

## Cost-Benefit Analysis in Sports Organizations

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### Abstract

The Provincial Organising Committee submits the annual programme of activities for the organisation of local sports events to the Provincial Directorate and the Sports Federation at the beginning of the season, obtains approval of the programme and carries out the activities. As part of this process, the necessary procedures are carried out to appoint the approved organisation. This study carried out a cost-benefit analysis of the Organising Authorities appointed by the Provincial Organising Committee. In the research, the documents containing the activities of the Provincial Athletics Representative Office of Çorum Province (population= <300,000) for one season in 2023 were analysed using the document analysis method within the framework of convenience sampling. The results of the research showed that considerable resources are allocated to the organisation of local sporting events and that the costs associated with the organisation of officials, referees and other expenses reach significant sums. According to the results of the research, the competitions were organised as school sports (athletes=186), sports clubs (athletes=112) and private competitions (athletes=523). The costs of the competitions were calculated and a total of 97006.98 TL was spent on organisers (19995.36 TL), referees (39333.57 TL) and other expenses (23280 TL). Although cost-benefit analysis is not used in the dissemination and popularisation of sport, it is necessary to evaluate the results of the organisations under study. As a result of the analysis of the collected data, it was found that the organisations were carried out with more costs than necessary and the athletes who were ranked as a result of these organisations could not achieve a meaningful success. In order to increase efficiency, it may be useful to adapt the rules on the number of staff and their roles, to optimise the allocation of resources and to use technology for budgeting, programming and monitoring of performance. The results of the study will be communicated to the relevant stakeholders with a proposal for reorganisation planning.

**Keywords:** Sport management, Cost-benefit analysis, Financing of sport organizations, Sport success, Sport organizations.

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This study was presented as a full paper at the VII. Congress of International Applied Social Sciences- CiasoS 2023.

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## Spor Organizasyonlarında Fayda-Maliyet Analizi

### Özet

İl Tertip Komitesi, yerel spor etkinliklerini düzenlemek amacıyla sezon başında yıllık faaliyet programını İl Müdürlüğüne ve Spor Federasyonuna sunar, programın onayını alır ve faaliyetleri yürütür. Bu süreç kapsamında, yetkili kuruluşun atanmasına yönelik gerekli işlemler gerçekleştirilir. Bu çalışmada, İl Tertip Komitesi tarafından atanan organizasyon sorumlularının fayda-maliyet analizi yapılmıştır. Araştırmada kolayda örnekleme yöntemi kapsamında Çorum ili (nüfus= <300.000) Atletizm il temsilciliği tarafından gerçekleştirilen 2023 yılı bir sezonluk faaliyetleri içeren belgeler doküman analizi yöntemi ile incelenmiştir. Araştırma sonuçları, yerel spor etkinliklerinin düzenlenmesi için önemli kaynaklar ayrıldığını ve organizasyon görevlileri, hakemler ve diğer masraflarla ilgili maliyetlerin önemli meblağlara ulaştığını ortaya koymuştur. Araştırma sonuçlarına göre, müsabakalar okul sporları (sporcu=186), spor kulüpleri (sporcu=112) ve özel müsabakalar (sporcu=523) şeklinde düzenlenmiştir. Müsabakaların maliyetleri hesaplanmış ve organizasyon görevlileri (19995,36 TL), hakemler (39333,57 TL) ve diğer giderler (23280 TL) için toplam 97006,98 TL harcanmıştır. Sporun yaygınlaştırılması ve kitleleştirilmesinde fayda-maliyet analizi kullanılmamakla birlikte, araştırmaya konu olan organizasyonların sonuçlarının değerlendirilmesi gerekmektedir. Toplanan verilerin analizi sonucu, organizasyonların gereğinden fazla maliyetle gerçekleştirildiği ve bu organizasyonlar sonucu dereceye giren sporcuların anlamlı bir başarı elde edemediği belirlenmiştir. Verimliliğin artırılması amacıyla personel sayısı ve rollerine ilişkin kuralların düzenlenmesi, kaynak tahsisinin optimize edilmesi ve bütçeleme, programlama ve performans izleme için teknolojinin kullanılması faydalı olabilir. Çalışmanın sonuçları, yeniden organizasyon planlaması önerisi ile birlikte ilgili paydaşlara iletilecektir.

**Anahtar kelimeler:** Spor yönetimi, Fayda-maliyet analizi, Spor organizasyonlarının finansmanı, Spor başarısı, Spor organizasyonları.

