



National Event Hosting Discussion Document: Alternative Allocation Options

Summary

Running National Events is an important priority for Squash New Zealand – and any NSO. This paper explores alternative options for allocating National Events so that benefits and value to both host clubs and Squash New Zealand are maximised.

Squash has historically operated on a model of devolving responsibility to host clubs, and their networks of volunteers. Whilst this has worked well for a number of years, in recent times it has become more difficult to find hosts for ‘unattractive’ events (requiring relatively large quantities of prize money). Other sports take the opposite route, and administer all events through the national office (taking all benefits and/or incurring any costs). There is a feeling that Squash New Zealand does not play an active enough role in supporting host clubs – SNZ does not assist with the burden of finding sponsorship, but nor does SNZ receive any benefit from the financially lucrative events (eg Superchamps).

This paper looks at a range of options along a spectrum ranging from minimal to maximal Squash New Zealand involvement.

Status Quo/Background

1. Squash New Zealand administers the following National Events:
 - a. Senior/Masters/Junior National Championships (Individuals and Inter District Team Events)
 - b. North/South Island Senior Championships
 - c. North/South Island Junior Age Group Championships
 - d. New Zealand Junior Open
 - e. New Zealand Doubles Championships
 - f. Cousins Shield/Mitchell Cup
 - g. Superchamps
 - h. Champion of Champions
 - i. New Zealand Masters Club Teams Championships
2. All events are open to expressions of interest from affiliated clubs. The Squash New Zealand Executive Council ratifies the allocation of national events each year.

3. Successful applicant clubs sign hosting agreements with Squash New Zealand, outlining the roles and responsibilities of both parties. Clubs are responsible for finding all of the required prize money. Squash New Zealand provides non-financial support and guidance.
4. As a result, events like Superchamps, Champion of Champions, Cousins Shield/Mitchell Cup and Masters National Championships – ‘attractive events’ are very popular, as they require little/no prize money outlay, and generate large bar/kitchen revenue. Event reports from hosts of ‘attractive’ events estimate net profits of more than \$5,000 – sometimes up to \$15,000.
5. Events like Senior National Championships, North/South Island Championships – ‘unattractive events’ are more difficult to find hosts for, as they require significant levels of prize money. The clubs that take on hosting of these events often do not feel adequately supported by Squash New Zealand.
6. Every effort is made to share national events between the two islands, and among the eleven districts, but:
7. There is a clear relationship between entry numbers and the location of National Events. Destinations that are easy to fly into (eg Auckland) result in more entries than outlying provinces. The financial realities of flying into main centres are increasingly hard to ignore.

Advantages:	Disadvantages:
Transparent system that has historically worked reasonably well for a long time.	It is getting more and more difficult to find hosts for events with significant prize money requirements.
Not very expensive for Squash NZ, freeing up funds for other areas of business.	There is tension between the desire to keep events as cheap as possible to attend (main centres) vs. fair distribution (all districts/centres get a turn at hosting).
	Allocation of ‘attractive’ events can be arbitrary – not a very fair or efficient means of allocating events that can be a significant financial windfall.
	70+ requests for Superchamps each year leads to many disappointed clubs.

Problems with the Status Quo:

- It is too difficult to find hosts for events requiring significant prize money.
- 70+ requests to host Superchamps are received annually, resulting in many disappointed clubs.
- The current method of event allocation is inefficient and arbitrary; the difference between the financial windfall of an ‘attractive’ event and the stress and work of an ‘unattractive’ event is marked.
- Bigger/stronger clubs who are willing to host ‘unattractive’ events risk becoming unpopular with other clubs if they also receive ‘attractive’ events (arguably their just reward), or feeling unappreciated and disengaged with Squash NZ if they do not receive ‘attractive’ events.

Hallmarks of a Successful Alternative:

- Allocation is less arbitrary and more allocatively efficient. Put simply; the game gets a better return from the allocation of National Events.
- The burden of hosting events requiring significant prize money is eased – either through financial support or complementary allocation of an ‘attractive’ event.
- Any confusion/problems with equalisation, geographical sharing of events are addressed.

Alternative 1: Tendering Popular Events

- Events that are considered ‘attractive’ to host (Superchamps, Cousins Shield/Mitchell Cup etc) are tendered. The club with the highest bid receives hosting rights.
- The revenue raised by Squash NZ from tendering ‘attractive’ events is granted to hosts of Senior Nationals and North/South Island Championships, PSA/WSA events etc to help with prize money requirements.
- Why? Event reports from hosts of ‘attractive’ events estimate net profits of more than \$5,000 – sometimes up to \$15,000. There is money to be made by clubs hosting these events. But we need to run National Championship events too, and host clubs require more financial support from Squash New Zealand. This option more effectively shares the event hosting load.
- This would create a more even footing for clubs wanting to host national events. ‘Attractive’ events would become less of a dramatic financial windfall, and ‘unattractive’ events would be less of a burden.
- A clear set of rules around how the revenue raised would be allocated would be required. For example:
 - The first \$4,000 would go to Senior Nationals.
 - The next \$4,000 would be split between North and South Island Championships.
 - The next \$2,000 would be split evenly between New Zealand Junior Open, North and South Island Age Group Championships and Junior Nationals.
 - The next \$2,000 would go to Senior Nationals.
 - Any further revenue would be split evenly among any PSA/WSA event hosts.
- A clear set of rules and conditions around what clubs could bid for would be required. For example:
 - Clubs could not host the same event two years in a row.
 - After two consecutive years of hosting ‘attractive’ events, a mandatory one year stand-down period would apply.
 - An event could not be held in the same district three years in a row.

