Public Management of Sports Facilities in times of austerity

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Abstract

This article first shows how austerity has its relevance in the context of Public Management (PM) of Danish sports facilities. Then, through a qualitative explorative case-study of a particular type of sports facility, the PNP sports hall, the consequence of implementing PM based on New Public Governance (NPG) with the aim of increasing utilisation as a strategic response to times of austerity is analysed. A central aim of NPG is in this case to increase collaboration between local actors aiming at increasing the utilisation of sports facilities. To what extent this is possible in times of austerity is assessed by analysing the strategic behaviour of the board, management and Voluntary Sports Organisations (VSOs). Nine persons in three different sports halls representing the management, the board and the largest VSO were interviewed in 2012 and again in 2014. The results indicate that austerity measures seem to cast a shadow on attempts of increasing collaboration via NPG in times of austerity. It was very difficult to increase levels of collaboration between local actors with the aim of increasing utilisation of the sports facility. Particular attention therefore needs to be directed towards how different actors can be motivated to increase collaboration. Finally, suggestions for further research are developed.

Introduction

In the aftermath of the Global Financial Crisis (GFC) from 2008 onwards, many national economies were forced to cut back on their public spending (Lin & Treichel 2012). How such cutbacks may influence the performance of decentralised welfare institutions (such as schools) is a research theme within the broader public administration research environment (Bozeman 2010; Kuhlmann & Bouckhart 2016). The possible consequences of two different types of cutbacks are typically assessed: ‘across the board cuts’ or ‘focused cuts’ (Raudla, Savi & Randma-Liiv 2013).
The former result in equal amount or percentages of cutbacks hitting all institutions. The latter imply that some institutions are hit by larger cuts than others via for example rethinking the way that Public Management (PM) is carried out. PM is defined as: ‘the study and practice of design and operation of arrangements for the provision of public services and executive government’ (Hood 2007). Where ‘management’ is decisions about the daily operations of a particular organisation, PM instead focused on how organisations and users can be influenced in a manner so that the political will of a democratic institution - for example a municipality – can be designed in a way that makes it plausible that the political targets will be achieved.

In this article, we analyse an example of how a ‘focused cut’ is implemented as a strategic response to austerity. A focused and strategic response to austerity indicates that comprehensive changes of an organizational structure are implemented as a process over several years and that resources are reallocated (Levine 1985). However, large changes can be challenging as these requires political backing, strong leadership, supportive organisational climate and resources available for designing, testing and implementing change (Raudla, Savi & Randma-Liiv 2013).

Hence, to do ‘focused cuts’ in times of austerity is a challenge and important learning point might emerge in the process. Therefore, we focus on learning of the consequences of doing a ‘focused cut’ of the subsidies to sports facilities. Analysis of the consequences of austerity targeting this type of decentralised welfare institution have so far been rare. This is to some extent surprising as large parts of the sports sector such as National Sports Organisations, other Non-Government Organisations and Voluntary Sports Organisations to a high extent rely on public subsidies (Scheerder, Willem and Claes 2017; Ibsen, Nichols and Elmose-Østerlund 2016). The high degree of dependence on public funding makes it relevant to further consider the possible consequences of cut backs for the sports sector in times of austerity. For example, Parnell, Spracken and Millward (2017) showed how a decrease in public spending has affected sports facilities in the UK, where the local level of government (i.e. municipalities) experienced a decrease funding from 2010-2015 of 27%. The results of such a drop is an uncertainty into which extent local government provision of sports facilities will suffer as well. Also, researchers have assessed the consequences transferring publicly owned sports facilities to trusts as a consequence of cutbacks and where volunteers take on the role of running the sports facilities (Nichols et al 2015; Findlay-King et al 2017). Finally, King (2013; 2014) has analysed the different roles municipalities can play in relation to providing sports facilities aiming at Sport for All and how the role the municipality plays is under pressure due to austerity measures recently taken by the UK government. These examples are from the UK and the
literature on austerity within sport and sports facilities seems to have had a particular focus on development in the UK. This falls in line with the finding that also the more generic literature on austerity have focused on the UK (and the US) (Raudla, Savi & Randma-Liiv 2013). This is perhaps not that surprising as the UK is characterised as a liberal welfare state and on that backdrop austerity measures such as cutbacks on public spending has been seen as a possible route out of the crisis.

But also in countries characterised by a larger public sector such as the Nordic Social Democratic welfare states (Esping-Andersen 1990) with a tradition for a high level of public spending, it was decided to control how much the municipalities spent. To implement such control efficiently the government decided on new budget laws which would penalise the municipalities if they generated deficits (Foged 2015). These new budget laws turned out to be very efficient. In Denmark, the municipalities decreased public spending per inhabitant by 10% in the period from 2009-2013 (Foged and Sørensen 2016). In this article, we follow a case of PM being introduced as a strategic austerity measure in the Danish Municipality of Faaborg-Midtfyn. In a strategic development plan for sport and leisure the Municipality of Faaborg-Midtfyn (2011) states:

“…it is in sum a gigantic task to secure the funding for keeping the same number of sports facilities running in the years to come…a high level of utilisation will be decisive… …without an increased focus on increasing funding from other sources than the public purse it might not be possible – even in the short term - to keep all sports facilities running…the public management of sports halls therefore needs to be revised as soon as possible with the aim of increasing the utilisation of the sports hall…”

This analysis by the municipality resulted in a change in PM so that the sports halls to a much larger extent will receive their subsidy based on how much sports clubs use the sports hall (Municipality of Faaborg-Midtfyn 2012).