## **Introduction**

An organisation is a social community in which people come together to achieve certain goals (Daft & Armstrong, 2021). Organisations are categorised in different ways according to their size (Emery, 2010), interests (Goldblatt, 2005) and types (Shone & Parry, 2019). While sporting events are categorised according to their level of participation, such as national championships, continental championships, world cups and Olympic Games, it is considered more appropriate to classify them as mega, brand, large and local events according to Goldblatt's (2005) scale. Sporting organisations should be classified as international or national, although they differ in size and impact. International organisations use the same organisational techniques, even if they involve a small number of countries. Only local organisations differ (accommodation - transport - food - distribution, etc.). As there are many details about organisation and competition management, only the most important aspects can be briefly described. In order to ensure the continuity of the organisation through effective and efficient management, sport managers should have the skills and roles to evaluate economic, political and socio-cultural factors (Tabuk, 2024). The legal sanctions to be observed during the organisation process are subject to both sporting and public control. It is necessary to have a responsible person in the organisation (Krotee & Bucher, 2007, p. 165). The official responsible for sports organisations at the local level is the provincial sports commissioner. In the process of organising the competitions included in the annual activity programme, the provincial representative carries out many technical and official procedures (preparing the programme, giving instructions and announcements, providing training, keeping records, chairing the provincial referee committee, etc.). At the end of the organisation, he/she registers and notifies the results of the competitions and the officials (GDYS, 1990). All organised competitions, schools, universities, etc. must have the approval of other authorities and comply with the sanctions set by them. Organisation, competition, facilities and training planning should be managed in a fair manner, providing equal time, opportunity and access to all participants. Only in this way can the universality of sport be realised.

The financial management of sports organisations includes various sources of income such as government contributions, registration fees, broadcasting rights and sponsorship. The effective allocation and use of these resources is crucial for the sustainability and success of sporting events (Değer, 2022). Some studies in this area have been reviewed; Değer (2022) briefly explains the development process of the sports economy in Turkey and states that the budget allocated to sports in 2021 and 2022 showed an increase of 31% when comparing the budget and state funding. Altuğ's

study (2022) tried to show the cost of the Olympic Games and how host cities/countries can benefit through smart planning. Düzen et al. (2022) found that mega sports events lead to an increase in the number of spectators, contribution to employment, sponsorship and a positive increase in ancillary stakeholders in the cities and countries where they are hosted. Çetin (2023) found that with careful planning and implementation in sports organisations, sports tourism can have a positive impact on the tourism industry and the communities and environments it affects. Research into the economic impact of sport is therefore important for the efficient use of resources. One of the most commonly used tools in economic impact research is cost-benefit analysis.

Studies examining the economic impact of sport attempt to estimate the economic effectiveness of a sport organisation through methods such as economic impact or cost-benefit analysis (Hicks et al., 2014; Taks et al., 2011). Cost-benefit analysis (CBA) is the comparison of the benefits to the local or national economy with the costs (Keane et al., 2019). CBA in sport involves the assessment of various factors such as the increase in the value of sport consumption by local people, event costs, production resources and tourism revenues (Jiménez-Naranjo et al., 2016). This method includes the increase in the value of sport consumption by local people, event costs, production resources, calculation of participant/staff costs, and revenue sources such as tourism (Jiménez-Naranjo, et al., 2016). Spending by local participants is important because it is expenditure that would be incurred even if the event did not take place. Therefore, it is essential to focus on the local element when calculating the economic impact of a sporting event (Hicks et al., 2014). As the research focuses on local sports organisations, it is the expenditure of local participants that is important. Even if the organisation does not take place, local participants still spend money. Therefore, it is important to focus on other elements when calculating economic impact in local research.

It has been observed that studies in this area tend to focus on mega-events such as the Olympics or the World Cup. For example, Yıldırım and Gökten (2018) argue that the organisations have gone far beyond the ideals of sporting competition and an economically oriented political dimension has emerged. The main finding of the study is that the Olympic and World Cup organisations are no longer financed by public funds, but have become an area of capital valuation as part of the global capital network. Tınaz et al. (2018), in their study evaluating Turkey's Olympic candidacy process, identified several cost-benefit outputs, such as contributing to the promotion of the city and the country, accelerating the development of transport and infrastructure, increasing the capacity to organise sporting events, forming inter-institutional cooperation and developing sporting networks.

