

# Section 2. Economic and management

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# **INNOVATIVE SPORT FINANCING POLICIES**

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#### Abstract

The main factors that contribute to the success of sports policy are contextual, processual and specific (Houlihan, B., 2009). These three factors include ideas about entrepreneurship and innovation in contemporary sport policy. New funding policies and mechanisms have had a positive impact on the development of sport. The purpose of this investigation is to develop a model for the identification of the results of medals received by elite athletes in the last three vears, their impact on the budget of sports federations, and to answer questions about the status of one of the phenomena. Related to this study aimed at assessing the assets and ways of identifying and developing talented athletes. The study was carried out on a specific sports basis, using data and results from national funding during the last four years, the results of athletes, medals in sports activities and a logical-deductive analysis of programs for the financial support of sports federations and elite athletes. A standardized questionnaire addressed to elite medalist athletes was also used. The results were found that in the first two years that The Council of Ministers decision came into effect, 5 awards were given to athletes and coaches, for three sports federations, and in the second year, 84 awards, athletes and coaches, were given to eight sports federations. Also, the results of the questionnaire showed that the new policies for 99% of the athletes were very motivating to achieve high results, but also 97% of them would work hard to extend their sports career as much as possible. From these data it is clear the positive result of innovative policies and the success of Albanian athletes in the international arena. **Keywords:** Sport policy, Sport Development, Medals, Elite Athlets

#### Introduction

The main factors that contribute to the success of sports policy are contextual, processual and specific (Houlihan, B., 2009). These three factors include ideas about entrepreneurship and innovation in contemporary sport policy. In recent years, the financing of sports in Albania has taken a new turn and has proven unprecedented success. New funding policies and mechanisms have had a positive impact on the development of sport and the way the budget has played a major role in this aspect.

Instead of general funding, there is a greater focus on sports that have shown high potential and are most in need of support. The decision approved by the Council of Ministers (Ministry of Education and Sports, Republic of Albania/ legal documents. no-789), regarding the way of rewarding and treating athletes who benefit from high-level status and their coaches, seems to have brought a new dimension to Albanian sports and athletes. Athletes who achieve high results in international and national activities, benefit from reward and treatment, according to the determinations made in this decision. The integration of sportsmen in the sports-oriented education system, of national security and defense and their employment in the structures of the Ministry of Defense and the Ministry of the Interior, but also the Decision of the Council of Ministers (Ministry of Defence, Republic of Albania/ legal documents), which determines that Sportsmen who achieve golden results in the Games Olympic, World and European Camps benefit from the honorary ranks of Colonel, Lieutenant Colonel and Major as part of the country's armed forces.

Athletes of individual sports, of the "young" category, who achieve results in international and national activities are also rewarded in the amount of 30 (thirty) % of the value determined for the "adult" category. The coaches of the athletes, who have benefited from the level status high, are rewarded in the amount of 40 (forty) % of the value that the sportsman benefits from.

Acknowledging Success through achievement medals and trophies has gone beyond numbers. They already reflect a more holistic vision of sport, focusing on medals and victories, but also on the positive impact that sport has on society. (Österlind, M., 2016) highlights how sport organizations having a 'contemporary concern for policy efficacy and goal achievement have led to an intensification of research-based policy measurement, review and evaluation'. Thus, sport policy that is entrepreneurial and innovative offers a way for organizations to achieve multiple objectives, including economic and social reasons.

The purpose of this investigation is to develop a model for the identification of the results of medals received by elite athletes in the last 3 years, their impact on the budget of sports federations, and to answer questions about the status of one of the phenomena related to this study aimed at assessing the assets and ways of identifying and developing talented athletes. 1) If these innovative policies are a guarantee of success for Albanian sports? 2) What are the sports that are given the greatest priority? 3) Have they been motivating in the work and success of Elite athletes? The factors in the investigation were the way of identifying the impact of the new policies for funding in sports.

#### Method

The study was carried out on a specific sports basis, using data and results from national funding over the last 4 years, the results of athletes, medals in sports activities and a logical-deductive analysis of programs for the financial support of sports federations and elite athletes. The proposed study is experimental and offers a qualitative approach. A standardized questionnaire was also used by 24 elite medalist athletes in the adult category, but also young athletes who have benefited from these policies and specifically from the policy implemented in the framework of the rewards of elite athletes. The SPSS 22 program was used to calculate the mean, standard deviation and percentage values of the data collected for the study.

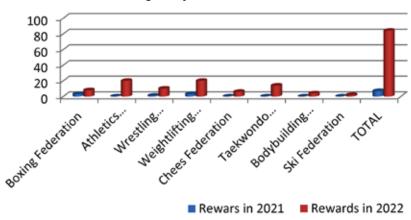
## Results

Referring to the data on the number of awards that athletes and their coaches have received with the entry into force of the Decision of the Council of Ministers in the Republic of Albania, it is clear that the low number of awards received in 2021 and the sharp contrast with those received in 2022, where the number of rewards obtained for medals exceeds many times that of the previous year. It is also noticeable the increase in the number of sports federations that have won medals and as a result, rewards.