Hence, the Municipality of Faaborg-Midtfyn argued that to increase collaboration and utilisation was necessary to keep sports facilities operating. This threat might induce ‘austerity localism’ where it is up to the local organisation and persons to take responsibility in the shadow of (possible) public cuts (Featherstone, Ince, Mackinnon, Strauss and Cumbers 2012). To facilitate the collaboration of local actors the municipality decided as a type of PM to fund the creation of a
strategic master plan (SMP) for the sports facility which according to the municipality should focus on increasing the level of collaboration between the (future) users of the sports facility on one side and the management and the voluntary board of the sports facility on the other side. In practice, the interviewees might also use the term ‘master plan’ to denote the SMP. A ‘master plan’ or a SMP is often termed as ‘strategy’ in UK and similar contexts. The aim of the SMP is to increase utilisation of the sports hall thereby increasing income and making the reliance on public subsidies smaller.

To understand how the type of PM might influence the sports facility it is necessary to introduce the characteristics of the sport facility in focus: the Private Non-Profit (PNP) sports hall. As much as 70-80% of PNP sports halls income comes from the public purse (Rasmussen 2012). The PNP sports hall has its own board of volunteers and the management is hired by the board. Therefore, via PM the municipality needs to provide incentives for the board and the management so that they are either willing to consider and accept the suggestions from the municipality (carrot) – or to make them consider these suggestions (stick) (Salamon 2002). In this case, the ‘stick’ can be argued to be the combination of the municipality stating that it might be necessary to close some sports facilities, whereas the ‘carrot’ can be argued to get the help to create a SMP to increase collaboration and utilization. However, what is relevant to consider is how the PNP sports halls react to this type of PM. We will therefore focus on how the management and boards of sports facilities and Voluntary Sports Organisations (VSOs) form strategic behaviour on the backdrop of the ‘stick’ and ‘carrot’ incentives in this type of PM.

We expect that it might be difficult in times of austerity to get the PNP sports halls involved in developing a SMP focusing on increasing collaboration with the (future) users to increase utilisation. When a management and board experience cuts it has been shown that it is more relevant for them to consider how they immediately can handle these cuts rather than focus on a long-term strategy (Raudla, Savi & Randma-Liiv 2013). Also, the VSO will often be represented on the board and will have an insight in the economic challenges – and could see new users as new competitors for getting the best timeslots and for attracting the attention from the management and the board of the PNP sports hall. But on the other side the ‘threat’ (stick) that it might not be possible in the future to keep all PNP sports halls operating could induce the sports facilities to see the SMP as a means to secure that specific PNP sports hall. For example, Bovaird & Loeffler (2012) have shown that people are willing get more involved around activities that are genuinely important
to them. Nichols et al (2015) has further shown that the (possible) closing down of a facility were a part of the reason that people volunteered and took responsibility for an asset-transfer of the sports facility to volunteers.

This leads to the following research question:

‘How do public management with a focus to increase collaboration between the board, management and users operating in times of austerity influence the strategic behaviour of the board, the management and the users of Private Non-Profit sports halls?’

For the SMP to have effect as expected by the municipality its ability to create collaboration between local actors is important. The analysis will therefore focus on to what extent the PNP sports halls via the making and implementation of a SMP have been successful in inviting new partners into 1) the process of creating the SMP and 2) to what extent new partners have taken part in creating new activities as a result of the SMP have been finalised. Further, the PNP sports facilities have a different size and our analysis will also shed light on to what extent size matters when implementing PM.

The structure of the article is this: First, we elaborate on the type of organisation under scrutiny here – the PNP sports hall. Second, we introduce the methodology applied. Third, we show that austerity measures towards sports facilities has taken place in the Municipality of Faaborg-Midtfyn. Finally, we turn to assess the consequences of implementing PM in times of austerity.

The context and the Private Non-Profit sports hall

A PNP organisation such as a PNP sports hall is a particular Danish type of charity or thrust, which is focused on solving a particular task defined in its foundational statutes. PNP sports halls provide leisure sports facilities for local VSOs, public schools, and the local community (Boje, Ibsen, Friberg, Haberman, Wojciech Sokolowski & Salamon, 2017). PNP sports halls have often been established by or in a close dialogue with local VSOs and VSO members often hold positions on the PNP sports halls’ boards. When VSOs use a PNP sports hall, the municipality grants a mandatory-by-law subsidy to the PNP sports hall. The PNP sports hall receive this subsidy in return
for providing a service that could be delivered by the municipality as well. In this case the provision of sports facilities to VSOs and schools. Hence, the municipality operates at arms-length of the PNP sports halls and is rarely represented on the board or involved in the daily operations of the PNP sports hall.