Cost-Benefit Analysis is important for understanding the overall economic value of hosting sporting events, and allows investment to be justified by returns (Wicker et al. 2022). In an assessment of fiscal sustainability, Grix and Brannagan (2021) highlight that understanding the balance between large initial investments and long-term financial returns is essential to ensure efficient and effective use of public funds. Cebeci and Zülfüoğlu (2023) analyses the economic and sporting dimensions and the results achieved with the huge Olympic budgets. The risk of projects being abandoned after the Games makes the economic aspect of the Olympics questionable. Large investment projects, sports centres, their financing and the fact that the projects are not actively evaluated after the Games are evaluated within the framework of the 'white elephant syndrome' in the Olympic literature. In particular, this study discusses the economic and financial dimensions of the Rio 2016, London 2012, Beijing 2008 and Athens 2004 Olympic Games within the framework of the white elephant syndrome. Similarly, recent analyses by Kim et al. (2020) highlight the economic challenges and successes of different host cities by comparing Olympic budgets and outcomes. Effective planning and legacy management are essential to maximise benefits and minimise long-term costs. Similarly, Müller (2022) discusses the financial challenges faced by sports organisations and highlights the importance of strategic financial planning to ensure sustainability.

Researchers are expected to focus on mega-events due to their high cost-benefit ratio. Bülbül and Yamaçlı (2023) examined football organisations and the Olympic Games in their study. According to the study, the energy and resources consumed by stadiums built for football matches played every fifteen days and short-term sporting events (such as the European Football Championship, the FIFA World Cup and the Olympic Games) are high. According to the results of the study on the financial situation of sports organisations in Azerbaijan, it was found that such enterprises are loss-making in terms of cost-benefit ratio (Ahadov, 2023). Çakır et al. (2023) found that heavy structures built by host cities to organise the games, but not used at the end of the games, millions spent on short-term organisations and not used effectively, are brought to the agenda. However, Grix et al. (2021) argue that although these events are costly, they provide significant benefits such as international recognition, tourism flows and infrastructure development.

Cost-benefit analysis (CBA) is a fundamental tool for assessing the feasibility and impact of projects, particularly sports events. It provides a systematic comparison of expected costs and benefits so that policymakers and stakeholders can make informed decisions that optimise resource allocation and maximise benefits. For example, Jiménez-Naranjo et al. (2016) highlight that CBA helps to quantify the economic impact of sporting events on local economies, taking into account factors such as tourism revenues and infrastructure development. Keane et al. (2019) state that CBA

is crucial for assessing the financial sustainability of major events, so that public funds are used efficiently and effectively. Furthermore, Boadway (2021) highlights that the inclusion of social costs and benefits in CBA allows for a comprehensive assessment of public projects, thereby improving effective policy making. In conclusion, CBA in sport is a multifaceted tool that requires consideration of economic, social and environmental factors. By comprehensively assessing costs and benefits, stakeholders can make more informed decisions that minimise potential disadvantages while enhancing the positive impacts of sports events. CBA is therefore essential to ensure that investments deliver significant economic and social returns.

The financial framework and the management of sports organisations are crucial for the successful conduct of sports events. The organisational structure and financial support provided by the state in Turkey has played an important role in the development and popularisation of sport. The aim of this paper is to examine the financial framework and management strategies used in sports organisations with a focus on the cost-benefit analysis of local sports events. The analysis will include a review of the existing literature, an examination of the financial aspects and recommendations for improving the efficiency and effectiveness of the management of sports events. In Turkey, a fully fledged state authority with a state sports organisation has been established since 1938 (Fişek, 1998; Law No. 3530). State support for sports organisations is a common practice in many countries. In Turkey, the state supports the management and administration of sport in areas such as education, dissemination and facilities, and ensures the development and dissemination of amateur sport. In this context, the Ministry of Youth and Sports (MoYSS) of the Republic of Turkey, through the Provincial Youth and Sports Directorates (PYSD), works for the development of Turkish sports and supports sports activities in all fields.

In Turkey, 63 sports federations operate under the central organisation of the GSB and carry out local activities in coordination with the provincial organisation of the Ministry and provincial representatives of sports branches. Sports federations are responsible for ensuring that sports competitions organised throughout the country are conducted in accordance with international rules (Presidency of the Republic of Turkey, 2022). The main purpose of the federations is to popularise and represent sports at international level. They carry out these activities by using income sources such as state contribution, registration-visa-penalty-appeal fees, broadcasting rights and sponsorship (Official Gazette of the Republic of Turkey, 28358, Article 15).

