

## 2.3 The problem with sporting mega-event impact assessment

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### Introduction

Authors of reports of positive impacts from sporting mega-events attribute to them such qualities as acting as economic growth stimuli, urban regeneration catalysts, social change inspirers, destination brand developers, and so on. On the other hand, authors of reports of negative impacts describe sporting mega-events as leading to civil rights abuses, atmospheric pollution, rampant nationalism, exploitation by corrupt multinationals, and bribery of officials. To look into the reason for such differences of opinion we can turn to Hippocrates, who studied medicine and realised the challenges for practising it that were created by the circumstances faced by physicians and medical professionals.

*Life is short, and science long; the time fleeting; experience perilous, and decision difficult. The physician must not only be prepared to do what is right himself, but also to make the patient, the attendants, and externals cooperate.*

(Hippocrates, writing in 460 BC)<sup>2</sup>

Like Hippocrates trying to find ways to cure patients and realising the importance of all stakeholders involved, those trying to measure mega-event impacts, or evaluate related studies, sooner or later realise the omnipresent effects of the wider context within which they find themselves, which affects what impacts are being investigated, where, when and how.

To date, assessment of the impact of sporting mega-events has been incomplete and/or biased, and not conducive to obtaining a clear view of the evidence. As one study confirms, '[T]he persistent

under-performance of mega-projects occurs despite trends [albeit in few countries] in administrative reform seeking to impose market discipline on public projects (and in most instances mega-projects are at least part-financed by public subsidies or loans due to the vast financial commitment involved), and to scrutinise public policies and spending according to the standards of cost–benefit analysis (CBA), cost-effectiveness and value for money.’<sup>3</sup> Attempts to justify expenditure by creating a positive legacy also affect the funding and research design of studies to capture impacts and legacy. In the case of the Athens 2004 Summer Olympic Games, impact assessment efforts were reported to have been affected by clientelism (giving contracts for services in return for electoral support) in academic circles and by the national election results.<sup>4</sup>

### **Box 3.1 Mega-event impact assessment: Athens Olympics 2004**

In 2001 Pascal van Griethuysen and Pierre-Alain Hug developed a 150-indicator impact evaluation programme named Olympic Games Global Impact (OGGI) for the International Olympic Committee (IOC). The Athens 2004 Olympic Games organisers were to be the first to employ its methodology to assess the Games’ impact, and the information collected was intended to also form part of the final official report of the organisers to the IOC. The local organising committee, ATHENS 2004, accepted initial responsibility for collecting and delivering data, and the work started in earnest in 2003, approximately one year before the Olympic Games, undertaken by a dedicated manager and research teams in Greek universities. Following the general election in March 2004 and the change of government, however, it was reported<sup>5</sup> that the composition of the original research teams that had started preliminary work on OGGI had been changed, to reflect the changed political interests in power, and this meant a delay in any progress with the OGGI programme. When the Games were over ATHENS 2004 quietly withdrew from its original plans to capture the Games’ impacts through OGGI, and dropped the project, with the committee’s senior managers suggesting that there was in fact no contractual responsibility to incorporate the programme in the report to the IOC.

The above example highlights the fact that, despite the existence of a quite comprehensive framework through which to capture impacts, the Athens OGGI programme failed to deliver because of political intervention: the composition of the research teams changed when there was a change of government following the early 2004 general election, and the new political leaders sought to reward their supporters in academic circles. It was also undermined by a lack of commitment on the part of ATHENS 2004 senior management, and a consequent failure to engage fully.<sup>6</sup>

**Source:** Pascal van Griethuysen and Pierre-Alain Hug, *Projet OGGI: Olympic Games Global Impact: Cadre d'analyse pour l'identification de l'impact global des Jeux Olympiques* (Lausanne: International Academy of Sports Science and Technology, 2001).

Image-making imperatives, contractual obligations to the event owners and nationalist agendas also influenced communication about the impact of the event to various audiences, through different means and at various stages in its life cycle. Importantly, the rhetoric varied depending on the circumstances.