To understand how the strategic behaviour of the PNP sports hall is formed, it is important to understand the relationship between the municipality, the PNP sports hall and the users such as VSOs. First, the municipality decides via the choice of PM how and how much the PNP sports halls will be subsidised. Second, the PNP sports hall decides how it will react to the type of PM it is exposed to. The PNP sports hall also decides whether the PNP sports hall should have any staff, which VSOs or other users should be granted access and how the economy of the facility should be prioritised.

The PNP sports hall will form a strategic behaviour based on the type of PM it is exposed to (Bruijn 2007). However, attempts to conduct PM sometimes result in perverse strategic behaviours (Bevan & Hood 2006). For example, the organisation exposed to PM could start ‘cherry picking’ and solve the easy cases in order to achieve output targets (Thiel & Leeuw 2002). Also, a steering model could fuel principal-agent relationships in which the agent (the PNP sports hall) will attempt to hide information from the principal (the municipality) when that information can be used to maximise the utility of the PNP sports hall (Knott & Hammond 2012). Hence, the effects of the chosen PM might be different than expected by the municipality.

**Theoretical expectations**

In a theoretical perspective, it is argued that a focus on collaboration is a part of New Public Governance (NPG) (Osborne, 2010). A main focus of NPG is to involve organisations and users which are targets of policies in the process of making, coordinating and implementing policy (Pollitt & Bouckaert 2011). The idea is that how efficient NPG is depends on the number of participants involved, how the power between the actors is distributed and how dependent they are on each other’s resources (Rhodes 1997; 2006). The larger the network, the higher the chances are that NPG will be successful. A high degree of resource dependency between the actors will also result in a higher probability that the network will be successful.
What is to be assessed in this context is whether a municipality can influence the number of actors and the degree of collaboration between actors by facilitating the making and implementation of an SMP. Theoretically it is a challenging task for a municipality to control the outcome of a process such as the making of an SMP due to the arms-length principle in relation to PNP sports halls and because the SMP is introduced in times of austerity. But the municipality will have some influence due to the PNP sports halls dependence on public subsidies. This could tempt the municipality to tighten the control by the municipality on for example the targets of the SMP, as such tight control is argued to increase the influence the public authority will have on keeping the focus on the initial policy goals (Rhodes 2013). However, such a strategy of tight control risks being ineffective as the organisations and persons who are the subjects of the NPG might perceive it as an attempt to minimise their chances of gaining influence. Scholars argue, therefore, that a better solution for the municipality is to base NPG on trust (Klijn, Edelenbos and Steijn 2010) and on strategic signposting that sets broad parameters for what the SMP should be steering towards (Rhodes 2013). In this case, from a theoretical perspective, basing the making and implementation of the SMP on trust makes it more likely that the SMP will be successful in increasing utilisation.

The NPG via SMP contains elements of both control (stick) and trust (carrot). The control elements are that the municipality require that all PNP sports halls need to have a SMP. Also, the municipality decide that a primary target for the PNP sports halls should be to increase utilisation (Municipality of Faaborg-Midtfyn 2012). The elements of trust are that the PNP themselves decides which consultants that makes the SMP, which local actors they interact with and which targets besides increasing utilisation is formulated. Relevant local actors could for example be public and private institutions, private companies and other civic organisations.

This process could be argued to be an example of strategic signposting, as the municipality signals the aim of the masterplan – to increase utilisation with the aim of making the economy of the PNP sports hall viable in the long run. But how the PNP sports hall creates and implements the masterplan is a matter for the PNP sports hall itself. Hence, if NPG is likely to be successful, the management and the board of the PNP sports halls should have pursued a strategic behaviour with a focus on inviting many local actors into the work with the SMP – both in the process of creating the SMP and the process of implementing the SMP.
What is in focus in this article is therefore how austerity measures interact with NPG. Cutting subsidies puts an immediate pressure on PNP sports halls to cut their costs. But on the other side the municipality is implementing a SMP with a focus on increasing collaboration, which in the short term will be costly for both the municipality and the PNP sports hall, but in a longer perspective could increase utilisation and income.

**Methodology**

The methodology applied is an interpretive qualitative approach focusing on understanding how a change in PM interacts with the processes between actors in PNP sports halls in the shade of austerity measures taken towards the PNP sports halls. Via explorative in-depth case studies in three PNP sports halls exposed to NPG, the possible consequences on strategic behaviour are assessed. In each PNP sports hall the manager, the chairperson of the board and the chairperson of the biggest VSO is interviewed. This resulted in 9 interviews in 2012 and another 9 interviews with the same persons in 2014. The interviews lasted between 30 minutes and 75 minutes.

[Insert table 1 here]

The strategy for the interviews was firstly to shed light on the economic situation of the PNP sports hall, then to open for descriptions of how the PNP sports hall has reacted to NPG via the introduction of a SMP. The aim of this structure of the interviews is get descriptions of how NPG plays out when implemented at the same time as the PNP sports hall faces austerity measures. A topic list of the interview is found in table 2.