This study is a pilot study carried out in the province of Çorum and covers the cost data of only one sport branch. In small cities, competitions are organised in 30-45 sports branches per season. Considering that all sports federations are active in large cities and that the number of seasonal competitions will be high depending on the population, it is very important to determine

the costs incurred throughout the country. Unfortunately, the total number of sports organisations in Turkey is not published by the GSB. It is important to minimise the costs by using the financial picture that will emerge throughout the country, using the resources effectively and efficiently and ensuring that the service is carried out uninterrupted in these processes. Considering that the savings to be achieved with the changes to be made in a local organisation will be around 50%, this study has carried out a cost-benefit analysis of amateur sports competitions financed by public support and high ideals. The results of the study will be made available to the academic community, authorities, organisations and the sporting community.

## **Material and Method**

The research examined the costs and results of local sports Organizations in athletics in a city in Turkey for one season. The study used qualitative data analysis to examine the costs and outcomes of local sports organisations involved in athletics during a season in a city in Turkey. Qualitative data analysis (QDA) is a systematic process for interpreting and making sense of non-numeric data, such as text, audio and video, to reveal underlying themes, patterns and meanings. Methods such as thematic analysis, developed by Braun and Clarke (2006), involve the identification and analysis of patterns in the data, while grounded theory, as described by Corbin and Strauss (2015), focuses on generating theory directly from the data. These methods are crucial for providing nuanced insights that quantitative methods alone cannot provide, thus enriching our understanding of complex phenomena (Saldana, 2021). The document analysis method that was used in the research is defined as the process of inquiry (Bowen, 2009) for the development and interpretation of the production of knowledge (Corbin & Strauss, 2008). The documents that were analysed in the research are: the assignment of the competition staff, the referee records and the competition result reports. In the relevant documents, the number of personnel assigned, the payments made and the sporting results of the competition can be accessed. These documents are prepared separately for all sports organizations and are official documents, thus ensuring full data reliability. These documents are kept in the offices of the competent sports delegate, in the competent units of the PDYS and in the archives of the sports federations. The tasks analysed within the scope of the research are presented in Table 1.

**Table 1.** Classification of Personnel and Wages to be Paid to those Assigned to Youth and Sports Practices

	01.01.2023 - 31.06.2023		01.07.2023 - 31.12.2023	
	Normal Fee	Ministry of Youth and Sports Personnel 50% more (657 CSL 4A, 4B Civil Servant Status)	Normal Fee	Ministry of Youth and Sports Personnel 50% more (657 CSL 4A, 4B Civil Servant Status)
Competition Manager	108,42	162,63	127,45	191,175
Facility Supervisor	108,42	162,63	127,45	191,175
Technical Staff	108,42	162,63	127,45	191,175
Provincial Sports Branch Representative	108,42	162,63	127,45	191,175
Health Officer	108,42	162,63	127,45	191,175
Field Arrangement	108,42	162,63	127,45	191,175
Sport Referee	173,47	260,205	202,37	303,555

\* The currency: Turkish lira (TL)

Table 1, which has been drawn up within the framework of the Circular on the salaries to be paid to those to be assigned to the implementation of youth and sports services (General Directorate of Sports Services, 2023), shows the wages to be paid to the officials of the Organization in question. According to Table 1, it can be seen that the staff of the MYS is paid a 50% higher wage.

## Population and Sample

Statistical data on the number of events organised by school sports, sports clubs and private organisations in Turkey are not available, taking into account only the duration of the week. Considering that each sports federation organises competitions in different categories, there are numerous competitions in approximately 63 sports branches in 81 provinces and 922 districts. Collecting research data from such a large and comprehensive universe is not possible. Therefore, within the framework of the convenience sampling method in the research, the documents including the activities organised by the Provincial Athletic Representative in Çorum Province (population = <300,000) for one season in 2023 were examined and classified and a dataset was created.

## Results

In this part of the research, the results are presented on the basis of the tables created from the data obtained.

**Table 2.** Data on Organisational Tasks and Remuneration



	Type	Athletes (n)	Category	Staff n	MYS Staff n	MYS Staff Payment	Health Staff n	Staff Payment Health	Personnel on Duty Net Paid
March	A	80	4	11	10	1.626,30	1	108,42	1.734,72
March	A	73	8	11	10	1.626,30	1	108,42	1.734,72
April	A	33	6	11	10	1.626,30	1	108,42	1.734,72
May	C	30	2	11	10	1.626,30	1	108,42	1.734,72
May	B	82	2	11	10	1.626,30	1	108,42	1.734,72
May	C	105	10	11	10	1.626,30	1	108,42	1.734,72
May	C	200	10	11	10	1.626,30	1	108,42	1.734,72
May	B	30	8	11	10	1.626,30	1	108,42	1.734,72
July	C	90	12	11	10	1.911,75	1	127,45	2.039,20
July	C	80	2	11	10	1.911,75	1	127,45	2.039,20
August	C	18	8	11	10	1.911,75	1	127,45	2.039,20
		<b>821</b>		<b>121</b>		<b>18.745,65</b>		<b>1.249,71</b>	<b>19.995,36</b>

*Type; A: School Sports, B: Sports Clubs Organization, C: Special Organization*

As can be seen in Table 2, only 1 of the 11 organizers is a Ministry of Health employee. All other organizers were found to be MYS staff and all wages were paid with a 50% increase.

