

MUNICH OLYMPICPARK: A GOVERNANCE MODEL ANALYSIS AFTER 45 YEARS

1. Introduction

The legacy of the Olympic Games has been discussed for decades in Brazil and in other countries. However, a conceptual detail remains: how many years must pass before we can consider talking about legacy? According to Chappellet (2012), it is necessary to make a distinction between short-term, mid-term (such as a year or two after the event) and long-term legacy (one or two decades after the event). The aim of this study focused on the long-term legacy of the Munich Olympic Park (MOP) and facilities of the 1972 Games in Germany. The purpose of this multi-method research was to apply a scenario assessment (Little, 2002). Based on the perception of two physical education professionals, with experience in sports management, one doctor and the other doctoral student took notes in field diaries. After multiple technical visits to the POM and other facilities in the city, the data was compiled, as well as elements of the interviews with the MOP director at the time of data collection and with his predecessor, as well as the interview application with three MOP sponsors to understand the legacy of the 1972 Olympics in Munich after 45 years and the governance model. The observations and interviews occurred between November 17th 2016 and May 17th 2017.

2. DISCUSSION

Olympiapark is a full subsidiary of the City of Munich. The management team of the Olympic Park consists of the General Manager and four departmental chiefs, overseeing the Financial department, Technical department, Sales and Events department and the Continuous Business department. The management reports regularly to the Fiscal Council. The Fiscal Council president is also the Mayor of Munich.

Olympiapark is responsible for the management of Olympic venues: the Olympic stadium, the Olympic Hall, the new Olympic Hall, the Olympic Tower and the Olympic Ice Stadium. The venues are rented mainly by events agencies; for instance, the Soccer Arena and the Swimming Hall are rented out to companies that use their space in exchange for rent paid to the Park's administration. However, there are also events run by the Park itself, such as the MASH (extreme sporting event), the Summer Night's Dream (show with fireworks), as well as the Impark-Festival (fair). The Stadtwerke

Muenchen is another full subsidiary of the City of Munich -- it is responsible for the management and maintenance of installations in the Olympic Park (Interview with Park director).

In 2016, Olympiapark hosted more than 400 events and more than four million people visited the Olympic Park. The administration council aims to develop modern event formats that are attractive and inspiring to new target-groups (i.e. events for young people between the ages of 15 and 25). (Interview with Park director.) Aside from the events, the Park has an active daily life in which its installations become regularly stages for sporting activities offered by outside companies. These activities are supported by German citizens through fees, but also foreign visitors.

However a part of the cost is covered by the government as a form of social return to the population from the taxes payed. Thus, the value spent per student in each activity is calculated and part of the cost is maintained by the government, not being fully passed on to the citizen. Another source of funding for the Park is the money that comes from its events, such as shows, sporting events, concerts etc., as well as the renting of space for shows to happen. In some cases, aside from the rent, part of the proceedings from ticket sales is also reverted to the Park.

3. FOOTPRINTS

Overall Olympiapark is not financially self-sustainable. The financial governance model involves obtaining resources through a marketing agency and according to the Olympic Park director; a public-private partnership was introduced in 2007, when the need for resources to cover the bills was noticed. Thus, the Olympic Park has a governance project in which more than 70% is subsidized by the government and the remaining percentage is financed by various stakeholder including sponsors, internally and externally event organizers and independent projects related to physical activities offered at the Swimming Hall (Interview - Park director).

Through the analysis of the interviews with the Olympiapark sponsors, we learned that there is no sponsorship report with an evaluation of the investment returns for each sponsor. There is an explicit and specific business relationship for each one sponsor. For example the Leonard Hotel as an official sponsor keeps records of the guests arriving to the Park. All the sponsors interviewed were unanimous regarding their main objective in

sponsoring the particular Park. As they said, they wanted to position their brand in a nice place with family-related values (Interview - sponsors). However, from a strategic marketing point of view, the data collected in this study reflects the lack of a clear vision and specific performance targets regarding the sponsors. The data indicated lack of technical reports from the Olympic Park's management committee that could quantitatively measure the financial or intangible benefits, specific for the sponsors.

Besides the Olympic Park, the venue for the 1972 regatta was also evaluated. This Olympic venue is located outside the city of Munich, at Oberschleißheim, and does not count with private investment. The installation presents itself with structural damage only in the bleachers. Yet, the area has been used for training amateur and professional athletes and official rowing competitions. However, the Olympic streak is also used by the local population as a kind of beach, in the mold of Paris Plage, but from the autonomous organization of users.

4. FUTURE CONSIDERATIONS

The Munich Olympic Park was reopened to the population days after the end of the 1972 Olympic Games, offering to the local citizens quick access in the post-event period (interview with the Park's ex-director). We conclude that all of the planning for the mega-event's realization contemplated the Park's adequacy and is considered the legacy plan for the particular Olympic Games. Thus, we conclude that the events in and of themselves do not promote a lasting legacy without the simultaneous creation and execution of a coherent public policy for the full and sustainable utilization of the Olympic structures during the post-Games period. Another conclusion based on observations and interviews is that both the MOP and other facilities are in great need of weekly cyclical activities to generate stable and required resource inflows. Disruptions or seasonal actions compromise the MOP appliances and also consume resources. Feedback through monthly reports to sponsors or other partners by Olympic park managers is strictly necessary, reporting on the resources used and optimized. These actions can shape accurate perceptions on the return of investments and create more effective resource management functions. As companies are looking more intensively to invest on social values in order to exposure, associate and enrich their brands in local and global markets,

sport facility managers need to work harder to provide valid evidence which reflects the tangible and intangible benefits for both parts so as the exchange relationship to be sustainable and beneficial for long time. These tactics along with an appropriate public policy on supporting the legacy of mega sport facilities can be viable solution to the sustainability issue which is so threatening especially in unstable economic environments.

Book: Megaevents Footprints: Past, Present and Future.