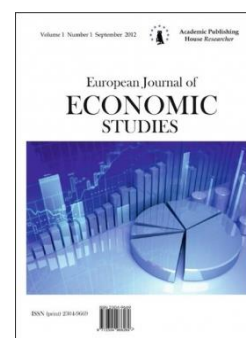


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The Impact of Volunteering in the Economy of Mega-Events

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Abstract

Major local and international events require significant financial and labour investments. Modernization of infrastructure and marketing activities are largest part of organizational and holding expenditures. However, the share of the wages fund is also significant, that's why the practice of engaging the unpaid volunteers is becoming more and more popularity. Despite the relatively short history of development the event-volunteer's movement in Russia specialized centers for the volunteer's training has already been formed and actively operating now. Tens of thousands of volunteers pass a qualification every time before the events, and the economic and social contribution of volunteer activities to the event industry and country's economy is constantly growing. Volunteering is a source of self-development and improvement of professional skills for both young and older generations. And in many developed countries it is also an impressive share of gross domestic product. The aim of the study is to assess the impact of volunteering in the economy of mega-events.

Keywords: volunteerism, event volunteering, mega events, economic impact.

1. Introduction

In the modern world volunteerism is very popular and has a long history of formation and development. According to statistics, every third German is a volunteer, more than a quarter of Japanese have a volunteer past. The undoubted leaders in the number of citizens involved in the volunteering (more than 50 % of the population) are Norway, Luxemburg and Cameroon. The volunteer movement in Russia has started development recently, mostly due to the implementation of the volunteer program of organizing Committee "Sochi 2014". Today, event volunteering is the most massive and crowded form of volunteer activities. The engagement of volunteers in large-scale events allows to reduce its cost value; to decrease the organizational burden on specialists and thus to improve the potential of the region, state or country as a venue for events of various level and scale.

2. Study Area

In the specialized scientific and publicist literature special attention pays to the study of popularity of volunteer movement in the modern world and event volunteering in particular as the most numerous one. Many Russian and foreign scientists devote their works to research of history and prospects of volunteering, great number of works aims at studying its social aspects (Getz, 2008; Smith, Lockstone, 2013; Tarasova, 2012). Not enough attention is paid to the economic side

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of the issue. This is largely due to the lack of an information base for analysis of statistical data on volunteer activities.

3. Discussion

In the modern scientific and journalistic literature great attention is paid to the assessment of the role and importance of volunteering as a source of enhancing social responsibility of young people, education of healthy, active and patriotic generation. In addition to improvement of the moral character of the nation, volunteering also contributes to socio-economic development of the country. All of the mentioned above characteristics and aspects explain the rapid growth of such movements around the world, and consideration of the development of volunteering as a priority area of social and youth policy of the country. Socio-educational significance of voluntary participation (volunteering) underlined in the studies of Reshetnikov O.V., Tarasova N.V. and others. Reshetnikov O.V. defines volunteering as "a form of social service", stimulating the personal growth of all participants ([Reshetnikov, 2005](#)). Tarasova N. D. under the volunteer understands "a form of civic participation in public benefit duties" and "effective mechanism for solving actual social problems" ([Tarasova, 2012](#)). In a more general understanding volunteering is unpaid, conscious, voluntary activities for the benefit of others.

In recent years the most popular form of volunteering among young people is considered to be event volunteering. Today, practically none of the massive event cannot be hold without engaging volunteers. The most of them are young students, focused on finding new social contacts (networking), recognition in society, with its capacity and self-development. Event volunteering includes participation in organization and holding of various types of events: business, cultural, sports, educational, military-patriotic, official and other. This kind of volunteering refers to contemporary forms of volunteering, based on the intention of self-realization, the pursuit of personal interests and participation in the modern and "trendy" areas. Features of event volunteering are:

- The presence of the temporary framework – limited duration of activities;
- The need for some training for volunteers before engagement;
- Organizational nature of volunteering: attracting of volunteers is carried out through specialized volunteer centers, or event organizations;
- Competitive character of the volunteers approval;
- There is certain mutually beneficial cooperation between volunteers and organizers of the event – reduction of altruism share in volunteer activities.

Event volunteers are often assigned to certain event-organizations. Some of them fully supervise the activities of volunteers, and some appear only at certain stages. These organizations are responsible for training of volunteers, organizing and control of their activities. The involvement of volunteer centers and specialized organizations in the process depends on the level and scale of events. The events, which require volunteer activities, can be classified by type, scope, frequency and venue. Volunteers can be involved in any events (sports, cultural, and business), but studies show that the most frequently volunteer activities is carried out at sport and business events, but less often in the organisation of cultural ones. The most common classifications of activities that are serviced by volunteers are presented in [Table 1](#).