**Table 3.** Organisational Data on Referee Assignments and Remuneration

	Type	Athletes (n)	Category	Total n	MYS Personnel	MYS Payment	n	Payment	Duty Net Paid
March	A	80	4	29	7	1.821,44	22	3.816,34	5.637,78
March	A	73	8	28	5	1.301,03	23	3.989,81	5.290,84
April	A	33	6	15	4	1.040,82	11	1.908,17	2.948,99
May	C	30	2	8	3	780,62	5	867,35	1.647,97
May	B	82	2	8	4	1.040,82	4	693,88	1.734,70
May	C	105	10	22	4	1.040,82	18	3.122,46	4.163,28
May	C	200	10	13	1	260,21	12	2.081,64	2.341,85
May	B	30	8	13	3	780,62	10	1.734,70	2.515,32
July	C	90	12	18	5	1.517,78	13	2.630,81	4.148,59
July	C	80	2	21	5	1.517,78	16	3.237,92	4.755,70
August	C	18	8	19	3	910,67	16	3.237,92	4.148,59
		<b>821</b>		<b>194</b>	<b>32</b>	<b>12.012,57</b>	<b>105</b>	<b>27.321,00</b>	<b>39.333,57</b>

*A: School Sports, B: Sports Clubs Organization, C: Special Organization*

As can be seen in the section of the study's findings on referees, there were 194 referees in 11 sports Organizations. 32 of these referees were MYS employees. The referees were paid a total of TL 12,012.57 with a 50% increase. This amount corresponds to approximately 30.6 per cent of the total amount paid to referees. The amount paid for 105 referees was 27,321 TL. It was calculated on the basis of the normal fee.

**Table 4.** Cost of Medals and Trophies Distributed in Organisations

	Type	Athletes (n)	Categories	Medal	Cup	Price per medal	Medal Cost	Price per cup	Trophy Cost
March	A	80	4	200	8	30	6.000,00	200	1.600,00
March	A	73	8	128	16	30	3.840,00	200	3.200,00
April	A	33	6	80	0	30	2.400,00	200	0
May	C	30	2	8	0	30	240	200	0

May	B	82	2	0	0	30	0	200	0
May	C	105	10	40	0	30	1.200,00	200	0
May	C	200	10	40	0	30	1.200,00	200	0
May	B	30	8	32	0	30	960	200	0
July	C	90	12	48	0	30	1.440,00	200	0
July	C	80	2	8	0	30	240	200	0
August	C	18	8	32	0	30	960	200	0
				<b>616</b>	<b>24</b>		<b>18.480,00</b>		<b>4.800,00</b>

*A: School Sports, B: Sports Clubs Organization, C: Special Organization*

Depending on the Organization's results, trophies and/or medals are used for awards. As can be seen in Table 5, it was found that trophies were only awarded in school sports competitions (n=2). Medals were given to athletes in 8 of the other 9 Organizations, and no awards were given in only one children's festival. The total value of all the awards that were given during the season amounted to TL 23230. This amount was determined to be approximately 18.5 per cent of the total expenses incurred during the season.

