPP show that it is between complete public and private. Different countries, scholars and practitioners have different perspectives, which leads to the definition of PPP in many ways. Public-private partnerships have also been translated into public-private partnership or public-private partnership. China's mainland is called cooperation between government and social capital. Smith and Ogden (1996) put forward a more flexible definition, that is, public-private partnership comes from the strategic action of interest alliance of more than one department.

It is generally understood that it is the cooperation between the public sector and the private sector at different stages of planning, construction, financial acquisition, operation and management provided by the state public sector [12]. However, if the complete privatization means that the government should withdraw from a certain public service market area, then the rise of PPP can be regarded as a reflection of incomplete privatization process, and PPP is already a general term of public-private cooperation. Based on the separation of ownership and risk-taking between public sector and private sector actors, there are differences in practice, such as build operate transfer, build operate transfer (BOT), build own operate transfer (BOOT), build transfer operate (BTO), transfer operate transfer (TOT) and reconstruction operation- Transfer (ROT) and operate transfer (OT) are PPP procurement modes. At present, BOT is widely used in academic and practical circles.

2.2 Stakeholder Theory

Jones (1995), "internal stakeholders" (stakeholders entrusted with the use of project resources to achieve project objectives) and "external stakeholders" (stakeholders affected by or considered to be affected by the project) [13]. "Power" means the influence of stakeholders on the firm. It has legitimacy, which means the norms of rights and obligations between interested parties and manufacturers. It has "urgency", which means that it can immediately attract the attention of manufacturers [14]. In the key evaluation checklist, it refers to the upstream affected persons (financing

institutions, taxpayers and political supporters), midstream affected persons (project personnel), downstream affected persons (recipients / users of services / products), and other affected persons (people who may be affected and may be protected from being affected) [15].

Four types of stakeholders: those who have power over the project (decision makers, funders and advisory committees); persons directly responsible for the project (project developers, managers, project managers and project staff); and; scheme beneficiaries and their families and communities; and vulnerable groups of the scheme (those who lose money). The concept of "R" extends the definition to include taxpayers and shareholders (who may not have heard of the plan but hold shares in the company) into Greene's first category; Include "inventor, instigator or supporter of the plan" in the second category; It also includes a separate category of "objectors", and in some cases, it is included in the fourth category [16]. From this definition, a very wide range of stakeholder views emerged, which goes beyond the scope of normal, official or contractual. Freeman organizations (1984) believe that the influence of external groups on the organization itself is increasing. The importance of relationships with these organizations supports the need for journalists (Sheehan and Ritchie, 2005). From the perspective of management.

The concept of "multi stakeholders" refers to the concept that stakeholders may be many individuals or groups and have legal requirements for the company. The establishment of legitimacy is through the exchange relationship, which allows the stakeholders to claim the rights of the company, invest in the company and hold related activities.

2.3 Research on Stakeholders and PPP Projects

In the prevailing stakeholder literature (e. g. Donaldson and Preston, 1995; Phillips et al., 2003), the organisation is seen as a univocal and unique actor (the focal organisation) responsible for identifying and managing stakeholders. Similarly, in the current project management literature, stakeholders and their management are studied from the perspective of one focal organisation (for example, the controller in the case of Callan et al. (2006), the owner in the case of Turner (2006) and the decision maker in the case of Vos and Achterkamp (2006)). However, building upon the different PPP definitions (based on for example definitions from the HM Treasury (1998), the World Bank (2003), the European Commission (2003)) and so given the shared finances, risks and responsibilities in different stages of most PPP, as well as the potentially diverging objectives of partners involved, we may expect a higher stakeholder complexity in terms of number of relationships and intensity of stakeholder interactions. Most of the researches on Stakeholders'

participation in PPP projects are large-scale infrastructure such as transportation, and most of the subjects are different stakeholder groups and their views on PPP success. There is no public-private partnership between stakeholders and sports.

2.4 Influence of Stakeholders in PPP

A discussion on how PPP should be managed successfully in stakeholder terms would appear significantly incomplete in failing to consider the potential impact of stakeholders that could help or hinder the achievement of the organisation's objectives (Phillips, 2003; Savage et al., 1991). Donaldson and Preston (1995) recognise this problem when arguing that a clear distinction has to be made between influencers and stakeholders. They demonstrate that some stakeholders have no influence, and some influencers have no stakes.