A seminal systematic review on socio-economic impacts on major multi-sport events from 1978 to 2008 also confirmed this: 'No attempts have been made to bring together the large amount of research on the impact of major multi-sport events on host populations.'<sup>7</sup> In light of this, it is important to investigate the root cause for the weak state of, and lack of rigour in, sporting mega-event impact assessment.

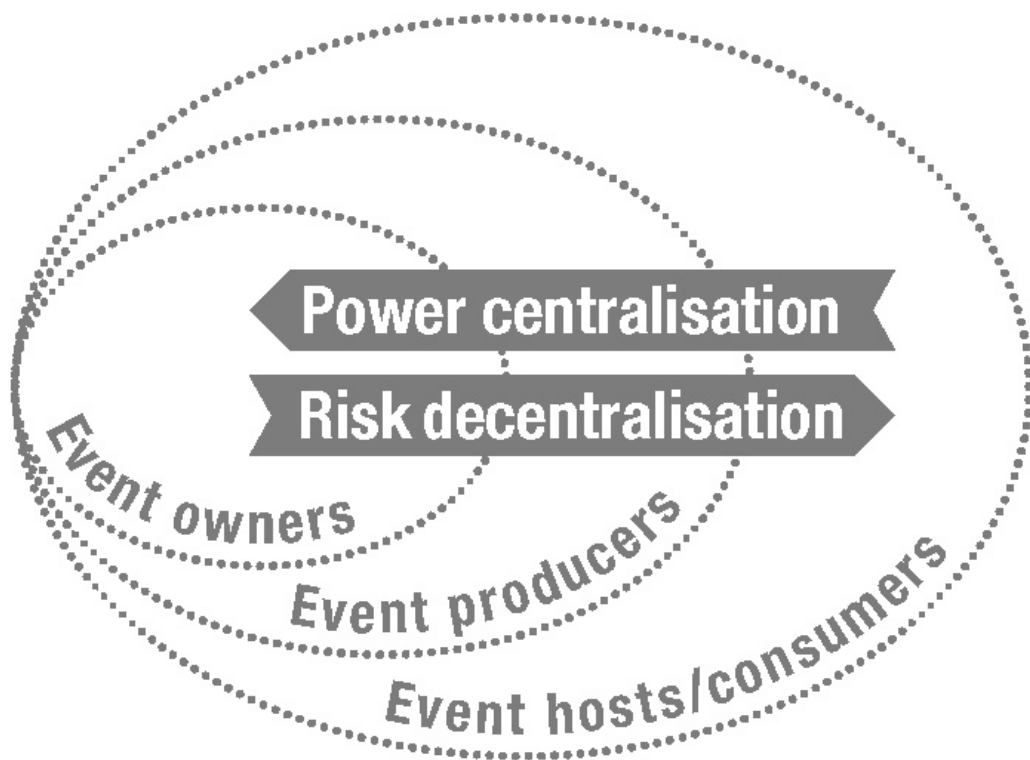
## Definition of problem and conceptual insights

The problem with such impact assessment has its roots in (1) the positive emotive predisposition of the public towards sporting mega-events, which renders them biased; and (2) the national, international and transnational mega-event governance structures and systems, which are founded on monopolistic or oligopolistic contracts. This can be illustrated with reference to relevant literature.

- ‘Mega sport events achieve [the] “shared presence”...of significant proportions of the world’s population through the medium of television [and] are powerful transmitters of messages.’<sup>8</sup>
- ‘Mega sport events are loved by the public, who overall have strong affinity to the respective brands (event, owners, organising committees, sponsors).’<sup>9</sup>
- ‘Mega sport events are owned by monopolistic transnational organisations.’<sup>10</sup>
- ‘Mega sport events are gigantic, commercialized, and rely heavily on volunteer, corporate and state support.’<sup>11</sup> They also present unique opportunities for the development of discourses on the presence and origins of risk (leading to risk colonisation), which is described as the spread of the logic and formal managerial practice of risk management.<sup>12</sup>
- ‘Mega sport events are presented by those in political and economic power as panacea to ills.’<sup>13</sup>
- ‘Mega sport events present an unmovable deadline which can spearhead development and bypass due process (environmental, anti-money laundering, etc.).’<sup>14</sup>

