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### Sports Facilities Create Jobs? The Economic Impact of the Presence of Sports Facilities

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#### Abstract

*The presence of sports facilities is supposed to provide space for the community to carry out physical activities and sports competition events, any other impacts involved need to be studied further to complete studies in the construction of sports facilities. The purpose of this study is to see the benefits resulting from the presence of sports facilities from an economic perspective. A qualitative approach with a case study design was chosen in this study. Semi-structured interviews and observations were used in data collection with participants involving policymakers, facility managers, and visitors. This study revealed that the presence of sports facilities economic impact by creating jobs both permanent and temporary so that the economy can increase incomes and reduce unemployment and poverty.*

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## INTRODUCTION

The construction of sports facilities every year has never stopped. However, the development carried out is not evenly distributed in each region, and the benefits have not been felt yet so that the number of sports facilities in Indonesia is not evenly distributed (BPS, 2014) but only support if the

area is to host an event. Sporting events, even some of the existing facilities have been converted into functions, and there are even developments that are far out of reach, so they are not used.

National sports system law number 3 of 2005 also describes the government's obligation to provide sports infrastructure as

stated in Article 67 paragraph 2, which reads, "The government and local governments ensure the availability of sports infrastructure by the standards and needs of the government and local governments." Of course, the government must pay attention to decentralization, autonomy, community participation, professionalism, partnership, transparency, and accountability. The system for managing, fostering, and developing national sports is regulated in the spirit of regional autonomy policies to realize regions and communities' capacity to develop sporting activities independently.

However, in reality, sports facilities are not evenly available in every region; one of the problems is determining the host of sports week, both at regional and national levels. Suppose the host's determination is carried out alternately and forced. In that case, each region can have adequate sports facilities, apart from that about the impact resulting from the construction of sports facilities itself which is often a question of policymakers such as regional heads of development, which requires a large amount of money.

One of the most valuable points of the construction of sports facilities is the legacy value given to future generations. Legacy or legacy values appear in every discussion of the budget for infrastructure development and sports facilities for the 2012 London Olympics. The London 2012 Olympic Legacy is a long-term benefit and effect of planning, funding, and building the Olympics and Paralympics, which can be described as

advantages: (1) Economy: Supporting the creation of new jobs and skills, encouraging trade, investment, and tourism; (2) Sports fostering and development: Maintaining the success of athletes, developing sports facilities and encouraging the participation of citizens from the school level in sports; (3) Social aspect: inspiring citizens to volunteer and promoting social change; (4) Regeneration: reusing sports venues, new houses, improving transportation (Praditya & Santosa, 2016).

Creating functional and accessible spaces has become an increasingly common goal in urban design and improvement (Gallardo et al., 2009). Judging from the regulations that facilities should be available in each region, ideally, Grieve & Sherry (2012) develop facilities in an environment not far from the community so that their utilization is more optimal, and they need to be supported by other facilities so that something can be obtained from both the manager and the user.

Andreff (2001), in his research, revealed a strong relationship between the level of economic development in a country and the level of sport development. In particular, developing countries will be affected if there is a lack of physical education and sports activities for all programs, lack of funding for sports, few sports facilities, and equipment, and there is no capacity to organize large sporting events that would benefit their development.

It is interesting to note that many studies on sports facilities say that the construction of sports facilities is not an acceptable public

policy, even a lousy form of investment that will only spend a lot of the budget. Others argue that there is no evidence that sports team facilities and sports contribute to economic growth at the metropolitan level, and they may produce a negative impact on real per capita income (Chapin, 2004). The government considers the development and subsidies of sports facilities necessary because the benefits they provide to society exceed the financial costs, although evidence suggests that no economic benefit comes from developing such stadiums and sports arenas. Consequently, the non-economic services offered by these projects must be significant to guarantee the level of spending on these sports facilities (Grieve & Sherry, 2012).

Sports facilities have undergone significant changes over time, especially over the last two centuries; sports facilities have evolved over the years to become architectural and mechanical marvels and serve as economic catalysts for growth to promote financial, geopolitical goals. And local politics (Fried, 2010).