**Table 5.** General Cost Data of the Organisation (Staff, Referee, Trophy/Medals)

Type	Athlete n	Officer n	Personnel on duty net paid	Official Referees n	Refree in charge net paid	Session	Net Paid	Trophy Cost	Medal Cost	Total Cost per activity
A	80	11	1734,72	29	5637,775	2	14744,99	6000	1600	<b>22344,99</b>
A	73	11	1734,72	28	5290,83	2	14051,11	3840	3200	<b>21091,11</b>
A	33	11	1734,72	15	2948,99	1	4683,71	2400	0	<b>7083,71</b>
C	30	11	1734,72	8	1647,96	1	3382,68	240	0	<b>3622,68</b>
B	82	11	1734,72	8	1734,7	1	3469,42	0	0	<b>3469,42</b>
C	105	11	1734,72	22	4163,28	1	5898	1200	0	<b>7098</b>
C	200	11	1734,72	13	2341,84	1	4076,56	1200	0	<b>5276,56</b>
B	30	11	1734,72	13	2515,31	1	4250,03	960	0	<b>5210,03</b>
C	90	11	2039,2	18	4148,58	1	6187,78	1440	0	<b>7627,78</b>
C	80	11	2039,2	21	4755,69	1	6794,89	240	0	<b>7034,89</b>
C	18	11	2039,2	19	4148,58	1	6187,78	960	0	<b>7147,78</b>
			<b>19995,36</b>		<b>39333,57</b>		<b>73726,98</b>	<b>18480</b>	<b>4800</b>	<b>97006,98</b>

*A: School Sports, B: Sports Clubs Organization, C: Special Organization*

According to the general financial table of the sports Organizations during the season, 110 Organization officials and 11 health officials worked in the Organizations. The total fee for the organising officials per session in the competitions was (19995,36 TL), the total fee for the referees was (39333,57 TL) and the cost of the awards was (23280 TL). In two Organizations, the fees for officials and referees were doubled (73726.98 TL) due to the longer duration of the competitions. According to the costs per competition, the most expensive Organizations are the school sport competitions held in two sessions.

## Discussion

Organizations can achieve significant savings by using both economies of scale, by saving money through mass production of goods and services, and economies of scope, by saving money

through the most efficient organization and use of available resources (Parks et al., 2003, p.318). In Turkey, the management elements of the sports organization (federations - central and provincial organizations - provincial representative offices) are the main elements in the effective and efficient realization of the organizations.

Social investments are not only based on cost-benefit results (Eren & Keçer, 2023: 173, Dreze & Stern, 2013, p.932). It can also be used to evaluate the popularisation of sporting activities in society. In particular, activities that are organised in the sense that society likes, accepts and participates in sports activities fall within this scope. However, the aim of sports competitions is to win, to win medals and trophies. If this is not the case, a cost-benefit analysis should be carried out. When evaluating sport in terms of social benefits, this type of analysis can be used to reduce costs. As can be seen from the results of the study, it is also possible to increase the effectiveness of the costs incurred by reducing the costs. In this study, it will be possible to increase the social benefit within the framework of the costs incurred by reducing the costs. According to İşgüden (1978), since it will be very difficult to measure the benefit in social activities, those with lower costs should be selected among the projects prepared. In this way, the benefits to be obtained can be maximised according to the costs incurred.

All types of activities of the federations are audited by the general assembly, the supervisory board (internal audit) and the auditors appointed by the MYS (external audit) (DGSS, 2015; Official Gazette, 28358, art. 17). These audits cover issues such as the conformity of the work and transactions carried out with the objectives of the federation in the management and administration of sport, as well as the results of their implementation and the degree of success. In addition, as sports federations have a state-funded structure in financial terms and the administration has discretionary powers, all expenditures are also audited for compliance with the expediency (Tetik, 2017). The purpose of this audit is to determine the compliance with the budgeting and archiving standards, the registration records (coaches-athletes-referees), the appropriateness of the state aid for the purpose and the implementation within the framework of the legislation, based on the principles of transparency and accountability. Conducting legal and sportive audits may not affect the organization costs. The most important result of the research is related to the number of organization officials. This is because it is assumed that sports supervision focuses on training elite athletes with a medal-oriented approach (Özbey & Göküş, 2022). In this context, sports federations give more importance to national championships and the formation of national teams. They allocate most of their resources to expenditures for international success. The local organisation of sports branches (school sports clubs and private competitions) is organised by the provincial representative offices and carried out with the resources (personnel-facilities-payments) of the provincial

directorates. The total costs of the competitions that are organised by all the sports branches in the province during the season are covered by the budget of the provincial directorates (Üçışık, 2011).

In accordance with the circular on the fees applicable to sports services and activities, published by the General Directorate of Sports Services (GDSS), according to the pricing criteria for competitions; if the duration of the competition exceeds 4 hours, the officials (referee / staff) are paid twice (GDSS, 2023). For this reason, the starting time of competitions is extremely important. It is known that competitions usually start around 10:00. In this case, the end of the first 4-hour period is 14:00. As can be seen, in the case of competitions held on weekdays, all the officials listed in Table 1 are paid between 12:00 and 13:00, i.e. during the lunch break, as a result of the additional duties of public servants. All transactions and actions of public institutions and organisations should be subject to legal control (Tetik, 2017). Nevertheless, the time at which the competitions end is determined by minutes, but it is assumed that there is no supervision. The same applies to the end of working hours. In other words, after the first session of the competition, which takes place between 10:00 and 14:00, there is a break of at least one hour, and if the second session starts around 15:00 and ends after 17:00, a fee is charged for the second session. With these practices, which are very advantageous for civil servants; for example, a referee who is also a civil servant and is considered to be on leave is paid TL 303,555, while other referees are paid TL 202.37 (Table 1). It was noted that these payments will be implemented with the circular issued in 2023 (DGCA, 2023) and that these practices are the main source of cost increases.