Importantly, the governance of sporting mega-events presents an ironic relationship between the power and the risk-taking of the stakeholders involved, namely event owners (such as the IOC, the Fédération Internationale de Football Association, and so on), event producers (organising committees, partners, sponsors) and event hosts/consumers. As Figure 3.2 illustrates, the greater the power held by event owners, the lower the risk taken with regard to the impact outlook/result that

lies with event hosts (to include local affected communities) as well as event consumers worldwide. Mega-events such as the Olympic Games are overwhelmingly funded by the public purse,<sup>15</sup> and yet the losers are not just host city/nation's taxpayers but a range of others group that one would normally expect to benefit from public spending. They include relocated communities of residents and businesses; human rights activism (if negative images and voices that can harm the Olympic brand and the host city's image are suppressed); environmental and social sustainability movements; and non-Olympic sports and other good causes, such as those sections of the arts and culture in general that suffer from the prioritisation of Olympics-related projects.<sup>16</sup>



**Figure 3.3** Event stakeholder power – risk irony

The complexity of assessing the impacts of sporting mega-events is linked to the various thematic areas of conceptualising impacts (such as economic, political, social, cultural and environmental), the various geographies where impact is felt (locally, regionally, nationally and globally) and the

time periods when impact is created, power exercised and risks taken (the bid phase, the build-up, the event time itself and the post-event and legacy phase). Furthermore, I believe that we cannot evaluate impact studies if we do not know the opportunity cost (what else we could have done instead) or counterfactual (what would have happened anyway) and have conducted a full CBA.

It is not possible under current circumstances to generalise findings either, as, apart from the notable exception of the Vancouver Winter Olympic Games, for which 150 indicators were used,<sup>17</sup> we do not have comprehensive impact studies. In contrast, the British Department of Culture, Media and Sport (DCMS) chose to focus primarily on specific positive effects of the London 2012 Olympic Games rather than set out to capture impact as the academic literature defines it, including negative as well as positive effects.<sup>18</sup>

### **Box 3.2 Mega-event impact assessment: London Olympics 2012**

The DCMS report set out to 'undertake a comprehensive and robust 'meta-evaluation' of the additionality, outputs, results, impacts and associated benefits of the investment in the 2012 Games'.<sup>19</sup> None of the 79 research questions used to guide the meta-analysis of primary and secondary research<sup>20</sup> were explicitly seeking to capture negative impacts of the London Games, however. Some negative impacts are mentioned in the report (such as on transport congestion, population divisions on the basis of affluence, increased population movement in and out of the area where the Games were held, the diversion of passing trade because of changes in transport, tenancy terminations and increased numbers of squatters), but the meta-evaluation did not set out to investigate negative impact along the political, social, cultural and environmental thematic areas. As a result, negative impacts are captured only when a positive impact that was anticipated, and phrased accordingly in the respective question, did not materialise. Had the study posed direct questions as to what are the negative impacts had been, as reported in various studies, the meta-analysis would have reported many more impacts that are negative.

Gerry McCartney et al. conclude: ‘Until decision makers include robust, long term evaluations as part of their design and implementation of events, it is unclear how the costs of major multi-sport events can be justified in terms of benefits to the host population.’<sup>21</sup> They add: ‘How the impacts of events are evaluated needs to improve to allow decision makers pitching for future events to make informed judgments on the basis of known effects and known areas of uncertainty.’<sup>22</sup> Andrew Zimbalist, writing for the International Monetary Fund, concurs: ‘The economic and noneconomic value of hosting a major event like the Olympic Games is complex and likely to vary from one situation to another. Simple conclusions are impossible to draw.’<sup>23</sup>

An additional complexity in assessing impact stems from the preoccupation of event owners with events’ legacies and the growing demand on bidders to predefine them as part of their respective bid preparations. Both the event owners and the event franchisees (local organising committees) then engage in discussions in the public eye on event legacy, which, according to John MacAloon, ‘generate a perception of common and laudable purpose’ when in fact there is a strong hidden relationship between Olympic legacy manager and Olympic brand managers.<sup>24</sup>

Attributing effects to sporting mega-events and establishing causality is fraught with challenges. In the case of the Vancouver 2010 Winter Olympic Games, the team of academics at the University of British Columbia in charge of impact assessment used the control city of Alberta. This allowed them to account for changes to indicators that may be simply explained by looking at government policies or that may have been created by development trends (hence the need to capture baseline data on impact indicators). Their research approach, protocols, tools and careful claims of causality present the most thorough and watertight attempt at measuring sporting mega-event impact that we have seen to date.

