The Research on Management Model of Public Stadiums and Gymnasiums in Shanghai City

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Abstract—The paper aims at the research of management model and operational mechanism of public stadiums and gymnasiums in Shanghai city. Through the methods of literature study, questionnaires, conversation investigation and so on, based on international standard project management theory and model, the paper analyze its operating and management status and put forward some suggestions. As a result, we can create new management model for public stadiums and gymnasiums, which can contribute to the development of sport industry in China.

Keywords—management; model; public; stadiums; status

I. INTRODUCTION

Public stadiums and gymnasiums are built by government, managed by sport administration department, and used to take exercise, sport training and athletic competition [1]. With the economic development and the increase in living standards, Consumer demand is growing for sports among residents of Shanghai city. Sports fitness Become an important part of people's healthy life, which leads to the rapid development in sport industry. But public stadiums and gymnasiums were not adapted to requirements of residents and sport industry so that we have to carry out the research on management model of public stadiums and gymnasiums to improve the management model and operational mechanism of public stadiums and gymnasiums in Shanghai city.

II. OPERATING AND MANAGEMENT STATUS

A. Imperfect System of Self-organization

Firstly, the problem of public stadiums and gymnasiums lies in operating institution. Modern enterprise need a system of board and board of supervisors. But 98 percent of public stadiums and gymnasiums have no the system. Public stadiums and gymnasiums can’t deal with problems by themselves, which has a passive influence on operating efficiency when faced with new competitive pressures (table 1).

![Table 1: Operating Status](image)

<table>
<thead>
<tr>
<th>Performance</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No board and supervisor</td>
<td>40</td>
<td>97.56</td>
</tr>
<tr>
<td>Lack of emergency capacity</td>
<td>33</td>
<td>80.49</td>
</tr>
<tr>
<td>Lack of autonomy</td>
<td>25</td>
<td>60.98</td>
</tr>
</tbody>
</table>

B. Lack of Incentive Mechanism

Incentive Mechanism can improve the performance of public stadiums and gymnasiums. That we perfect incentive mechanism can arouse the enthusiasm of operating public stadiums and gymnasiums and improve efficiency in operating public stadiums and gymnasiums. But according to the investigation concerned, the Incentive Mechanism is imperfect in managing public stadiums and gymnasiums in Shanghai city. It is difficult to take an effect of incentive mechanism. 75.60% of public stadiums and gymnasiums are short of incentive mechanism, especially for manager and there are no incentive mechanism among 80.48% of public stadiums and gymnasiums.

C. Redundant Staff

As for the staff system public stadiums and gymnasiums in Shanghai city, it shows the characteristic of public institution of planned economy, that is, fixed staff and less flow. Some of the stadiums and gymnasiums lack reform ideas, where the integration of management with carrying out and administration with stadium takes place.

The positive progress has been made in the reform of public stadiums and gymnasiums in recent years in Shanghai city, but redundant staff still exists. Some of public stadiums and gymnasiums which have been reformed well adopt the form of the delegate agent. Although staff flow improves and incentive and supervisory mechanism plays a certain role, the effect of incentive and supervisory mechanism is limited by redundant staff. According to the investigation carried by us, among the public stadiums and gymnasiums we have investigated, heavy burden in redundant accounts for 68.29% and lighter burden in redundant accounts for 31.71%.

D. Lack of Competitive Consciousness

Now sport industry is still at an initial stage in China, and it is not enough to support the industry of public stadiums and gymnasiums. They lack competitive consciousness as follows:

- Disorganized competition occurs among public and private stadiums and gymnasiums. According to the investigation, more than half of the public and private stadiums and gymnasiums have disorganized competition, which shows they belong to different interested parties and it is necessary for them to
complete. But presently public stadiums and gymnasiums take a vague position to define non-standard so that their operation and management needs the support and protect of the government.

- Public stadiums and gymnasiums lack quality brand consciousness, which results in at a competitive disadvantage in competition. On the condition of market economy, public stadiums and gymnasiums have to meet the demand of business activities. In the course of business activities and competition, they take advantage of the characteristics of large scale, overall function and advanced facilities, set up modern marketing awareness, expand advertising public stadiums and gymnasiums, create quality brand and establish public recognition to public stadiums and gymnasiums. As a result, public stadiums and gymnasiums have an invincible position in marketing competitions

- Public stadiums and gymnasiums lack talent concerned. For a long period, as the subordinate institution of competent authorities, most of public stadiums and gymnasiums introduce talent in single channel, that is, apply to superior authorities in Inside sports system, which results in the lack of talent of management and business and unreasonable talent structure. Besides, the staff have less opportunity to be trained.

E. Poor Business Performance

Public stadiums and gymnasiums in Shanghai are built to hold various sports events, which belong to non-operational state assets. But only operational state assets can maintain and increase their value and consumer and non-operational assets can not maintain and increase their value. Through the reform of public stadiums and gymnasiums, the non-operational public stadiums and gymnasiums disappear gradually in the course of market economy development. Public stadiums and gymnasiums carry out business activities not only show their service abilities, but also it is a symbol of comprehensive development in sport industry. However, public stadiums and gymnasiums in Shanghai have a poor performance in terms of their business status.

<table>
<thead>
<tr>
<th>Performance</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td>9</td>
<td>21.95</td>
</tr>
<tr>
<td>Balance of payments</td>
<td>24</td>
<td>58.54</td>
</tr>
<tr>
<td>Operating loss</td>
<td>8</td>
<td>19.51</td>
</tr>
<tr>
<td>Total</td>
<td>41</td>
<td>100.00</td>
</tr>
</tbody>
</table>

F. Low Level of Business Income

- As we know, Public stadiums and gymnasiums play an important role of developing sport industry. But sport industry is still at an initial stage, the income of Public stadiums and gymnasiums not mainly comes from the business activities, but mainly comes from property lease, advertisement, shows and so on. According the data, the income of holding sports events is low in terms of public stadiums and gymnasiums.