The number of people to be assigned in the organizations is legalized as "maximum 11 people" (DGCA, 2023). The provincial representative, who is officially responsible for determining and assigning the organization officials, has to make strategic decisions in order to reach the planned targets in the shortest time and with the lowest cost. The data generated on the basis of performance measurement results, which are the sign of the success of past practices, are valuable elements that are used in the strategic decision-making process (Çelik & Uslu, 2022). For this reason, provincial representatives need to make some evaluations in the data obtained from the organisational results. An evaluation can be made by the ratio of the number of seasonal competitions to the number of athletes. In addition, the participation of the athletes ranked in the competitions in group competitions and Turkish Championships should also be monitored. According to the results of the research, 821 athletes participated in 11 organisations. Among them, only school sport (n=196) and club sport (n=112) have group and Turkish championship events. A total of 308 athletes participated in this category (Table 2). In this classification, a kind of evaluation can also be made with the ratio of successes (cups / medals / degrees) to the number of athletes. In addition, the costs calculated in these classifications (school sports costs = TL 50,519.81, club competitions = TL 8,679,455; Table 5) can be compared with the sporting success

achieved. However, one of the obligations of the State in the field of sport, as defined by the Constitution (Articles 58-59) and the Law (No. 3289), is to promote sport and protect young people from bad habits. All the organisations set up for the promotion of sport are a service production with the philosophy of social benefit. For this reason, although the costs incurred in public services are acceptable, public benefit can be achieved through savings made by reducing and minimising costs. The easiest way to reduce costs here is to review the ambiguous statements in the missions of the organisations and to cancel the payments made to the DGCA staff with a 50% (for 2024, %85) increase. According to the results of the research, it was determined that the number of athletes and other characteristics were not taken into consideration and 11 people were assigned in each organization.

Another important finding is that in an organization where there is a provincial representative, there are personnel such as competition manager, facility supervisor, technical staff and field layout. While all the technical processes of the competition are carried out by the referees, the presence of a director of this competition, the assignment made in a competition held in a public facility despite the presence of a facility supervisor who is already salaried, the presence of technical personnel whose purpose and duty are unclear, and the presence of field layout officials seem to be the most important factor that reduces economic efficiency. Practices that cause re-payment of wages (DGCA, 2023) to the personnel who are already salaried cause an increase in costs. On the other hand, the payments made to public employees with a 50% (for 2024, %85) increase are extremely difficult to understand. However, according to the new communiqué published in 2024, the additional wage rate paid to GSGM personnel has been increased to 85% (DGCA, 2024). Although they do the same work, GSGM personnel are paid 85% more than people who referee voluntarily. Referees, who undertake the entire burden of the competition, also have an imbalance in payment in terms of public employees.

Sport has a structure with strict rules, and the instructions of national and international federations must be strictly followed in organisations. For example, almost all matters such as the establishment of sports clubs within the country's borders (GDYS, 1994), visa registration or transfer procedures (GDYS, 2002b), training and courses for coaches (GDYS, 2002a), and authorisations for these practices are prepared on the basis of Law No. 3287 (GDYS, 1986). The criteria according to which all work and procedures related to sports activities are carried out are determined by regulations, directives and instructions. Directives and instructions, which are sub-texts of laws, are rather implementing texts prepared by the administration within the framework of discretionary powers.

Discretionary power is defined as giving the administration a certain degree of freedom of action in acting or fulfilling its duties and allowing the administration, which is obliged to respond

to various needs, to choose one of the various possibilities in determining the reason, subject, time and place of saving in some cases (Giritli, 2015, p. 124; Gözübüyük, 2006, p. 333). Discretionary power is the right of the administration to choose among the options used by the administration and is determined by the rules of law. Discretion is a state power that exists not only in administrative law but also in other branches of public and private law (Kaya, 2021). The granting of discretionary power to the administration provides that the decision taken or to be taken will protect the interests of individuals while ensuring that the public is not harmed. In addition, regulations, directives and special permits must not be contrary to the laws. The laws must protect public property and resources.