Table 1. Classifications of events with the involvement of volunteers

According to...			
Size	Sphere	Form	Frequency
<ul style="list-style-type: none"> • International (mega-events) • National (medium scale) • Local (regional) 	<ul style="list-style-type: none"> • Cultural • Sports • Business 	<ul style="list-style-type: none"> • Public • Private • Non-profit 	<ul style="list-style-type: none"> • Constant • One-time • Spontaneous

The most significant impact of volunteering associations is in organization and holding of large-scale events, including international and world ones. Mega-events as global events in

politics, economics, culture and sport fully reflect the effects of globalization in the modern world: the participants and audience of today's mega-events do not have quantitative and territorial boundaries. Sport mega-events becomes special popular nowadays, most notably the Olympic Games and World Championships, going beyond the actual sporting events due to the growth of their political, socio-economic and cultural the significance (Smith, Lockstone, 2013). The frequency and duration of events has a direct impact on the involvement of volunteers and managing of their activities. Events taking place once bring one-time experience for volunteers. Long-term events, in contrast, occur on a regular basis and allow to learn from mistakes and develop. Event-organization and agencies organizing such events are characterized by rapidity of the structure transformation, steady growth of the staff and volunteers at the period of events (Hallmann, Harms, 2012).

Venue of the event can be fixed and non-fixed. Events belonging to the first group, often have the same location from year to year. In literature for such events there is the term "hallmark" (Getz, 2008). Events held on a regular basis and at a certain place, often result in creation of communities of volunteers who carry out the activity every time the event is held. This allows to avoid additional expenditures for the training of volunteers.

Recruiting volunteers for the event also brings certain costs for the organizers. The cost of volunteer support activities includes equipment, training, food, and in certain cases accommodation of nonresident volunteers. However, these cost significantly less than wage of paid employees.

The most large-scale events that have took place yet and only in preparation stage in Russia are the Olympic and Paralympic games in 2014 in Sochi and the World Football Championship in 2018. These events entailed a major expenditure, both the Federal and regional budgets and private investors. According to data from 06.02.2017 for preparation and holding of the Olympics in 2014 it was planned to spend little less than 639 billion rubles (Raskhody na Chempionat...), 55 % of the amount is direct investments from the federal budget, 14 % – contribution of regional budgets and 31 %-the share of private investors. However, according to data of March 2018, the total cost exceeded 1.5 trillion rubles (Skol'ko stoila Olimpiada).

The overall cost for the preparation of another one mega-event – the World Cup has exceeded 1.3 trillion rubles (Raskhody na podgotovku k ChM-2018...). Most of these funds were directed to the formation and reconstruction of infrastructure facilities, but the share of the wage fund of workers is also high. In comparison with foreign countries, Russia leads in the value of cost for similar events.

The recruitment of volunteers for support and service during the games allowed to avoid an even high material costs. Consider the substituting approximate cost of the volunteer work on the example of the Olympic games 2014 in Sochi. Table 2 presents the main function of volunteers at the Games and calculation of the approximate substituting cost based on average wage and effort.

Table 2. Calculation of the average substituting cost of volunteers' work at the Olympic Winter Games in Sochi

No	Function	Number of people	Average wage rates, person/mon th	Labor costs, person/day	Duration (days)	Labor costs, rub.
1	Interaction with the IOC/NOC and IPC/RPC	1900	21333	969.68	9	16 581 559,09
2	Arrivals and departures	400	21333	969.68	9	3 490 854,55
3	Ceremony	1500	26621	1 210,05	2	3 630 136,36
4	Protocol	300	21333	969.68	9	2 618 140,91
5	Olympic village management	4900	26621	1 210,05	9	53 363 004,55

6	Medical care	600	22346	1 015,73	9	5 484 927,27
7	Doping control	500	21333	969.68	9	4 363 568,18
8	Technology	1000	26621	1 210,05	9	10 890 409,09
9	Press work	1000	26621	1 210,05	9	10 890 409,09
10	Transport	3300	31557	1 434,41	9	42 601 950,00
11	Accreditation	900	21333	969.68	102	89 016 790,91
12	Maintenance activities for OG and POG	7500	21333	969.68	9	65 453 522,73
13	Language services	1200	26621	1 210,05	9	13 068 490,91
Total cost:						321 453 763,64

Source: calculated by the author

The estimated average wage based on the official data on the average level of wages in Russia by types of economic activities and professions in 2014. The Olympic games lasted for 18 days. However, considering the changeable nature of the work of most volunteers, for assessment we take rate of 9 days per 1 person. Issuing accreditations/fans passports was continuing from September 2013 till January 2014, this period includes 102 work days. The function "Ceremony" includes volunteers who participated in the Ceremonies of opening and closing of the Olympic games.

