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ORGANIZATIONAL AND MANAGERIAL ASPECTS OF PROFESSIONAL SPORTS IN THE REPUBLIC OF BELARUS

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The study is devoted to the economic development of the sports industry in the Republic of Belarus. Special attention is paid to the approaches to the development of professional sports in Europe and the USA. The advantages and disadvantages of the existing systems of professional sports are noted. The results of the study show great differences between the system of professional sports in the Republic of Belarus and the existing ones in the USA and Europe.

The professional sports industry in the Republic of Belarus is at the stage of formation and commercialization, there are profitable professional sports organizations and market relations are developing, which contributes to the investment attractiveness for private investors, but the situation in the industry does not have a stable vector for development in this direction yet.

The main reasons for the economic imperfection (commercialization) of the sports industry in the Republic of Belarus [2] are related to the lack of private (sponsorship) investment, and the main source of investment is financing from the state budget. In this regard, it is necessary to evolve the mechanisms and tools of the market economy applicable in the industry of professional sports.

The disunity of individual sports clubs in the search for ways to pay off and defend interests (especially in team sports) reduces the efficiency of commercialization of the sports industry. In the world practice, this problem is effectively solved by creating professional leagues and associations, in which the professionally trained management apparatus conducts negotiations with potential users of the sports product and intermediaries. Unfortunately, the creation of professional leagues in our country is currently only at the stage of long-term plans and projects.

The formation of professional sports in the Republic of Belarus is based on the world experience, primarily of the USA and Europe. Historically, there have been two main approaches to the development of professional sports: commercial-sports and sports-commercial, between which there is a significant difference.

The basis of the first [1], which is typical mainly of the USA, is the pursuit of maximum income, while professional sport is considered as a specific sphere of business. Sports activity and its results are a means of achieving profit. American management system is characterized by profit at the expense of directly competitive activities (and not at the expense of budgetary allocations, as in the Republic of Belarus), by differentiation of the level of wages of athletes, up to the establishment of the salary limit Fund for the team. Some other typical features are the lack of, as a rule, sponsors, the high cost of selling television, a high entrance fee for beginners, the system of distribution of income from the sale of tickets, low rent for the use of municipal (urban) sports facilities, tax incentives. The noted features relate primarily to the management of the most popular (more profitable) sports in the United States.

Managers of American professional sports have formed a system of legal relations between its subjects. For example, the relationship between employers and professional athletes is based on the current system of selection of players in the team (draft system), their retention in the club, control over athletes, resolving controversial legal issues, as well as the transfer of athletes. In the US the sports business is more competitive than in other countries. In European sports, according to experts, there is no such competition as in the States, and in the Republic of Belarus does not exist at all. One of the main tasks of professional sports managers in the United States is to ensure that none of the teams gets a significant advantage over the others, as the viewer will not go to the game if they can predict the winner in advance. In order to prevent the financial collapse of individual clubs the American management system has established some rules for the distribution of income from the sale of tickets and television contracts signed by the League. These rules are the factors of economic development and financial well-being of professional sports. Another key point of management in the US is the introduction of restrictions on the salary of athletes, which also balances the financial capabilities of the teams.

The second approach [1] is more typical of Europea. In European countries sports competition is a priority and a prerequisite for running a sports business. The European model is based on the competition between sports teams seeking to create an advantage, largely based on financial opportunities to acquire the strongest athletes.

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Analysis of the European management of professional sports shows [1] that the desire of managers and team managers to overcome the situation inherent in the system of organization of competitions and to achieve the best economic results tempts many clubs to lead management beyond their means, which often leads to disastrous consequences.

In comparison with the American management system in Europe, another principle of recruitment of professional leagues is implemented. This peculiarity of management leads to other principles of team formation, participation of sponsors (European clubs have up to 50% of income due to sponsorship) [3] and local authorities in their financing. In Europe, clubs receive less income from the sale of television, the salary of athletes is lower, and they are less socially protected.

World professional sport is an ambiguous phenomenon [4]. Its models, which have been formed in different countries of the world for a long time, have significant differences in several criteria. The American and European models are typical. When considering these criteria it should be noted that among professional sports in the United States, Europe and the Republic of Belarus there are differences in attendance of competitions, social security of athletes, the role and place of television in support of sports, the place of professional sports in the system of social values, in the classification of athletes, the amount of their remuneration, etc.Comparative analysis shows significant differences between the professional sports model in the Republic of Belarus and the existing in the United States and to a lesser extent – from the European one.

The data obtained in the study became the basis for the following conclusions:

- funding for professional clubs, both in the United States and in Europe, is carried out mainly at the expense of income derived directly from sports activities;
- European clubs are financially more dependent on government support at the local level, and not all teams are able to fully recoup costs from sports activities by themselves;
- ticket sales for foreign clubs, both in the USA and in Europe, are the main source of income, which is unusual for sports in the Republic of Belarus;
- the second source of importance for foreign teams are the funds received from the sale of broadcasting rights, in the Republic of Belarus this source of funding is in the process of formation;
- sponsorship is unusual for American sports, but in Europe it plays a significant role. An important feature of sports in Europe is the financial assistance of municipal councils, which in principle is very similar to the existing system of financing clubs in the Republic of Belarus.

The modern stage of development of the world professional sport gives rise to new model versions. The emerging Belarusian one can be referres to them as well.

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