The following table reflects the number and distribution of awards won according to the Sports Federation.

The graph below shows the rewards of sportsmen and women based on their result and ranking in international activity and the amount earned by the sportsmen and their coaches. From these results, we see that the rewards for the first place (Gold Medal) have

a high number and this is a positive indicator of the development of sports in our country.



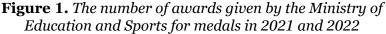
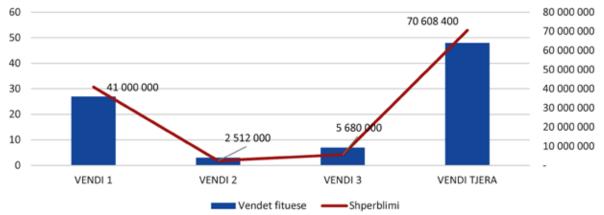
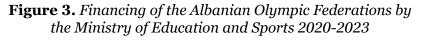
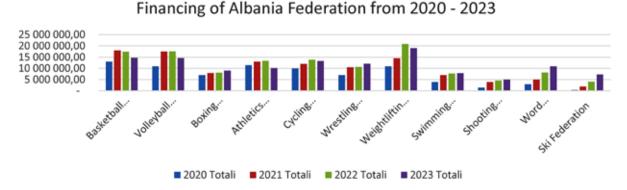


Figure 2. The number of rewards earned in the framework of the rankings, the amount earned in 2022



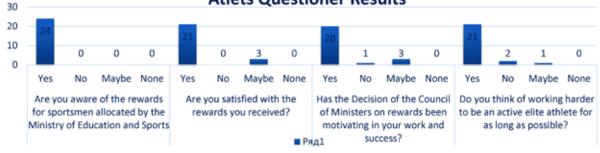




The results in figure 4 show the direct impact of these new policies on the elite athletes who answered the questionnaire, which was designed with several questions to understand, have they been motivating in the work and success of these elite athletes? After the approval of the joint instruction on how to use the grant fund for the Olympic sports federations, the Albanian National Olympic Committee and OKAD, in which part of the criteria for evaluating the performance of the federations, it was determined that medals in international activities would be evaluated with 24 points in total, scaled for the Art, Bronx and Silver medals, would be translated into available funds for the sports federations, it is clear that there is an

increase in the budget for the sports federations, which have benefited from many medals such as weightlifting, boxing, athletics, but also the ski federation.





*Note. Number of elite athlets total= 24.* 

#### Discussion

Sport is a policy mechanism for many sectors such as education, organizations and other subjects. (Houlihan, B., 2005) suggests that the government should be the inspiration, regulator, and provider of resources to exploit the benefits of sport'. Studies related to entrepreneurship and innovation in sports policies have become evident only recently. This change comes from more sport policy analysts trying to show how sport contributes to economic development, health aspect and social engagement (Stenling, C. and Sam, M., 2017). Currently, there is a lack of research on how sports policy is entrepreneurial and innovative in Albania, so this study can shed light on this issue and contribute to the development of sports policies in Albania. Referring to the data regarding the number of medals that our athletes have brought to the country, the difference from the year 2021, when the decision on the awards and the increase in the number of medals and awards for 2022 came into force, where their number increased a lot. It should be noted that in addition to the increase in the number of medals, many previously unknown disciplines were added for results that brought gold medals, such as bodybuilding. From the data of the first two years, it appears that after the decision of the Council of Ministers entered into force, 5 awards (athletes and coaches) were given to three sports federations, and in the second year, 84 awards (athletes and coaches) were given to eight sports federations. From these data, it is clear that the positive result of the success of female athletes in Albania has continued during the year 2023, which turns out to be at the level of 2022.

In February 2022, the joint instruction on the way of using the Grant fund for the Olympic sports federations, the Albanian National Olympic Committee and Anti-Doping - NOC Albania was also approved, where in the criteria for evaluating the performance of the federations, it was determined that medals in international activities would be evaluated with 24 scaled total points for the Gold, Bronx and Silver medals, which based on the approved formula translates into eligible funds for the federations. For the above referred to the data in the chart. 2 for the budget, the results of these medals in the increase of the budget for the federations that have received more medals such as weightlifting, wrestling, taekwondo, boxing and athletics federations are also clear. The collected data shows that for the years 2021 and 2022 these five federations received about 54.34% of the total weight of the budget for the 17 Olympic federations. The questionnaire aimed at elite athletes to find out the impact of the policies undertaken showed that 99% of the athletes were very motivated to achieve high results, but also 97% of them would work hard to prolong their sports career as much as possible., as well as 100% of these spristists had received from the state all the rewards they received. From these data, it is clear the positive result of innovative policies and the success of Albanian athletes in the international arena, but also in the increase in funding of the Al-

banian Sports Federations that have had the highest performance.

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