Advantages:	Disadvantages:
Revenue raised from tendering ‘attractive’ events is put back into events; so stays within the grassroots of the game.	Possible perception that profits are being taken from host clubs of ‘attractive’ events, and funnelled towards prize money for professional

	players.
Greater support is able to be provided to the hosts of national events with significant prize money requirements.	Clubs are turned off by the uncertainty of having to pay for hosting rights before entries have been confirmed.
Greater support to host clubs results in greater certainty of prize money availability, making squash more attractive as a profession and bolstering playing standards in NZ.	
The allocation of 'attractive' events becomes less arbitrary, and more economically efficient.	

Alternative 2: Rotation of Events

14. Each National Event is cycled through the districts, so each year every district would have responsibility for hosting 1-2 national events. It would be the responsibility of the district association to determine how these events were allocated to clubs. This is very similar to the way the World Squash Federation rotates its major World Championship events (and many other sports rotate national championships and other events).
15. If a district was unable to host an event, it would be up to that district to come to an arrangement with another district to take on the hosting responsibilities. NB: facilities should not be the barrier here; using two or more clubs to host a national event has worked successfully for many years, and no doubt will continue to work successfully for many more.
16. Rotation of event hosting responsibilities could be combined with any of the other options mentioned in this paper. As an example, only selected events could be rotated, with others tendered or bundled. In this case 'tiers' or 'groups' could be used to distinguish the different types of events and allocation methods.
17. This system may eliminate the need for equalisation of travel costs (see Equalisation Discussion Document). Equalisation applies to Masters, Senior and Junior National Championship Inter District Teams Events. However, it may be preferable to retain the equalisation to make the budgeting process easier (than an eleven year cycle).

Removing equalisation would require all districts to regularly take on their hosting responsibilities. It may also work *best* if all districts commit to annually attending all Inter District Teams Events; and not just the geographically desirable ones.
18. ***If*** this alternative was pursued without travel equalisation, some policies would probably be required to ensure that costs are not skewed. Such a policy might include:
 - a. A clause to guide how far a National Event could be held from a 'main' centre.
 - b. Districts that abdicate hosting responsibilities are responsible for making arrangements with another district/club to host the event in question; and

- c. Districts that abdicate hosting responsibilities are responsible for reimbursing the other districts for proven additional travel costs (for National Championships).
19. Rotation of national event hosting responsibilities brings the question of ‘what are the core roles of a district?’ into sharper focus. Besides event hosting responsibilities, additional criteria could be put in place:
- a. Every district must be represented at all National Teams Events (Inter District Teams Events, and Graded Championships).
 - b. Every district must actively administer player, coach and referee development programmes (with appropriate measurement).
 - c. Every district must actively seek to develop the game (with appropriate measurement).
 - d. Every district must have a minimum of x clubs and y players.

Advantages:	Disadvantages:
National events are shared equitably around the country, ensuring that clubs and players in every district have the opportunity to be exposed to National Events and top level squash.	Districts who abdicate their hosting responsibilities could skew the system.
	Districts that do not send teams to national events may bear ill-will.
	Incentive lies with Squash NZ to add new national events to the calendar, increasing the burden on districts.

Alternative 3: Bundle ‘Attractive’ events with ‘Unattractive’ ones

- 20. ‘Attractive’ events could be bundled with ‘unattractive’ ones in the expressions of interest process. As such; rather than applying for D Grade Superchamps National Finals or the North Island Championships, the system could be altered so that clubs apply for both (or neither).
- 21. Clubs would apply for hosting rights for two events in the same year. They could apply for a specific ‘unattractive’ event, with the ‘attractive’ events then pulled out of a hat to ensure fairness. Or both events could be randomly allocated.
- 22. This would create a more even footing for clubs wanting to host national events. ‘Attractive’ events (event reports from hosts of ‘attractive’ events estimate net profits of more than \$5,000 – sometimes up to \$15,000) would become less of a dramatic financial windfall, and ‘unattractive’ events would be less of a burden. Clubs could not access the dramatic financial windfall of hosting an ‘attractive’ event without also hosting an ‘unattractive’ event.
- 23. The event pairings might look something like the below:

‘Unattractive’ Event	‘Attractive’ Event
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PSA/WSA event	C Grade Superchamps
PSA/WSA event	E Grade Superchamps
PSA/WSA event	Masters Nationals
Senior Nationals	B Grade Superchamps
North Island Championships	Cousins Shield/Mitchell Cup
South Island Championships	D Grade Superchamps
Junior Nationals	F Grade Superchamps
New Zealand Junior Open	Masters Club Teams
North Island Junior Age Groups	Champion of Champions
South Island Junior Age Groups	
NZ Doubles Champs	

Advantages:	Disadvantages:
Fairer allocation method: only clubs that host difficult events can host the popular ones.	Depending on the number of expressions of interest, National Events <u>may</u> end up at the 'same few' clubs every year, which <u>may</u> be viewed negatively by some (NB: this is a risk under the status quo).
The types of clubs that are capable of hosting 'unattractive' events are probably well equipped to take on the hosting responsibilities of two large national events in one year.	There may not be many clubs that are equipped to host two national events in the same year.
The allocation of 'attractive' events becomes less arbitrary, and more economically efficient.	