The circular on fees published by the GDSS is a text that is limited by the relevant laws, drawn up at the discretion of the administration (GDSS, 2023). For this reason, it must contain the conditions of compliance with all the laws binding on the administration. Considering that the administration does not have the discretion to have clear rules, clearly defined by international rules and national practices, until the point where the sport game itself is exhibited on the field, the administrative practice texts must be clear, unambiguous, understandable and impartial within the framework of the universality of sport. However, the purpose element of the administrative action must always be in the public interest (Tetik, 2017). The discretionary power, which is a right given to the administration in the implementation of the public interest, provides the administration with the autonomy to make decisions within the rules of law (Kaya, 2021). The results of this research, which revealed the financial results of the wage circulars issued by the administration, showed that the current practices in sports organisations lead to a waste of public resources and cannot be used effectively and efficiently. In the context of the above, the regulation in question granted discretionary power to the administration, but this power was relatively detrimental to the public for the benefit of individuals. Furthermore, it has been established that the expenditure and costs incurred have not resulted in any measurable sporting success (no successful results have been achieved in sporting competitions held outside the province).

As a result, it is considered that a new practice should be adopted to determine a new assignment standard and limitations specific to sports branches. It is suggested that additional practices for public personnel that create payment imbalance should be abolished. In this way, it has been determined that serious reductions will occur in organization costs. In addition, it is recommended to investigate social issues such as nepotism or mobbing that may occur in assignments.

The findings of this study highlight the potential for significant cost savings in the organization of local sports events through more efficient resource allocation and management practices. Current practices result in substantial expenses, particularly due to the high number of

personnel assignments and the 50% wage increase for MYS staff. By optimizing the number of personnel and eliminating unnecessary roles, costs can be reduced without compromising the quality of the events. Additionally, revising the payment structures for public employees involved in these organizations could further enhance economic efficiency. The study suggests adopting new assignment standards and limitations specific to sports branches to improve organizational effectiveness and efficiency.

It is well known that governments recognise the importance of mega-sporting events. Politicians often support the hosting of mega sporting events despite discouraging evidence of financial benefits or direct economic gains (de Nooij, et al. 2018). Spending on high-cost mega-sporting events is a managerial choice and is important for the promotion and reputation of the country. However, in order to achieve efficiency in the use of public resources, it is recommended to reduce local organisational costs instead of incurring high costs. In terms of organisational effectiveness and efficiency, using all elements of sports management and resources with the highest benefit will contribute to the development of sports services provided to the public. For this reason, it is recommended that the task of the provincial sports branch representative, which is carried out on an honorary basis, be transformed into an elected structure with the representative participation of sports management subjects.

### **Limitations**

Although our study provides important contributions to the field of sport management, it also has some limitations. The most important limitation is that the data is limited to only one sport branch. Therefore, it is not possible to fully determine the public waste that emerged as a result of the research. In addition, it is not known how many sports branches are active in each city. Besides, there are socio-economic or geographical popularity constraints for each sport. Therefore, the number of organisations and the level of participation will certainly vary. With a nationwide survey based on numerical data may allow better interpretation of the results.

### **Recommendations for Improvement**

To improve the financial management and efficiency of sports organizations, the following recommendations are proposed:

1. **Streamlining Organizational Processes:** Reducing the number of personnel involved in organizing events and eliminating redundant roles can help lower costs. Implementing strategic decision-making processes based on performance measurement results can enhance efficiency.

2. **Optimizing Resource Allocation:** Allocating resources more effectively by prioritizing high-impact events and activities can improve overall outcomes. This includes focusing on events with higher potential for economic and social benefits.
3. **Enhancing Transparency and Accountability:** Strengthening the financial auditing processes and ensuring compliance with legal and regulatory standards can help prevent resource misuse and ensure better financial management.
4. **Leveraging Technology:** Utilizing digital tools for planning, monitoring, and evaluating sports events can streamline operations and reduce administrative costs. This includes using software for budgeting, scheduling, and performance tracking.
5. **Engaging Stakeholders:** Involving all relevant stakeholders, including local communities, sponsors, and government agencies, in the planning and execution of sports events can foster collaboration and enhance the sustainability of these events.

#### **Information on Ethics Committee Permission**

No ethical approval is required for this study.

#### **Researchers' Contribution Statement**

Both the authors have equal contributions.

#### **Conflict of Interest**

There is no conflict of interest in this study



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