[Insert table 2 here]

To assess which strategies seem to be present, both ‘topic coding’ and ‘analytical coding’ of the transcriptions of the interviews were conducted in the software program NVIVO (Sinkovics & Alfoldi 2012). The 9 interviews from 2012 were transcribed and coded in NVIVO following the themes (‘topics’) that the interviewees chose to talk about on the basis of the open questions. Against that backdrop, new insights that could be pursued further in the second round of interviews in 2014 were formulated (Iversen & Cuskelly 2015). After the second round of interviews in 2014,
the material was coded again using ‘analytical coding’ with based on the themes picked up after the first round of interviews from 2012 and inspired by theory.

We argue in line with George and Bennett (2005) who argues that a case study denotes an instance of a class of events observed over time with the aim of developing theory on the causes of similarities or differences among cases. PNP sports halls are chosen as examples of how PNP organisations might react under NPG and we explore the mechanisms between the object X (NPG) and Y (strategic behaviour) (George and Bennett 2005; Gerring 2007).

VSOs and other types of Non-Profit Organisations (NPOs) such as PNP sports halls across different national contexts are likely to share traits (Cuskelly, Hoye and Auld 2006; Ibsen 1992; Tschirhart & Bielefeld 2012). Hence, even though the type of NPO under scrutiny here has its specific national (Danish) characteristics, the role it plays and the structure it has exist in other contexts. For example, PNP sports halls are akin to the NPO’s called ‘trusts’, which have similar functions in the UK operating different types of leisure assets such as libraries and sports facilities (Nichols et al 2015; Findlay-King et al 2017). As an increasing number of public leisure assets such as sports facilities are being operated as trusts in the UK (Taylor, 2011), the relevance of studying how PM influence NPO’s such as trusts seems to relevant also in for example an UK-context. Hence, we argue that the findings will apply in other similar contexts where sports facilities are operated by a similar type of NPO.

The Municipality of Faaborg-Midtfyn is chosen for two reasons. First, it is an example of a municipality which at the outset before GFC used a low amount on subsidies and have decreased the subsidies used on PNP sports halls further and therefore can be considered an extreme case (Flyvbjerg 2006) in the sense that if austerity does not influence the strategic behaviour of these PNP sports halls, it is less likely that other less deprived PNP sports hall will make changes in their strategic behaviour. Second, it is an example of a municipality which have decided on a ‘focused cut’ in times of austerity and therefore might provide inspiration for future policy recommendations.
Figure 1 shows the research design. The aim is to be able to trace the strategic behaviour by the PNP sports halls and the VSO in the process of creating a SMP in the shade of austerity.

[Insert figure 1 here]

The size of the sports facility might influence which strategic behaviour it is possible to register. The larger the PNP sports hall, the more organisational power it will have and the more strategic it might be in order to maximise subsidies. Organisational power relates to having better-educated management, a more professional board and better economies of scale.

Therefore, three different sizes of sports halls are chosen:
- One small sports halls (A) with one indoor court of 20 x 40 metres dominated by a few VSOs in a rural area.
- One small sports hall (B) of the same size as the other small sports hall – but a sports hall which have recently started working together with the two small neighbouring sports halls, hiring a joint manager, considering a joint board etc.
- One large sports hall (C) consisting of two 20 x 40 metres courts, other facilities and a swimming pool used by a multitude of different VSOs and other user groups in a town.

**Austerity measures in the Municipality of Faaborg-Midtfyn**

The Municipality of Faaborg-Midtfyn have implemented cutbacks as total spending on sports facilities from 2007-2014 dropped from index 100 to 90. Country average developed from 100 to 102. The index is based on 2015 fixed prices. Hence, on the level of the municipality, to a larger extent than in many other Danish municipalities, the Municipality of Faaborg-Midtfyn reduced its spending on sports facilities.

We have also asked the Municipality to inform us about the development in the subsidy given to the sports facilities (Municipality of Faaborg-Midtfyn, 2017).

[Insert figure 2 here]
As it is shown in figure 2 all three of the sports facilities under scrutiny here have experienced declining subsidies from the Municipality. It is not as dramatic a decline compared to for example the UK, but the PNP sports halls have experienced a decline in subsidies from the Municipality of Faaborg-Midtfyn from Index 100 in 2011 to Index 80-93 in 2016.

The possible consequence of such austerity measures can also be seen in the light of the level of expenditure by the municipality on sports facilities compared to other municipalities expenditure. On average a municipality in Denmark from 2007-2015 yearly spent DKK571 (EUR76) per inhabitant on running sports facilities (Statistics Denmark 2017). In the Municipality of Faaborg-Midtfyn the average yearly spending in the same period was DKK471 (EUR63) per inhabitant (Statistics Denmark 2017). With expenditure well below average, it seems likely that further cutbacks might challenge the board and management of the sports facilities in the Municipality of Faaborg-Midtfyn even more than in municipalities with a higher average spending.

Having established that austerity measures seems to be present in the Municipality of Faaborg-Midtfyn from 2011-2016, the next step is to assess the consequences of the steering model introduced on January 1st 2012 on the strategic behaviour on PNP sports halls.