3. RESEARCH METHODS

Systematic reviews are becoming increasingly popular to analyse the literature in the sports fields. Scopus search engine was selected because it covered different research areas, such as engineering, business, management and accounting [17]. In addition, compared with other search engines such as web of science, Google Scholar and PubMed, Scopus is also considered to perform better in terms of accuracy and coverage [18].

The entry criteria include: cooperation between public and private sectors; All areas of sport, including sports infrastructure, etc; To study all aspects of the formation (formation), management (process) and / or assessment (outcome / impact) of public-private partnerships; The database will be published in English in peer-reviewed journals from 2019 to December 31.

In this study, we followed Yang et al. (2017) adaptation of the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) flowchart to conduct this review. The PRISMA flowchart is shown in Fig. 1.

The English search strategy is as follows: TITLE-ABS- KEY (“public private partnership” or “public private partnerships” or “private finance initiative” or “build operate transfer” or “build-own-operate” or “build- own-operate- transfer” or “transfer operate transfer” or “build own operate” or “build own operate transfer” or “build transfer operate” or “reconstruct operate transfer” or“ Operate-Transfer” or “PPP” or “PPPs” or “PFI” or “BOT” or “BOO” or “BOOT” or “BTO” or “TOT” or “ROT” or “OT”)AND FULL-TEXT (“Sports” or “physical activity” or “exercise”) AND (LIMIT-TO LANGUAGE, “English”).

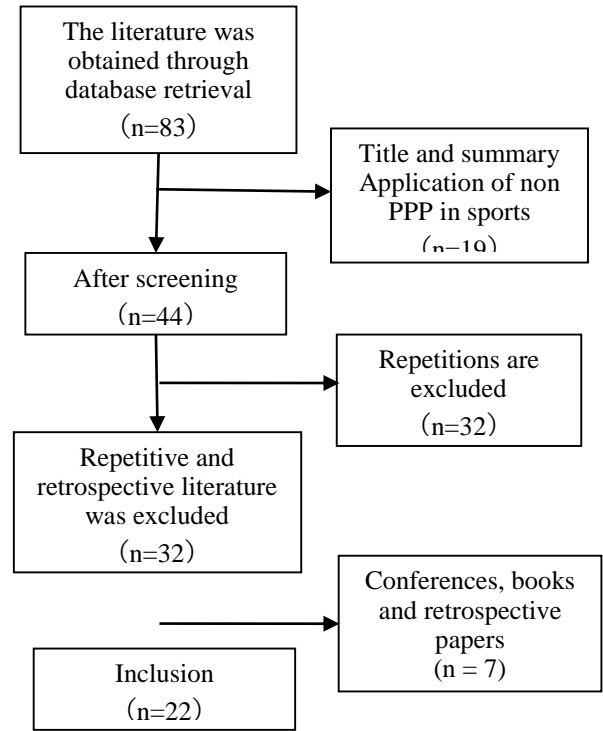


Figure 1 PRISMA flowchart

4. RESEARCH RESULTS

4.1 Stakeholders and Roles of PPP in Sports Field

Stakeholders in public private partnerships in sports field, The Olympic and World Cup football stadiums, as well as urban large stadiums and sports centers, are mainly dominated by the government, and public subsidies are used for the construction and maintenance of new venues. It is a multi sector consortium, and the investors are mostly state-owned enterprises and banks with strong strength. Although the new construction of large stadiums has brought some competitions, there is a possibility of creating jobs, enhancing image and community pride [19]. But taxpayers may resist public funding for sports facilities, especially if the amount of public subsidies is large [20].

In the public-private partnership of sports promotion activities, it is worth noting that academia is the relevant party of PPP project implementation [21]. This is because the academic community is mostly considered as a group of external stakeholders, which provides insightful policy guidance in the preparatory stage by using the research and experience of key decision-making project parties (private and public sectors) [22], as shown in Table 1.

4.2 Classification of Stakeholders in PPP in Sports Field

Freeman (1984) defined the stakeholder as "any group or individual who can influence the realization of organizational goals or may be affected in the process of the organization's goal advancement" in his important Book Strategic Management: a stakeholder approach. Backoff and Nutt (1987) designed a set of stakeholder analysis matrix based on the two indicators of stakeholders' position, including support or opposition, and their importance in the project (which can also be divided into major stakeholders and secondary stakeholders). The stakeholders were divided into advocates, antagonistic and low priority There are four types: priority and problem. This study analyzes the classification of PPP stakeholders in sports field as shown in Table 2.