Having summarily defined the problem with sport mega-event impact assessment, I now turn to the conceptual literature for illumination and reflection. The concepts of effectiveness (the achievement of intended goals), efficiency (the achievement of goals in the most economical way) and equifinality (achieving the same goals via different means) have resonance with impact assessment<sup>25</sup> and focus at the organisational level. Sustainability is another key concept in the discussion of event impacts.<sup>26</sup> It links to that of effectiveness and the idea that multiple stakeholder viewpoints need to be considered when the company is not strictly for profit only and when effects on the physical environment and social fabric are at stake. In this way, sustainability presents a conceptual lens that embraces the whole ecosystem and considers power balances and effects within it.

A more recent addition to the vocabulary of mega-event impacts is the Aristotelian<sup>27</sup> virtue of phronesis – ‘a true and reasoned state of capacity to act with regard to the things that are good or bad for man’. Bent Flyvbjerg, Todd Landman and Sanford Schram define phronesis as the ‘intellectual virtue of reason capable of action’,<sup>28</sup> and Flyvbjerg has used phronetic social science repeatedly,<sup>29</sup> asking pertinent questions of mega-projects, including sporting mega-events, such as where are we going, who gains and who loses, how, and is this development desirable? Phronetic social science can illuminate the debate on how negative and positive sport mega-event impacts balance. Figure 3.3 illustrates the concepts of effectiveness, sustainability and phronesis and their respective level of focus, from the micro-organisational to the ecosystem meso level, to the macro moral/ethical/virtue level.