Alternative 4: Remove prize money requirements at National Events

24. Many sports run their National Championships as strictly amateur events. Squash New Zealand could follow this model by removing prize money requirements from National Events.
25. Under such a scenario, most if not all barriers to hosting major events are removed and we would have a level playing field.
26. This scenario would be likely to have a negative effect on the presently prestigious nature of National and North/South Island Championships. With sufficient prize money to cover the costs of top professionals to travel to these events, the events carry sufficient prestige to attract top players. Without sufficient prize money it is unlikely that top players would play these tournaments – in turn threatening the viability of them returning to New Zealand for the domestic season. Less available prize money would also reduce the likelihood of players considering squash as a career, resulting in a weaker high performance programme.
27. It is worth considering the risks of having a weaker high performance programme/domestic events circuit:

- a. Fewer players (particularly juniors) get to see top players in action and are inspired to go further with their squash/continue playing squash.
- b. Squash receive considerably less media exposure.

28. A closely related option could be adopted, with prize money optional and a tendering process used. The club that presented the best case for hosting any particular event (including prize money available) would win the hosting rights.

Advantages:	Disadvantages:
Hosting National Events is a level playing field with few barriers. It would be easy to find hosts for events.	Promising players discouraged from pursuing the sport professionally → weaker high performance programme and reduced media exposure for squash.

Alternative 5: Squash NZ contributes financially to all National Events

29. Squash New Zealand puts a dollar value on each national event; and provides this monetary support to the host club of each specific event. For example: \$3,000 for Senior Nationals, \$500 for North Island Junior Age Group Champs, etc.

30. Squash New Zealand would need to budget for this expense each year; most likely at the expense of some of its current projects/business (unless a sponsor could be found).

31. Squash New Zealand would seek to bundle all National Events and find commercial sponsorship for them. This would likely require Squash New Zealand to take ownership of naming rights for the events, and make it harder for host clubs to find additional sponsorship for them.

Advantages:	Disadvantages:
IF sponsorship is able to be found, greater support is provided to host clubs.	Sponsorship at a national level has not been able to be sourced in recent times.
Greater support to host clubs results in greater certainty of prize money availability, making squash more attractive as a profession and bolstering playing standards in NZ.	If sponsorship isn't able to be found, Squash NZ would need to reduce/cut some of the services it provides.

Alternative 6: Squash NZ takes full control of all National Events

32. Squash New Zealand travels to each National Event and administers it from the host club.

33. Squash New Zealand negotiates a lease agreement with the host club, and takes all entry fees/bar profits etc.

34. Squash New Zealand negotiates all sponsorship and provides all prize money for the events.

35. This option would require an extra staff member (or a restructure) to focus specifically on marketing, sponsorship and event administration.

Advantages:	Disadvantages:
Greater ability for Squash NZ to ensure that events are delivered to minimum expected standards.	Significant restructure required.
	Negotiating lease/bar/kitchen profit agreements likely to be fraught with difficulty.
	Would require a re-think of Superchamps National Finals weekend – either a different weekend for each grade, or multiple people employed by Squash NZ to run the events.
	Likely to have a negative effect on relationship between host clubs and Squash NZ.

What do other sports do?

Athletics: Regions/clubs bid for hosting rights. Athletics New Zealand takes entries and does most of the communication. Regions/clubs hosting administer the event and provide any prize money.

Bowls: Bowls New Zealand administers national events (no prize money).

Golf: Clubs bid for hosting rights and undertake the day to day administration of national events – for professional events clubs provide prize money. For the bigger professional events event management companies become involved.

Netball: Netball New Zealand administers national events (no prize money).

Tennis: Tennis New Zealand proposes the national events calendar (including hosts) annually. Bearing in mind the minimum facility requirements for hosts, there are only around six facilities that can host national events. Tennis NZ endeavours to rotate the events evenly throughout these facilities. Tennis NZ promotes the events and takes entries, but the host is responsible for the day to day management of the event on the ground (although Tennis NZ sends a representative to each event). Most events don't involve large prize money.

Triathlon: Triathlon NZ has recently undergone a change, from clubs/event management companies running National Events to the national body taking full responsibility. This is because, with high entry fees and minimal prize requirements, clubs/event management companies were making money out of the sport.

Swimming: Clubs bid for hosting rights for National Events (pretty simple at the moment with Christchurch's pool out of action). Swimming New Zealand is then responsible for organising national events, but pays the host region a daily rate to provide the day to day volunteer brigade (essentially 'tournament control').