**Findings**

The first assessment of how the PNP sports halls have worked towards fulfilling the intentions of the NPG approach is to what extent the PNP sports halls have succeeded in inviting new local actors into the process. In two of the PNP sports halls this was attempted:

“We made a list of the relevant partners. Local businesses, clubs for the elderly, sports clubs already in the sports hall and sports clubs not yet in the sports hall…and then had meetings with them…” (Sports hall C, Board 2012)

“…we had contacts to the local culture facility, the youth school, house owner associations…” (Sports hall A, Board 2012).

Hence, immediately it seemed that two of the PNP sports halls attempted to reach out to the local community. However, in the last small PNP sports hall they had more focus on the internal process between the boards and less focus on including users such as VSOs:
“We have not yet invited VSOs into the process of executing on the strategic master plan. We have made the plan together with the boards of three sports halls and now we are implementing it and introducing it to VSOs. We have now presented it to them and they are thinking about its feasibility…” (Sports hall B, Board 2012)

“We have as a result of the process of creating the strategic masterplan together with the neighbouring facility gotten closer to each other. Not as much in relation to local business and local organisations. But between the sports halls, you have gotten closer…” (Sports hall B, Manager 2014)

Hence, it seems that it has been such a complex task to have the board from the three sports halls in neighbouring areas start collaborating that the negotiations around the SMP primarily have involved the boards. This impression is confirmed by the VSOs in that sports hall:

“I did get an invite about some kind of collaboration between the sports halls. But I could not participate and did not get the minutes from the meeting. So I do not know what the product ended up being…” (Sports hall B, VSO 2012)

“It [the strategic master plan] did not make as big a difference that we had hoped. The other nearby sports hall keeps to themselves…we have got a good cooperation with a sports club further away. We try to use each other’s facilities and have talked about how that is possible” (Sports hall B, VSO 2014).

Rather than working together with VSOs in the nearby sports halls which are invited to be a part of the SMP, the VSO in 2014 are instead entering into a strategic collaboration with a sports club further away. Hence the SMP does not seem to support a closer cooperation between the sports halls. This could be a consequence of not securing that the VSOs get involved. But the challenge of the VSOs not identifying themselves with the SMP is not only a challenge in the sports hall primarily focusing on increasing the collaboration with the neighboring sports halls. Hence, the VSO in the large sports hall notice:
“No, I have not heard of such a master plan…not to my recollection…” (Sports hall C, VSO 2014)

Even though new actors were invited into the process in 2012, when asked about their role in 2014 they only play a minor or no role. Local actors such as VSOs seem on that backdrop in the longer run primarily to focus on their own business. This idea is strengthened when the same VSO is asked about whether they feel some kind of responsibility for the economic situation of the sports hall:

“We mainly focus on our own operations. That is our main focus. We will have to admit that – and that it is difficult to include other considerations than those connected to our own organisation” (Sports hall C, VSO 2012)

The focus of the VSOs on running their own operations is confirmed by the chairman and the manager in sports hall C:

“The meetings with the VSOs are the most difficult ones and the ones with the least content. Their [the VSOs] only interest is their own little corner of the sports hall and they have no interest in the sports hall as a whole. They live in their own little world, have their own little economy, their own little world separated between what is yours and what is ours…” (Sports hall C, Board, 2012)

“I have never heard it [the strategic master plan] mentioned. Not from other actors than ourselves. We have of course used the strategic master plan in our daily operations, but have never heard it [the strategic master plan] used by external parties” (Sports hall C, Manager 2014)

Even though other VSO’s than the largest one using the sports hall could be active in the process of creating the SMP, it is a concern that the largest VSO in sports hall A is the only VSO in the three PNP sports halls which seems to be genuinely involved in the work with creating the SMP.
The lack of communication between the management/board and the VSO does seem to be particular challenging in the large sports hall. The management and the board feel that it is only a minority of VSOs which are interested in taking part in the creation of the SMP in the large sports hall – and that those who turn up does not take an active responsibility:

“…it is ‘the usual suspects’ who turn up when we invite to projects such as the strategic master plan. We invite everybody and it is the usual 30 percent who turn up – but those who do turn up are not very engaged…they do not care…which is perhaps putting it too bluntly…but they are pressured on running their VSO…and those who turn up are often those who are very critical…nobody says we can help you out with this or that…this very rarely happens when collaborating with VSOs…” (Sports hall C, Manager 2012)

And his predecessor also finds it challenging to work together with the VSOs:

“…to cooperate with VSOs is an ungrateful task. They are based on voluntary efforts and they are difficult to work together with…you have to use so many resources to cooperate with them…we could use our resources better to focus on other tasks…for example by getting private physios and the like into the sports facility…” (Sports hall C, Manager 2014).

Even though there is a change in management in the large PNP sports hall, the role of the VSO does not change. But in the small PNP sports hall, it seems that the collaboration between the board/manager and the VSO is better than at the outset in 2012. The VSO in sports hall A comments:

“It was a very positive experience to be a part of the process around the strategic master plan. Hopefully we succeed in getting all the activities under one roof. That will strengthen the VSO in the long run…” (Sports hall A, VSO, 2012).