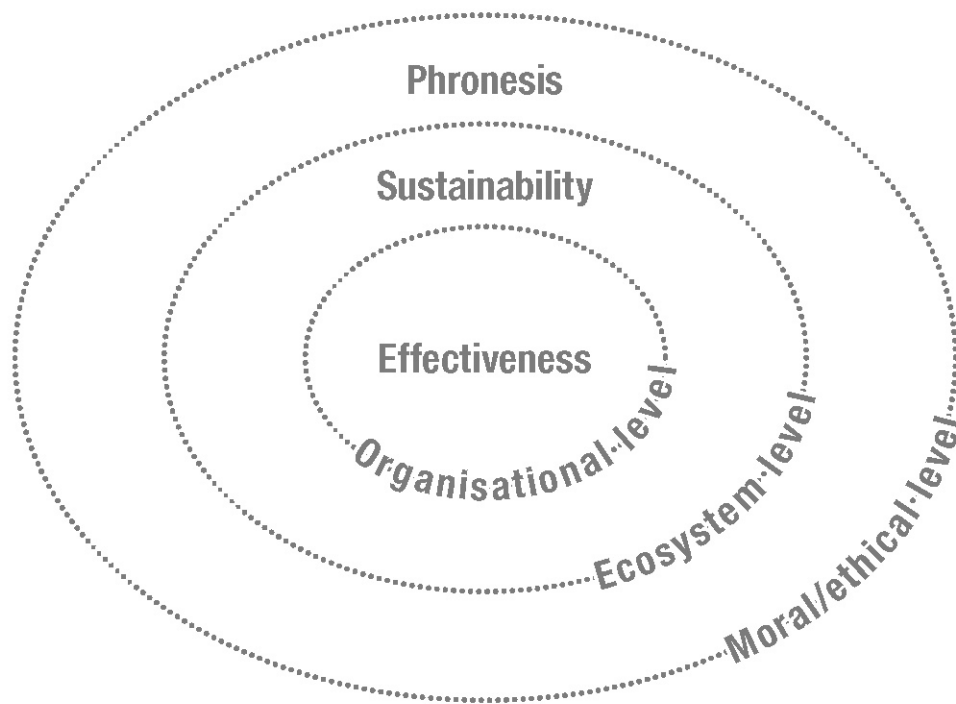


Figure 3.4 Concepts and levels of focus

Unfortunately, effectiveness offers a one-sided view, as delivering an event does not mean that the impacts promised to accompany it actually materialise. Effectiveness in the wider event and impacts sense can be somewhat elusive to ascertain, on account of the multiple themes through which we can capture it, the multiple stakeholders and their various perceptions, the many time phases during which impacts occur and the various geographies where impacts are felt. Sustainability is equally problematic when used to assess mega-events. As the Commission for a Sustainable London 2012 confirms: ‘[We] have always maintained that, taken in isolation, delivering an Olympic and Paralympic Games is an inherently un-sustainable thing to do. We therefore cannot call the programme truly sustainable unless the inspirational power of the Games can be used to make a tangible, far-reaching difference.’<sup>30</sup> Undertaking to support the continuation of sporting mega-events in the hope that their inspirational power can counterbalance their inherently unsustainable nature seems to run contrary to any notion of phronesis and applying reason to actions.

Increasingly, of late, cities have withdrawn their bids for staging such events, and in other cities currently preparing to host them loud and clear dissenting voices are heard.<sup>31</sup>

Regardless of the still unanswered rhetorical question of whether sporting mega-events are 'desirable' for the collective long-term development of the world's population, the challenge of impact assessment will remain as long as these events are staged, and the next section proposes an analytical framework for the endeavour of measuring them.

### **Epilogue and proposed framework**

Evidently, unbiased mega-event impact assessment is currently unattainable because the stakes (in terms of political and capital power) are so high while the rigour of the methodology applied has, to date, been weak. Notwithstanding the fact that the challenges of event impact assessment is an under-researched area and the fact that signs of strength in the approach are becoming apparent, as, for example, in Mike Weed et al.'s meta-evaluation of findings,<sup>32</sup> the task is truly mammoth. Accusations of relativity in terms of findings and an inability to extrapolate or generalise also rightly arise from the diversity of contexts within which mega-events take place. Comparable, holistic overviews of thorough multidimensional and longitudinal studies are needed. The current focus of investigations on impacts to the event host (communities, city, country) also diverts attention away from what impacts are accrued for the event owners and producers in the form of allied companies, such as their sponsors and trusted global partners. A 360 degree approach to sporting mega-event impact assessment would encompass impacts to them, too. Figure 3.4 attempts to do this, and to provide a framework for future assessment. It seeks to encapsulate the various dimensions of impacts, namely the thematic one (economic, social, environmental and political), the applicable scale (local to global), the temporal dimension (bid phase to legacy stage) and the actors involved (event owner, event producer, event consumer). Sporting mega-event impact assessment

needs to explore both the negative and the positive effects on all the above dimensions if it is going to be adequate to capture who creates what effects, where and when and, in so doing, affects whom.