Table 2. Diagram of stakeholder analysis matrix

<p>Problematic academiaNon-profit organizations (environmental groups), community organizations, civil society organizations</p>	<p>Antagonistic Citizens, especially vulnerable groups</p>
<p>Low priority Private landowners Professional sports teams, the Children's Clergy Foundation</p>	<p>Advocates Federal, provincial and local governments; The city governmentSelf-government Bodies (Movement Promotion Agencies, PPP Centres) The private companybank State-owned enterprises (soes)</p>

→ Important

Table 1. Stakeholders and roles of PPP in sports field

Stakeholder	Subgroups	Role
Government	Federal, provincial and local governments; The city	overnment officials do their best to support the project in every way possible: providing policies and laws, providing funding Socially meaningful goals, as well as organizing businesses
	State-owned enterprises	Provide financial support, infrastructure technical support and PPP implementation
	Autonomous Institutions (Movement Promotion Agencies, PUBLIC-Private Partnership Centres)	Provide joint resource management Advisory support policy of the Ministry of Finance, Budget, Labour, Space Planning and Sport
For-profit private sector	The corporate sector	Funding through corporate social responsibility Implementation and management of PPP
A non-profit, private charity	Ngos (environmental groups), community organizations, civil society organizations	A shield for local elected officials to avoid blame if the project fails
Autonomous institutions	Professional sports teams, the Children's Clergy Foundation	Provide financial or technical support
A diverse donor base	bank	funding
Study and participate in the implementation	academia	Define and redefine PPP policies and implementation
User/active object	Citizens, especially vulnerable groups; Tourists; Private landowners	Use and provide feedback

4.3 Challenges of PPP in Sports Field

The goal of public sector stakeholders: the role of the state and the local; the public function of sports venues. If the construction and renovation of large stadiums and stadiums are "achieving political goals" and "political support" [23]. Then, when a large stadium is used to perform certain public functions that are not commercial or cost-effective, the main risk assessment of the project is also political [24]. If the project fails, shield the private sector from criticism for locally elected officials [25]. The above causes the challenge of developing / initiating partnerships. Private organizations are sometimes hesitant to initiate partnerships because they do not want to be seen as forming an alliance with the government for ideological reasons [26].

Too many or too few stakeholders will interfere with PPP projects. For example, in Belgium's PPP project, five stakeholders participated, and the form of governance adopted by the government was not

sufficient, which led to the interference of politics, multi actors and technical complexity, and damaged the performance of the scheme. There is a mismatch between a complex governance approach and a relatively simple infrastructure developed [27]. At the same time, only a single private sector cooperation makes the voice of local government be given too much weight in the procurement stage. Therefore, political interests intervene and there is uncertainty [28].

The government has invested in the sports facilities used by professional sports teams, resulting in a series of tangible and intangible benefits. After making major commitments, communities often receive new requests for more subsidies. If these growing needs cannot be met, professional sports teams often move to other cities. Then, taxpayers and sports fans will be idle [29]. There is growing pressure on youth sports provided by public entertainment institutions, either to raise fees or to "outsource" them to the private sector to compensate for budget cuts, and there is growing opposition from

residents [30]. The characteristics of the unsuccessful cases are that the interests of local governments are interfered by leading public actors [30].

Different stakeholders bring objective and subjective challenges. The risks of PPP projects in Russian stadiums are objective (conflicts of interests between partners) and subjective (lack of experience and legal "gaps") [32]. At the same time, the risks associated with the performance of the host club in the private sector may hinder investment in football fields.

5. CONCLUSION

Public private partnerships in sports are mainly in sports infrastructure and sports promotion cooperation. Stakeholder analysis shows that the main stakeholders are government, for-profit private sector, non-profit private charities, autonomous institutions, diverse donor agencies, research and implementation personnel, users / activity objects. According to the classification, the government and investors are still dominant. In the future, whether the government can form a partnership with the alliance and raise the development of public benefits of sports facilities depends on the consensus among policies. The power of the dominant field needs to be used to protect the public interest.

Different stakeholders face different challenges in PPP projects. The commercial interaction between the sports field and the state should balance the private interests of the business with the established social goals, and should consider the social interests. Second, we must consider the development of mass movement. Public private partnerships can be used to develop the sports club system in their place of residence. There is a need to consider agreements for such partnerships. Private sector investment in the public-private partnership environment found that ancillary investment near sports is essential for risk reduction, and when multiple stadiums need to be built in a short period of time, central government coordination may reduce the funds required for risk management [33]. Therefore, the government should evaluate some Infrastructure PPP projects as a portfolio, rather than considering opportunities only on the basis of individual projects.

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