It seems that one difference between the processes therefore has been that in the small sports hall A a genuine collaboration with the local VSO has been created. Hence, the inclusion of a VSO seems to have been rather successful in sports hall A, but it has been a challenge to include
persons outside the sphere of the sports hall into the work with the SMP. First, a chairperson argues that it has been a challenge to include a more diverse group in working with the SMP:

“…no, not to any major extent…when I think of the working groups…the participants were ‘the usual suspects’…” (Sports hall C, Board 2014)

The notion of ‘the usual suspects’ is used several times in the interviews indicating that the persons ending up being a part of the SMP are the same people who are willing to get involved with developing the sports hall at other occasions:

“…it was difficult to attract people [to the process of creating a master plan]…as soon as they heard the words committee and workshop…many people prefer to use their evenings on watching tv-shows…no, we had a hard time recruiting…and we ended up with ‘the usual suspects’. It is the same people…and we can confirm each other in that we are doing a good job…but we do not get the input from the outside…” (Sports hall A, Board 2014).

“I do not think that we made connections no new local actors [as a result of the strategic master plan]. But perhaps it made us more conscious about that we have an obligation as a sports hall to be more than ‘just’ being a sports hall. We have taken a wider responsibility for the whole city and the whole area, securing a range of different offers. We have a stable economy and we have therefore been able to support the creation of a new door-to-door distributed magazine of sport club offers in the local postal code…but the initiative has not generated new activities…” (Sports hall B, Board, 2014)

In 2012 the sports halls stressed the importance of getting actors involved in the process. However, when asked in 2014 about the extent to which they had succeeded in doing so, the sports halls answers indicate that they have not been successful in getting local actors to be a part of the process of formulating a SMP. But the focus on other actors has had other effects over time. For example, according to the chairperson of sports hall B, the process has made them reach out and take a wider responsibility locally. However, this wider perspective has not in itself
generated more activities in sports hall B. This brings us to another part of the analysis – the extent to which the SMP might have generated more activity in the sports halls over time. As it has only been one of the major VSOs that were involved in the SMP - and no external actors have been included - it seems to be very much up to the manager and the board to create more activities.

However, it has not been the impression that the SMP have generated more activities or attracted more users:

“…it was difficult to get people without any connection to the sport facility to spend many hours discussing how to develop the sport facility…but we did get a contact…also to homes for the elderly, businesses…but we have not as such created more activity on that background…” (Sports hall A, Board 2012).

“No, I do not think that we have attracted new users [due to the strategic master plan]…that has actually not been the case…” (Sports hall A, Manager 2014).

“We have developed the strategic master plan further – but in a different direction – and we have informed them [the users] about it – but no one have made a reference to the strategic master plan as a tool or anything like that…” (Sports hall C, Manager 2014).

It has been difficult to get actors involved in any extra activities according to the boards and managers. So, if the SMP have had no effect in the sense that no extra activity has been generated – do the sports hall then assess the strategy process as unimportant and/or superfluous? Surprisingly, those actors who have been involved directly in working with the SMP are generally positive:

“It has played the role that the board has actually been very focused on executing the strategic master plan. We have implemented all the suggestions…So we have actually completed the initiatives in the master plan and is starting to consider having a new one made” (Sports hall A, Manager 2014).
“It was a great experience to be facilitated. I think that it would be an advantage for other sports halls to do the same. We now use it as a strategic document and have it on the agenda at board meetings every time. (Sports hall A, Board 2012)

“…it is difficult…with our strategic master plan…we are so enthusiastic…or I am at least…and of course also the others…that so much energy, resources and hours have been invested in that…and much more than what you get paid for…” (Sports hall C, Manager, 2012).

It could be expected that the large sports hall C, due to its larger organizational resources, would be able invest the necessary time to get more local actors involved and collaborate with them to create an increase in the utilisation of the sports facility. However, as we have seen above the large sports hall does not pursue such a strategy.

One possible explanation for this is that it has a sufficient size to pursue its own agenda. The large sports hall is to a lesser extent than the small sports hall intertwined with the local VSOs. As Iversen (2017) shows the size of a PNP sports hall matters when it comes to how they react to different types of PM: A large PNP sports hall has a higher level of organisational resources and can use these resources to pursue a two-tier strategy. One part of the strategy is a focus on how to maximise subsidies from the municipality. The other part of the strategy is focusing on increasing income streams from other user groups than VSOs. Hence, the larger PNP sports halls are to a higher extent business oriented and target other user groups than VSOs and attempt to find other income possibilities. A tendency that we also find in the large PNP sports hall, when a chairman is asked about how he balance physical activity and other types of activities in the sports hall:

“…as long as I am running a business and the bureaucracy and politicians of the municipality expect us to run the sports facility as a business – then I will highly prioritise the areas where I can gain an income…” (Sports hall C, Board, 2014)

On the backdrop of the analysis above the conclusion is that the sports halls under scrutiny here attempted to invite VSOs and broader parts of the local community as well.
However, the sports halls were far from successful in making neither VSOs nor external partners involved in the process of making a SMP for the sports facility. The two small sports halls both had a positive experience with the creation of the SMP. The small hall B could use the plan as a platform for increasing collaboration with the other PNP sports halls but did not manage to increase collaboration with the local VSO. The small sports hall A used the SMP as a dialogue tool with the manager and as a way of increasing collaboration with the local VSO. In the large sports hall C, no collaboration with VSOs or external partners seem to have developed as a result of the SMP. The large sports hall C simply seem to have the organizational resource to take an individual decision about which strategy to pursue and have not found the SMP to be a relevant tool to enhance collaboration with local actors – and the experience by the management and the board of the large sports hall C with local actors is that the VSOs are not very interested in increasing collaboration.