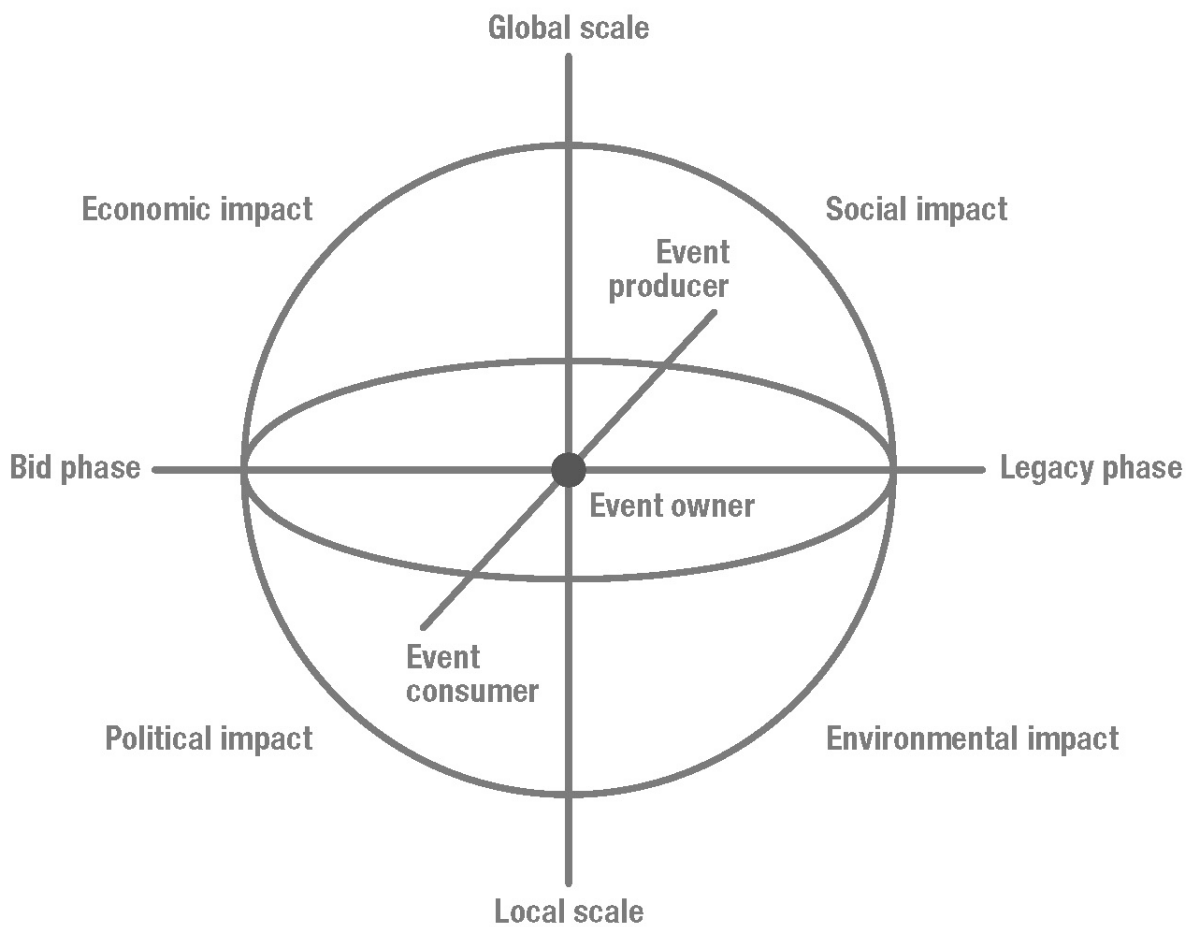


Figure 3.5 Sporting mega-event impact sphere

Although, at a practical level, fully applying the above impact assessment framework would be politically challenging and costly in terms of the resources needed, conceptually it offers researchers an overview that would allow them to position their variables and units of analysis in the overall sphere of impact and appreciate what is still missing from their particular viewpoints.

To return to the medical analogy and Hippocrates' aphorism, I would contend that understanding the dynamics of the context of sporting mega-event impact assessment is key to understanding the root causes of the above conflicting indicators of what actually happens to the host city/nation.

Having grasped the fundamental causation of a condition and studied its associated symptomatic impacts, anti-corruption agents, sports organisations and other stakeholder bodies would be able to diagnose what a host city/nation faced and what the sporting mega-event actually entailed, and could then advise corrective actions.

## Notes

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<sup>2</sup> Elias Marks, *The Aphorisms of Hippocrates* (New York: Collins and Co., 1817).

<sup>3</sup> Will Jennings, 'Governing the Games: High Politics, Risk and Mega-Events', *Political Studies Review*, vol. 11 (2013), p. 4.

<sup>4</sup> Eleni Theodoraki, 'Organisational Communication on the Impacts of the Athens 2004 Olympic Games', *Journal of Policy Research in Tourism, Leisure and Events*, vol. 1 (2009); 'Expressions of National Identity through Impact Assessments of the Athens 2004 Olympic Games', in Philip Dine and Seán Crosson (eds.), *Sport, Representation and Evolving Identities in Europe* (Berne: Peter Lang).

