

Sport employment: what is the evaluation of the job creation potential of sport?

Field definition

Sport has become a major phenomenon in modern societies. Despite this importance, there is still a lack of information needed for an in-depth analysis of the role of sport in the economy. Economists face great difficulties in measuring the economic weight, the economic impact of sport, its social usefulness, and also its job creation potential. Indeed, the traditional frameworks of national accounting as they were developed in the post-war period are not adapted to the economic apprehension of sport. Today, the project of elaborating a harmonised European sports satellite account promoted by the European Commission is progressing at a slow pace due to the multiple methodological obstacles encountered.

In terms of sports employment, the first difficulty in designing an observatory concerns the definition of sport itself. Indeed, depending on the definition adopted, the field covered will be more or less broad and the collection of information more or less difficult. Beyond a narrow definition of sport, there is a real risk of social dilution of this phenomenon, which further complicates the task of compiling data. For some, sporting activity is limited to regulated competitions, for others, any physical activity can be included in the field of study. Depending on which definition is adopted, the concept of sports employment will be more or less broad.

Three analysis segments

Traditionally, economists distinguish three segments to characterise the diversity of sporting practice: professional sport, amateur sport and leisure sport. The volume and nature of employment in the three cases will be very different.

- **Professional sport**

Professional sport, or the sporting spectacle, is fully within the commercial sphere and can be considered in part as an economic activity like any other. It is the specific characteristics of the organisation of sporting competitions that have made it possible to recognise a specificity that allows it to escape the full application of competition law in Europe (or of anti-trust laws in the United States). In addition, professional sport is characterised by a great deal of heterogeneity. There are strong disparities between disciplines at three levels of analysis: from an economic point of view, football largely dominates the professional sports sector; from a cultural point of view, individual sports are clearly distinguished from team sports; from a territorial point of view, there are sport specificities according

to the location of clubs (rural, urban, host regions). The evaluation of sport employment must take this diversity into account, which is not easy as information is not always available. This means that it is often necessary to complement a quantitative approach with a qualitative approach within sports organisations to improve our knowledge of employment.

- **Amateur sport**

Amateur sport is organised around a multitude of sports clubs that either employ salaried staff to a greater or lesser extent or which continue to operate voluntarily. The discriminating factor is the size of these clubs, which allows them either to hire or not hire permanent staff. It is only the largest clubs that are able to create new jobs or maintain subsidised jobs.

- **Leisure sport**

Leisure sport is no longer based solely on competition and the social demand is more about health, social ties and discovering nature. Faced with this evolution, sports clubs have had to change their offer and they must now face the competition of commercial structures that have developed in the field of tourism, private coaching, health and fitness. There is considerable potential for the creation of sports jobs to win over new audiences (disabled, sick, young people in difficulty, women, families, etc.) who have limited access to sports.

Information sources

The economic studies carried out give an extremely heterogeneous panorama of sport employment according to the scope of the field retained. In particular, this concerns all jobs closely or remotely linked to sporting activities: should they be counted as 'sport jobs' or not? As a general rule, economists consider three categories of employment:

- The direct jobs that belong to the main activity of the actors in the sports sector. They can be occupied by employees or remunerated persons and they constitute the core of the activity (players, trainers, medical staff, administrative staff).
- Indirect jobs are found in all activities linked to the sporting activity itself: service providers, communication, marketing, etc. These jobs are more difficult to define than the previous ones since they are based on the qualification of an interdependence link with the core activities. The question then arises as to how far back in the chain of interdependence one can go to decide that a job linked to the core activity is an indirect sports job.
- Induced jobs are similar to the economic impact of sport on a given territory. These jobs are the most difficult to evaluate

and in particular pose the problem of determining a multiplier.

The sum of these three types of jobs gives, in theory, a complete picture of the job creation potential of sport. In practice, it is not always possible to mobilise the necessary information, which results in more or less ambiguous attempts to evaluate sports employment:

- At one extreme, the entire sporting sector is taken into account, which, beyond its central core, includes upstream activities (sports infrastructures, sports equipment, etc.) and downstream activities (media, health professionals, etc.). There is a strong risk here of overestimating real sports jobs insofar as it is very difficult, in the upstream part of the sector, as in its downstream part, to isolate the percentage of the activity concerned that is determined by sport (this is particularly true of sports merchandise). The same methodological difficulties are encountered here as in the calculation of the economic impact of sport.
- It is possible to remain with the definition of the sports sector as conceived by the scope of the national collective agreement on sport. It is limited to companies whose main activity is in one of the following areas: organisation, management and supervision of sports activities; management of sports facilities and sporting equipment; teaching, training in sports activities and vocational training in sports professions; promotion and organisation of sports events. Companies belonging to other collective agreements are not included in this field of the sports sector, despite their close links with sporting activities: the golf and horse-riding sector; the socio-cultural entertainment sector; the leisure and amusement park sector; the social and family entertainment branch. In the end, the sporting sector corresponds to a relatively narrow definition of this activity, which leads to an underestimation of what qualifies as sports employment, but has the merit of remaining at the core of sport, which does not suffer from ambiguity.

In the end, it is hoped that economic studies in the field of sports employment will be harmonised. Indeed, it appears that the job creation potential of sport is still poorly known. There is a need for better information and a more precise definition of the field to be covered to improve decision making in this area. A significant example is the decision to reduce subsidised jobs in associations without really calculating the opportunity cost of such a decision.

Further information:

CDES, *Etude sur l'avenir des emplois aidés dans le sport*, Etude pour le conseil social pour le mouvement sportif (COSMOS), 2019.

CDES, *Le modèle économique des clubs sportifs fédérés. Analyse et pistes de développement*, Etude pour le CNOSF, 2020.

CDES, *Contrat d'étude prospective de la branche professionnelle du sport (CEP Sport)*, Rapport final de mission, 2008.

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