Discussion

The first point of attention is that in two out of three of the sports halls it was difficult to engage the VSOs in formulating and implementing the SMP. It could be that the lack of engagement experienced by the sports halls simply is due to the character of a VSO. The members and the board of a VSO are focused on delivering their core activities. Therefore, it is difficult for them to see the idea of contributing to a SMP of a sports hall. Also, it is acknowledged that “…during times of austerity, the conditions for meaningful innovation will deteriorate…” (Pollitt, 2010). Hence, a possible reason for the challenges in initiating collaborations could be that neither the management and the board nor the VSO’s have the necessary resources to initiate the necessary collaborations. In the one case where the VSO did get engaged - in the small sports hall A – the VSO specifically mentioned how the work with the SMP is closely linked with the strategic goals of the VSOs which might be the reason for the more constructive cooperation about the SMP in that sports hall.

Even though the Danish economy has improved, the pressure for municipalities to control the expenses have remained intact. This is illustrated by a national survey of managers in Danish sports facilities from 2016 (n=603 managers) we know that managers of sport facilities are not optimistic about the development in public subsidies. 12% believes that it to a high extent or
very high extent in 3-5 years will be possible to increase the subsidy from the municipality. And 44% believes that in 3-5 years it will to a very high extent or high extent is likely that the sports facilities will be affected by cutbacks from the municipality (Forsberg, Iversen & Høyer-Kruse 2017). Hence, the challenges of implementing focused cuts in times of austerity as illustrated in this article is likely to remain intact.

Therefore, it is likely that the considerations developed below about designing NPG targeting decentralised welfare institutions such as PNP sports halls in times of austerity will continue to be relevant in the years ahead.

First, it is important to assess what might motivate the local actors to enter into the process of creating and implementing a SMP. The theoretical point of departure was that NPG would be more successful if many actors were a part of a network creating and implementing the SMP, if the actors agreed on the aim and had a mutual resource dependency between the actors (Rhodes 1997, 2006). Our data showed that the PNP sports halls did not manage, via the implementation of the SMP, to extend the number of actors involved in developing the PNP sports hall and increase number of users. One reason for this could be that the actors involved were sceptical about the aim of the SMP. As NPG was implemented at the same time as the Municipality was making cutbacks it might become blurred what the aim of the SMP was. Hence, the Municipality might have jeopardised some of the factors important for NPG to be successful: That it should not be based on control, but rather be based on trust via strategic signposting. The Municipality surely experienced that it attempted to show trust to the PNP sports halls and focused on arguing that the overall aim should be on increasing utilisation. However, the Municipality also stated that the development plan could not focus solely on making reconstructions or annexes to the PNP sports hall (Municipality of Faaborg-Midtfyn 2012). This could be seen as a lack of trust by the PNP sports hall and make the success of NPG less likely.

Seen from a theoretical perspective for the NPG to be powerful, it needs to have many actors involved. This part seemed to fail as it was mainly ‘the usual suspects’ which was present. Even though the Municipality signalled what and who they wanted to have included in the SMP, there was leeway for the local actors to influence the process. On one side, this leaves the process open to create genuine ownership and motivation among the local actors – but it also seems to be a
risk that the board and ‘the usual suspects’ remain to be the central actors and that these more or less consciously displaced other possible actors. Several of the PNP sports halls also indicated a lack of resources – which is known as a challenge when implementing cutbacks (Raudla, Savi & Randma-Liiv 2013). This could also be a part of the reason for the PNP sports halls focus on the ‘usual suspects’.

When implementing the SMP it might be a challenging task to be the representative of the VSO of the board of the PNP sports hall at a time where it is in the interest of the board to invite more users into the PNP sports hall, which is in the interest of the PNP sports hall, but not necessarily in the interest of the VSO as more users might result in more competition about the best timeslots. Voluntary associations such as VSOs are known to a lesser extent to be interested in solving problems or performing tasks other than those that meet their immediate interests – often the cause for which that particular voluntary organisation exists (Ibsen, Thøgersen, & Levinsen, 2013; Wang, 2004). Hence, such volunteers can have difficulties in adhering to the strategic signposting in relation to NPG introduced by the Municipality focusing on more users.

Finally, a factor that needs to be taken into consideration is the sheer size of the sports facility. In this case we saw that the large PNP sports hall C seemed to have its own strategic agenda. This is not necessarily a problem. But it is necessary to work towards an alignment between on one side the strategic agenda of the PNP sports hall, and the strategic agenda the municipality has with the SMP, if the aim of the SMP is to be fulfilled.