<sup>5</sup> *Ibid.*

<sup>6</sup> *Ibid.*

<sup>7</sup> Gerry McCartney, Sian Thomas, Hilary Thomson, John Scott, Val Hamilton, Phil Hanlon, David Morrison and Lyndal Bond, 'The Health and Socioeconomic Impacts of Major Multi-Sport Events: Systematic Review (1978–2008)', *The BMJ*, vol. 340 (2010), c.2369, p. 7, [www.bmj.com/content/bmj/340/bmj.c2369.full.pdf](http://www.bmj.com/content/bmj/340/bmj.c2369.full.pdf).

<sup>8</sup> Maurice Roche, 'Olympic and Sport Mega-Events as Media-Events: Reflections on the Globalisation Paradigm', in Kevin Wamsley, Bob Barney and Scott Martyn (eds.), *The Global Nexus Engaged: Past, Present, Future Interdisciplinary Olympic Studies* (London, ON: International Centre for Olympic Studies, University of Western Ontario, 2002), p. 6, <http://library.la84.org/SportsLibrary/ISOR/ISOR2002a.pdf>.

<sup>9</sup> Benoit Séguin, André Richelieu and Norm O'Reilly, 'Leveraging the Olympic Brand through the Reconciliation of Corporate Consumers' Brand Perceptions', *International Journal of Sport Management and Marketing*, vol. 3 (2008).

<sup>10</sup> Eleni Theodoraki, *Olympic Event Organisation* (Oxford: Butterworth-Heinemann, 2007).

<sup>11</sup> Jean-Loup Chappelet and Brenda Kübler-Mabbott, *The International Olympic Committee and the Olympic System: The Governance of World Sport* (Abingdon: Routledge, 2008).

<sup>12</sup> See Will Jennings, *Mega-Events and Risk Colonisation: Risk Management and the Olympics*, Discussion Paper no. 71 (London: Centre for Analysis of Risk and Regulation, London School of Economics and Political Science, 2012), for an explanation of how mega-events are linked to broader societal and institutional hazards and threats but at the same time induce their own unique set of organisational pathologies and biases.

<sup>13</sup> Bent Flyvbjerg, Nils Bruzelius and Werner Rothengatter, *Megaprojects and Risk: An Anatomy of Ambition* (Cambridge: Cambridge University Press, 2003).

<sup>14</sup> Robert Baumann and Victor Matheson, 'Assessing the Infrastructure Impact of Mega-Events in Emerging Economies', in Gregory Ingram and Karin Brandt (eds.), *Infrastructure and Land Policies* (Cambridge, MA: Lincoln Institute of Land Policy, 2013).

<sup>15</sup> See Reuters (UK), 'Factbox: how the Olympic Games are funded', 8 March 2012, <http://uk.reuters.com/article/2012/03/08/uk-olympics-funding-idUKBRE8270TY20120308>, for the breakdown of funding for the London 2012 Olympic Games; and Dennis Coates and Brad Humphreys, 'Do Economists Reach a Conclusion on Subsidies for Sports Franchises, Stadiums, and Mega-Events?', *Econ Journal Watch*, vol. 5 (2008), for discussion on mega event subsidies.

<sup>16</sup> Eleni Theodoraki, 'The Modern Olympic Games: Governance and Ownership of Risk', *Royal United Services Institute Monitor*, vol. 8 (2009), [www.bl.uk/sportandsociety/exploresocsci/sportsoc/mega/governanceownership.pdf](http://www.bl.uk/sportandsociety/exploresocsci/sportsoc/mega/governanceownership.pdf).

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<sup>17</sup> Robert Vanwynsberghe, 'The Olympic Games Impact (OGI) Study for the 2010 Winter Olympic Games: Strategies for Evaluating Sport Mega-Events' Contribution to Sustainability', *International Journal of Sport Policy and Politics*, vol. 7 (2015).

<sup>18</sup> Department for Culture, Media and Sport, *Post-Games Evaluation: Meta-Evaluation of the Impacts and Legacy of the London 2012 Olympic Games and Paralympic Games: Summary Report* (London: DCMS, 2013),

[www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/224143/Report\\_5\\_Research\\_Questions\\_FINAL.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/224143/Report_5_Research_Questions_FINAL.pdf).

<sup>19</sup> *Ibid.*, p. 4.

<sup>20</sup> *Ibid.*, pp. 251–255.