The construction of new facilities, or improvement of existing facilities, serves to meet the increasing number of participants, improve environmental conditions, provide opportunities for those who are most in need who are aware of the importance of sports, and can even indirectly improve the morning economy of traders in the area. Previous research has argued that the construction of sports facilities generates substantial economic impact; economic impact studies have been

conducted by consulting firms to support the argument that new spending is being injected into the local economy (Feng & Humphreys, 2008).

Although the evidence shows that the economic benefits derived from developing sports facilities are difficult to base on because of the enormous costs incurred, it is debatable. However, some studies prove there are economic benefits such as creating jobs (Richardson, 2016), urban regeneration (Davies, 2011) and increased income both locally and nationally (Davies, 2008) so that this study is expected to provide an overview of how sports facilities have an economic impact.

## METHODS

This research uses a qualitative approach with a case study method. The research site used is SPORt Jabar Arcamanik by considering sports facilities owned and managed by the government, in this case, the West Java regional government. Participants involved are policymakers, managers, and users. The instruments used were observation, semi-structured interviews, and documents. Furthermore, this semi-structural design provides an opportunity to dig deeper into information when there is other information that appears during the interview. Moreover, the interview results were transcribed into a document that was then carried out by a coding process to be analyzed and produced

several relevant categories of comments related to the research question.

## **FINDINGS AND DISCUSSION**

This section, based on the results of data analysis carried out from research data, produces findings to create jobs and regional income.

### **1. Opening Jobs**

Opening employment opportunities to reduce the unemployment rate, which has implications for the level of poverty in the community, (Kristiyanto, 2008) explains that opening jobs are one of the government's efforts to reduce poverty and reduce unemployment. Both approaches are supported by four main pillars, namely (1) creating opportunities, (2) community empowerment, (3) capacity building, and (4) social protection. The available work starts from construction workers in the construction process even though it is only temporary, but you can imagine how many workers are involved in the construction of the building, then after the installation is finished and can be used, of course, it requires other workers such as cleaners, maintenance and security guards. Judging from the interview data discussed in the previous section, that most workers are residents who are employed in the security and cleaning sector.

Judging from the phenomenon that occurs, employment occurs starting from the planning process of making the market and the design used up to the building maintenance

stage, which continues as long as the facility building is available.

Informant 2. "So the hope of residents is not only selling but can have a permanent job, such as security officers, cleaning officers."

The above statement is also strengthened by the following information, which explains that.

Informant 3 "Many of the residents here are employed for cleaning and security officers even though a third party manages them, then last year the agency allocated casual daily workers who work for residents."

Informant 4 "The workers here are mostly residents."

Even though the work is temporary and permanent, such as construction workers where employment is only temporary, you can imagine how many people are involved in the construction process. It certainly provides jobs even though it is only temporary as long as the work exists. This is in line with (Kurtzman, 2005) that employment in sporting events provides permanent employment even though in a limited number.

From before this facility was inaugurated, around the area, there were often spilled markets with many street vendors every Sunday, even though the activities that occurred outside the Jabar sports area, because of the large number of visitors who came to exercise, provided benefits for traders because it can be seen visitors also come not only to exercise but also to shop, some even come intentionally to shop, there are various types of

merchandise, ranging from food, drinks, household needs to clothes.

Informant 3 revealed "There are many positive things such as increasing employment opportunities, it can be in daily trading even outside the area", this is part of the increase in productivity and employment, which involves the number of people employed through the sports infrastructure (Simpson & McDonald, 2017). and Informant 4 expressed the same thing. "For traders, they can only sell in the area, when there is an event the committee provides a stand. So it is determined according to the permit". In its operation, the sports facilities of Jabar Sport have been stated in the West Java regional regulation concerning the determination of regional income retribution number 6 of 2018. This is by Lee & Watanabe (2019). The approach to city operations and governance uses an entrepreneurial approach, including taking actions such as marketing and developing venues and events to increase economic returns.