**Conclusion and suggestion for further research**

Initially, we asked how PM with a focus to increase collaboration between the board, management and users influence the strategic behaviour of the board, the management and the users of PNP sports halls in times of austerity. We also formed the theoretical expectation that which strategic behaviour formed would depend on whether the local actors would see the SMP as a type of NPG based on trust (carrot) or whether it was based on control (stick).

Based on the empirical findings and the discussion above we conclude that the management and the board primarily form a strategic behaviour which focuses on mainly interacting with the local actors already involved in the PNP sports hall – which is almost solely the
VSOs. However, even though the management and the board invite the VSOs into taking part the process, it is in few cases that the VSOs contribute to the SMP and help the PNP sports halls in achieving the goals set forth in the SMP. Based on the responses from the PNP sports halls it seems that the management and the board accepts and prefers the idea of an SMP and sees it as something based on trust (carrot). In contrast, the VSOs seems to have a harder time seeing their plausible role and what they get out of participating in the process of creating a SMP. It seems that the VSOs in many cases participate due to obligation rather than due to a genuine commitment. Hence, the VSOs do not seem to see at as a credible ‘stick’ that the Municipality states in their strategy, that some sports facilities might close if utilisation does not increase.

This explorative case study has therefore shown that implementing NPG created and implemented in the shadow of austerity has its challenges. These challenges resonate well with several of Pollitts (2010) considerations about implementing policies in times of austerity. We argue that these considerations are highly relevant when implementing NPG using SMP in times of austerity:

Timing. Three to five years rather than months are needed to change the cultures of services. In the above case study, it has been shown that implementing the idea of a SMP will take longer than the two years we have followed this type of NPG. Not to be over-optimistic about the pace changes can be expected in times of austerity is therefore important.

Ethics. Decision makers could be tempted to argue that cutbacks will not have a negative impact. We do see indications of the actors questioning whether the SMP is a cover for cutbacks and a way of hiding the cutbacks implemented. Such double standards should be avoided and it is a challenge at the same time to introduce NPG based on trust and collaboration and focused cutbacks.

Strategy and communications. The policies pursued should be based on defensible principles and priorities. In this case that other actors than the ‘usual supects’ can and should take responsibility for the local sports hall. However, as we have shown, these actors do not necessarily consider this as a part of their raison d’etre and it is therefore a difficult strategy to pursue and communicate towards the actors.

In sum, municipalities face a difficult balance when undertaking implementation of focused cuts using policies such as NPG using SMP. That the central bureaucracy finds it difficult
to balance the different parts of managing in times of austerity is shown by Overmans & Noordengraf (2014). Their study of Dutch municipalities indicate that municipal managers rhetorically argue in favour of using times of austerity to modernize the administrative machinery, but the implemented responses tend to fall back to simply making cutbacks. As we have seen in this article it is not only the central bureaucracy, but also the management and board in decentralised welfare institutions such as the PNP sports hall that finds it difficult to balance new collaborations with cutbacks. Perhaps particularly when it comes to PM of decentralised welfare institutions it is utmost important to be able to communicate clearly about the PM introduced, to have the best possible timing and to have defensible ethics. If central bureaucracy is not able to argue convincingly on these matters, it seems likely that it is tempting for the decentralised welfare institutions to pursue strategies that hamper rather than advance the aims of the chosen PM.

Another important conclusion is that securing a broad base for creating a SMP with local actors cannot be taken for granted. Based on the findings in this study it seems likely that NPG is particularly challenged in times of austerity as it is a requirement that the local actors have the surplus of human resources to participate. However, research in the area of co-production have showed that volunteers are willing to take responsibility for voluntary efforts if there is a need to do so – for example if voluntary efforts is necessary to secure a team in a sports club or to help save a local cultural facility – such as a PNP sports hall (Featherstone et al 2012). Therefore, municipalities pursuing the joint purpose of taking austerity measures and introduce principles of NPG needs to consider how to convince the local actors that they need to participate in the process of creating and implementing the SMP.

Hence, we need more knowledge about how municipalities can design NPG so that local actors will be interested to contribute to policy initiatives such as creating and implementing a SMP in times of austerity. Other local actors than VSOs have not been interviewed. Therefore, we can only guess on the possible reasons for their lack of participation in creating and implementing the SMP. Based on the interviews with the VSOs it can be concluded that it needs to be clearer to both VSOs and other local actors how they can contribute and what they might gain from participating. Particular in times of austerity where other actors are also affected by public sector cutbacks, the local motivation among actors seems to be crucial. It seems likely that municipalities need to consider as early as possible to invite local actors into the process and give them a genuine
sense of being a part of a ‘co-public-management’ agenda. Hence, future research could focus on how NPG and other types of PM implementing in times of austerity (Kuhlmann & Bouckhart, 2016) interacts with the co-production agenda that is increasingly prevailing in discussions about how to conduct PM (Torfing et al 2017).

Reference list


Municipality of Faaborg-Midtfyn, 2011. *Principles for public management of Private Non-Profit Sports halls*