<sup>21</sup> McCartney et al. (2010), p. 1.

<sup>22</sup> *Ibid.*, p. 7.

<sup>23</sup> Andrew Zimbalist, 'Is It Worth It?', *Finance and Development*, vol. 47 (2010), p. 11, [www.imf.org/external/pubs/ft/fandd/2010/03/pdf/zimbalist.pdf](http://www.imf.org/external/pubs/ft/fandd/2010/03/pdf/zimbalist.pdf).

<sup>24</sup> John MacAloon, "Legacy" as Managerial/Magical Discourse in Contemporary Olympic Affairs', *International Journal of the History of Sport*, vol. 25 (2008), p. 2060.

<sup>25</sup> See Trevor Slack and Milena Parent, *Understanding Sport Organizations: The Application of Organization Theory* (Champaign, IL: Human Kinetics, 2006), for a review of the literature and how it relates to the context of sport organisations; Wendy Frisby, 'Measuring the Organizational Effectiveness of National Sport Governing Bodies', *Canadian Journal of Applied Sport Sciences*, vol. 11 (1986), for her use of the goals and systems models of effectiveness; and Eleni Theodoraki and Ian Henry, 'Perzeptionen der organisatorischen Effektivität in nationalen Sportorganisationen Großbritanniens', in Günther Lüschen and Alfred Rütten (eds.), *Sportpolitik: Sozialwissenschaftliche Analysen* (Stuttgart: Nagelschmid, 1996), for the plurality of concepts and perceptions of effectiveness.

<sup>26</sup> Sustainable development is defined as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts: the concept of "needs", in particular the essential needs of the world's poor, to which overriding priority should be given; and the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs.' United Nations, *Report of the World Commission on Environment and Development: Our Common Future* (New York: UN, 1987).

<sup>27</sup> Source: Aristotle, *The Nicomachean Ethics* (Oxford: Oxford University Press, 2009), VI.5.

<sup>28</sup> Bent Flyvbjerg, Todd Landman and Sanford Schram, 'Important Next Steps in Phronetic Social Science', in Bent Flyvbjerg, Todd Landman and Sanford Schram (eds.), *Real Social Science: Applied Phronesis* (Cambridge: Cambridge University Press, 2012), p. 287.

<sup>29</sup> Flyvbjerg, Bruzelius and Rothengatter (2003); Bent Flyvbjerg, 'Design by Deception: The Politics of Megaproject Approval', *Harvard Design Magazine*, no. 22 (2005); Bent Flyvbjerg, 'Truth and Lies about Megaprojects', inaugural speech for professorship and chair at Faculty of Technology, Policy and Management of Delft University of Technology, 26 September 2007, <http://flyvbjerg.plan.aau.dk/Publications2007/InauguralTUD21PRINT72dpi.pdf>.

<sup>30</sup> Commission for a Sustainable London 2012, *Game Changing? Annual Review 2010* (London: Commission for a Sustainable London 2012, 2011), p. 6, [www.cslondon.org/wp-content/uploads/downloads/2011/04/CSL-Annual-Review-20102.pdf](http://www.cslondon.org/wp-content/uploads/downloads/2011/04/CSL-Annual-Review-20102.pdf). The author served as core commissioner on the Commission for a Sustainable London 2012.

<sup>31</sup> The Conversation (UK), 'There would be no shame in Brazil ditching the Olympics', 8 May 2014, <https://theconversation.com/there-would-be-no-shame-in-brazil-ditching-the-olympics-26204>.

<sup>32</sup> Mike Weed, Suzanne Dowse, Mat Brown, Abby Foad and Ian Wellard, *London Legacy Supra-Evaluation: Final Report* (Canterbury: Centre For Sport, Physical Education and Activity Research, Canterbury Christ Church University, 2013), [www.london.gov.uk/sites/default/files/SPEAR@CCCU%20-%20London%20Legacy%20Supra-Evaluation%20Final%20Report%20RE-DRAFT%20V.pdf](http://www.london.gov.uk/sites/default/files/SPEAR@CCCU%20-%20London%20Legacy%20Supra-Evaluation%20Final%20Report%20RE-DRAFT%20V.pdf).