- As far as public stadiums and gymnasiums are concerned, it is easy to get the support from government, but it lacks innovation and operating vitality.

G. Stock Right

The equations are an exception to the prescribed specifications of this template. Stock rights determine the property rights of public stadiums and gymnasiums, which can disintegrate property right power of public stadiums and gymnasiums and effectively solve the problem of property right incentive and restriction mechanism [2]. As for public stadiums and gymnasiums, they expand source of fund and realize the flow of fund. But under the model, there are several disadvantages:

- It is easy to increase management cost.
- In order to endure their public nature, the conflict of interest occurs between government and investors. It is difficult to determine the best investment proportion.
- According to current rules and regulations, the market is not mature enough and the flow of stock rights is limited.

H. Third-part Service

The equations are an exception to the prescribed specifications Shanghai Ease Asia was founded by Shanghai Sport Bureau and Shanghai East Asia Group through strong and joint [3]. It manages Shanghai Stadium, Shanghai Gymnasium and Shanghai Theater. Its features are a joint company including several entities. Its main investment comes from Sport Bureau, funded jointly by Shanghai Municipal Administration of Culture, Radio, Film & TV and Wenhui-Xinmin United Press Group. East Asian sports culture center co. LTD takes responsibilities on the business. Its disadvantages are as follows:

- As the main investment, Shanghai Sport Bureau don’t take part in business activities
- As for finance, only government can make a decision on if support or not

I. Lu Wan and Yuan Shen Model

The model is called Lu wan-Yuan Shen model. Lu Wan Sport Center and Pudong Yuan Shen Sport Development Center is the same model of local government's special agencies. Under the model, government is the investor of public stadiums and gymnasiums, and they are the direct marketing manager. The government supervises the public stadiums and gymnasiums through state-owned Asset operating organizations. Lu Wan Sport Center and Pudong Yuan Shen Sport Development Center take responsibilities on local authorities respectively.
J. Privatization of State-owned Assets

The model aims at property right transformation, privatization of state-owned assets and property rights fully entering into the market [4]. Full privatization of state assets has been debated for a long time. Some people think state assets privatization can solve the disadvantages. If public stadiums and gymnasiums in Shanghai city, they will be privatized and their property rights will enter into the market. From the property rights relations’ point of view, the definition of property rights is obvious. The privatization of public stadiums and gymnasiums contribute to improving the management, increase the profit and realize profit maximization as a private enterprise. From the government’s point of view, privatizing public stadiums and gymnasiums, which are run badly, can reduce the government’s burden and improve transformation of governmental function. But the conflict occurs in the course of using the model: the public nature of public stadiums and gymnasiums shows the common characteristic of public product, which blocks the process of privatizing public stadiums and gymnasiums [5]. On the other hand, after privatizing public stadiums and gymnasiums, they lose the public nature. At the same time, privatizing state assets is not the effective approach to state assets problems.

III. CONCLUSION AND SUGGESTION

A. Conclusion

Public stadiums and gymnasiums in Shanghai have been being built for several years and their number, size, scale, variety and management level have certain progress. But we can not solve the property rights system fundamentally so that we can not distinguish the property rights system from the property relations, which results in the passive influence on the management system of state assets and operating efficiency, the loss of state-owned assets and being idle and poor operation and management. In the course of managing public stadiums and gymnasiums in Shanghai, the drawbacks of property rights system occur, which leads to the vague property rights relations and poor management. At the same time, operating mechanism need to be improved.

The property rights of public stadiums and gymnasiums in Shanghai mainly belong to the city, district or town. Because of different property rights, the management model of state assets is various. We can summarize the modes, such as, East Asia Model, Lu Wan-Yuan Shen Model, Client Model and so on.

B. Suggestions

Based on state assets of public stadiums and gymnasiums in Shanghai, in order to choose the best model, we put forward the following suggestions:

- Renew the ideas, change the way of thinking and actively push forward the reform of public stadiums and gymnasiums in Shanghai. Constructing reform mode of public stadiums and gymnasiums in Shanghai city is a significant institutional innovation. In the course of the reform and innovation, we must strike the inherent balance and have an important effect on the profit distribution. So we should renew our ideas and increase awareness on order to make reform cost minimize.
- Redefine, adjust, and transform the range of functions, realize separating public service units from government and establish a modern enterprise system that adapts to the socialist market economy system.
- In order to reach the goal, we have to expose public stadiums and gymnasiums to market and make them transform into enterprise, privatization, marketing and socialization.
- Accelerating the industrialization of public stadiums and gymnasiums. Establish the dominant position of public stadiums and gymnasiums. Set up the industry association of stadiums and gymnasiums in Shanghai and further strengthen industry self-regulation and management. Government authorities offer the supports, such as labor, material and financial resources, in order to give aid to build industry association.
- Building management model of state assets is an important innovation, which will break the state of institutional equilibrium and have an effect on original profit distribution. So we should minimize the reform cost.
- Hierarchically, one by one and gradually establish three levels of management mode in the charge of government authorities, agencies and public stadiums and gymnasiums. After make sure the property right and functional localization of public stadiums and gymnasiums, set up the principal agent relationship between government authorities and public stadiums and gymnasiums, which contributes to supervise public stadiums and gymnasiums, prevent them from adverse selection and moral hazard caused by principal agent, and guarantee their public function. At the same time, the mode can make public stadiums and gymnasiums more autonomous and vigorous during market competition.

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REFERENCES