According to the official data, 25 thousand volunteers were involved in the games. According to presented above calculations, the average labor cost of the volunteer day was about 1100 rubles. The final payroll of the volunteers involved in the games is more than 321 billion rubles. It is worth noting that the official involvement of the paid workforce, this amount would have been increased because of fiscal and insurance payments.

For the World Football Championship of 2018 nearly 15 thousand of volunteers were engaged. About 90 % of all attendants of this event are volunteers. Even without taking into account changes in the average wage of specialists from 2014 to 2018, and calculate the approximate replacement cost of volunteer work at the FIFA world Cup based on the data from 2014, the sum is very significant. The average wage in areas selected for analysis in [Table 2](#), has been increased by 10% since 2014 ([Official site upravlenie...](#)). To update the data of the replacement cost of volunteer labour during the FIFA championship in 2018, we index the average value of a volunteer day in 2014. Thus, the estimation of the working day of a volunteer in 2018 is 1,200 rubles.

A comparison of the volunteers' contribution to the economy of mega-events on the example the Olympic games and the World Football Championship are presented in [Table 3](#).

On average, for both considered events the share of the substitute cost of volunteer labor was more than 20 %, so involvement of volunteers allows to reduce the costs by almost a quarter. Despite the fact that in addition to volunteering there are the selections for the paid positions, the popularity of volunteering is constantly growing. For the Olympic games 2014, there were more than 200 thousand volunteer applications. At the World Cup and Confederation Cup more than 117 thousands of volunteers have applied, the competition amounted to 116 people per place ([FIFA, 2018](#)). At the same time selection criteria become stricter, increasing qualification requirements for volunteers. For example, 4171 volunteer applied for the option "Protocol" at the world football championship in 2018, but only 2495 ones have passed the interview stage, 1205 volunteers were recommended, and in the end approved only 606 people, that is less than 25 % of the candidates.

Table 3. Economic aspects of volunteering at mega-events

	Total cost, bln. rub.	The number of volunteers, people.	The average labor cost of the volunteer day, rub.	The total substitute cost of volunteer activities, bln.rub.	The ratio of the value of volunteering and total cost, %
Olympic Games 2014	1500	25000	1100	321	21.4
Championship FIFA 2018	1300	15000	1200	288	22.2

Source: calculated by the author

In journalistic literature authors often note about the cost of training procedures and uniforms for volunteers. For example, the standard set for volunteer at the Olympic games 2014 in Sochi cost about 28 thousand rubles, considering the total number of volunteers (25 thousand people) it is a very impressive sum. However, it is worth noting that in the case of recruitment of paid employees, these costs could not be avoided, as an integral element of such events is the use of symbols and standardized uniforms for staff.

The economic advantage of engaging volunteers to the mega-events is affected by the following factors:

1. The number of guests and required personnel – volunteers: the greater the number of employees required for the event, the more significant the savings from the engagement of volunteers;
2. The required level of personnel qualification: the hiring of highly qualified personnel (for example, with the knowledge of foreign languages) on a paid basis can become a major item of expenditure, and the involvement of volunteers in this case brings tangible positive effect;
3. Availability of volunteer centers in the region of the event: the involvement of local volunteers reduces costs on transport and accommodation of them during the event;
4. The services of the centers of volunteer's preparation: the possibility of involving trained volunteers with experience of performing at similar functions allows to save time and money, because they do not need complex training.

Insufficient level of control and organization of volunteer work can lead to a reduction in the quality of services and therefore ruin the positive impression the guests. Therefore, in the pursuit of savings, it is important not to forget about quality. In the organization of volunteer groups for mega-events they attract approved specialized centers which are professionally involved in the selection and training of candidates.

4. Conclusion

Thus, event volunteering brings huge socio-economic impact, both for organizers and for participants. There is a forecast that in the near future, the total economic impact of volunteer activities will reach 125 billion rubles (Tsena bestsennogo). Share of event-volunteering in that indicators depends exclusively on the number of large-scale events held in the country. Evaluation of the economic components of volunteer programs within the framework of certain events showed that the volunteers can significantly reduce organizational costs.

Often at such events as Olympic games and World Championships in the cumulative assessment expenses exceed income. This is primarily due to the need for infrastructural improvements and redesigns. But in the future, if similar events will repeat in the region and there will no need of serious renovations, recruiting volunteers to the organization and maintenance will save budget of events from deficit.

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