In general, apart from the workers who are employed in managing sports facilities, the community takes advantage of the crowds of visitors who exercise to sell, and this increases when there are competition events or other events that are held in the area of the facility, even people often rent outhouses. Them to be used as a resting place. The most common economic benefits that result from positive economic impacts are creating new jobs, increased tourism in the region, the attractiveness of new businesses to the area, growth of existing companies, and a legacy of

new or improved working capital (including sports facilities). for the site (Westerbeek et al., 2005)

Thus sports facilities are proven to provide benefits to creating jobs to be in line with the phrase (Chapin, 2002). All analysts agree that new sports facilities will produce short and long-term employment. In the short term, construction companies are hired to build facilities because several hundred million are spent building stadiums or arenas. In a long time, jobs are also created to provide services at the facility (salesperson, ticket taker, receptionist) or within the surrounding area at any new business (usually including restaurants and clothing dealers).

## 2. Regional Income

Based on the data obtained, around 20,000 people come to SPOrT West Java every month; this provides business opportunities for entrepreneurs or traders considering that there is a busy market with visitors even though the selling area can only be done outside the West Java SPOrT area, which uses road shoulders and sidewalks. Available, every day you can find food and beverage traders to meet the needs of visitors who have exercised, different conditions can be seen every Saturday-Sunday where there is a weekly market there. The existence of traders outside the area is one of the management regulations, although if there are activities in the West Java SPOrT area, traders can sell inside by coordinating in advance with the organizing committee or the West Java

SPOrT manager. Based on information from informant three regarding income, namely "Starting from the mid-year 2018 regional regulation, revenue is not targeted, only what we will deposit, in the first four months it can reach 546 million. So that is an extraordinary income. The following year, we have a target of 589 million pure targets, which are not extravagant. There were many activities at the end of the year, so we changed up to 721 million, and reached an excess of 169 million. So in terms of extraordinary income. And this year, maybe it can be maximized more "and strengthened by the statement of the informant 2" even now the Arcamanik center has become one of the earning offices for the West Java government. If it used to be a burden, now it's the opposite".

So that in line with research (Gratton et al., 2005) where the sport has the potential to generate substantial economic and social returns for local and regional government investment in the sports industry, strategic thinking related to economic regeneration and sports have been dominated by the view that sports can only contribute to economic activity by attracting sports tourists, whether spectators or participants, to the city or region, as Dubai did were to reduce economic dependence on oil production they promote the sports city of Dubai as a strategy to encourage Dubai's international profile as an attraction (Pye et al., 2015).

Furthermore et al., (2019) revealed that cities worldwide are now trying to follow entrepreneurial strategies to become

competitive cities in the global market. Approach city operations and governance using an entrepreneurial approach, including taking actions such as marketing and developing venues and events to increase economic returns. As is the case in China, there is fierce competition for international attention and status with the central government, and in turn, it is hoped that a more significant amount of financial resources can be provided.

## CONCLUSION

The construction of sports facilities must have a multitier effect by the objectives of economic development for the welfare of the people, even one of the millennium development goals designed by the United Nations explains that the first goal is to eliminate poverty and hunger (Mamun, 2016).

The economic impact resulting from sports facilities' availability is often related to the financial returns resulting from budget expenditures in the development process. In this study, creating employment and regional income is categorized into the West Java SPOrT facilities' economic impact. However, quantitatively, it is not explained how many workers are involved in the development and maintenance and opportunities in entrepreneurship/trading around the area but provide evidence that sports facilities' construction offers economic benefits. This is also in line with (Coates & Humphreys, 2003), which states that the future economic impact



that flows from new publicly-funded sports facilities will provide positive economic benefits for the local economy; these positive benefits usually include additional income and tax generation, and in some cases the creation of the thousands of new jobs created.

The facilities built must accommodate every sporting activity, not just a training ground, but also hold sporting event events to obtain more significant benefits. This is consistent with Kim et al. (2017). Investing in sporting events is an effective way to turn on the economy by generating income and jobs by attracting visitors, especially considering that professional sports have become a subject of great interest for many people.

Finally, sports facilities can open up job opportunities that have implications for reducing unemployment and reducing poverty. More than that, it is hoped that building sports facilities can be used to make a nation through sports. Also, further research is needed using research methods and different location subjects to complement the research results on the availability of sports facilities.

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