Bid Evaluation Model / Business Plan Template / Bid Event Template

Canadian Sport Tourism Alliance

Alliance canadienne du tourisme sportif

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Introduction

The report - approved in 2004 at the FPT Committee on hosting international sport events in Canada - includes:

- STEAM should be the standardized model used for economic impact studies;
- Federal government is responsible for coordinating the development of resources material, templates, bidding and hosting guides by working collaboratively with other stakeholders and posting information on a central website.

Note: The CSTA plays an active role for the last 10 years in this area through the production of a variety of tools available on their website.
The risks associated with erroneous information at the bid phase can have a profound negative impact for the community. This can not only cause the community financial problems but also affect the community's social, commercial and political life.
Managing your risk

You will analyse every element at the start so you won’t have any big surprise’s at the end.
What type of events exist?

A: Int’l events recognised by Sport Canada*

International events recognised by MSO / NSO & part of their High performance and Long term athletes development plan for national athletes with qualifying process & entry restriction (established nationally or internationally) and included in the MSO/NSO hosting plan

• International Major Multisport Game (tier III)
• Large International Single Sports Event (tier II)
• Small international Single Sports Event (tier I)
• International Multisport Games for Aboriginal People and Persons with a Disability

Note* From Federal policy for hosting international sport events
What type of events exist?

B: Other international events

- Multisport Games
- Single Sports Events
What type of events exist?

C: Other events

- National / Regional / Provincial events with Rights Holder
- Professional/amateur sport leagues and events
- Amateur single sport events
- Intercommunity events
- Manufactured or created events
How to finance type A events?

- Federal: Federal policy for hosting international sport events
- Province: Only Quebec, Ontario, BC and AB have a hosting policy.
- City: deal on a case by case basis
What is the formula?

• Type A: Tiers III and II
  (and tier I if Fed contribution more than 50k*)
  • Federal: max 35 % in cash
  • Provincial: max 35% in cash
  • Municipal: 15% in cash and VIK
  • Non public: 15% in cash and VIK

• Type B and C
  • No parameters

Note*: If less than 50k from federal = max 100%
How to access the tools?

- Free of charge for CSTA members
- Available on the CSTA website under “Members only”
- Download the file to your computer
- Support is available via:
  - email: esavard@canadiansporttourism.com
  - phone: (647) 932-6781 or 932-1799
For which events these tools should be used?

– Document produced for “one time” international (int’l) events or first edition of international recurrent events
– It can also be used* for:
  • National events
  • Provincial events
  • Regional events
  • Local events

Note*: For the Business plan recommend to delete the non-relevant sections first
In which order?

• N°1: Bid Evaluation Model
• N°2: Business Plan template*
• N°3: Bid Template

Note*: It is recommended to include within the Business plan a marketing plan and an economic impact projection based on the CSTA Marketing Template and STEAM
Why use the BEM?

- Decision making tool
- Provides a quick assessment of the fit between the community’s assets and the event rights holder’s requirements
- Highlights associated resources and deficiencies, which may contribute to potential risks and rewards of hosting a given event
Benefit of the BEM

- Provides the community/ bid group with an early indication of the community’s event readiness and deficit areas needing attention.
- Garners credibility by ensuring organization has a competitive chance to win a bid for a particular event before approaching government or corporate sponsors for support.
How the BEM works?

• Within each module a series of questions is asked and decision points are presented offering a Go/No Go determination

• An affirmative response is required to move forward.

• A “No” response leads to a set of questions concerning ways to fill the identified gap; if the response continues to be “No” the recommendation is to not pursue bidding on the event, at least at this time
Seven Modules

1. Infrastructure assets
2. Community Support
3. Public Sector Support
4. Management and Event Expertise
5. Financial Considerations
6. Competitive Context
7. Sustainability
First, calculate the number, quality and price point of rooms required to accommodate the anticipated athletes, officials and spectators.

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do sufficient rooms exist to accommodate the anticipated visitors?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If any of the questions to the left receive a negative response, are there opportunities to expand the accommodation base to fill the gaps? [e.g., temporary housing, school dormitories, shuttle services to neighbouring communities, billeting, etc.]</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Will sufficient rooms be available (vacant) during the event period? [e.g., will providers reserve/guarantee a sufficient block of rooms?]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is a range of accommodation available that encompasses various types, quality levels and prices?</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

If Yes, continue. If No, do not pursue bid at this time.
Sport Tourism Strategy

Strategies should be prepared

“Best Bet” opportunities should be targeted

• Suitability
• Marketability
• Legacy
The template approach

- Word, Excel or Access format
- Gives you a structure
- You can adapt it to your event type
- You just have to delete what you do not need for your event
Why develop a Business plan?

- To develop the best structure
- To develop a strategic plan
- To identify the potential revenues
- To identify the organizational costs
- To identify the contribution in cash and VIK
- To identify if the existing infrastructures are sufficient
- To identify the legacies
What does it include?

- File 1: Business Plan Template (Word format)
- File 2: Hiring Plan Template (Excel format)
- File 3: Budget software (Access format)
File n°1: Table of contents

- Introduction
- Description of the event
- Vision, mission and objectives
- The structure of the Organizing committee
- Terms of reference by division
- Major milestones
- Venues
- Budget
- Impact and legacies
- Appendices
File n°2: Hiring plan

– Proposed hiring structure already available
– You delete positions that are not relevant and add others if need be
– You have only to add the number of months, salaries and benefits
– You had the total amount in File n°3 and the excel chart in appendix of File n°1

This Excel document goes in appendix of the Business Plan
File 3: Budget Plan Template

- Access format
- Gives you a proposed budget structure or you can use your existing structure
- You just have to input quantity and unit price
Every line of the budget has two columns
- Cash column
- VIK column

VIK should be included in the budget in order to reflect the contribution of
- Government(s)
- Institutions
- Corporations
- Organisations

The only budget software which factors VIK
File n°3: Budget structure

Division
  e.g.: 01-01-00.000 Event management

Sub-division
  e.g.: 01-05-00.000 Meeting expenses

Work package
  e.g.: 01-05-01.000 Board of Directors

Example of objects within a work package
  683 Buffet prior to the events
  693 Non-alcoholic beverages
  694 Coffee

  The code for coffee in the Board of Directors work package would be: 01 5 01.694
Budget appendices

➢ Obligations towards the rights holder
➢ Risk analysis
➢ Taxation issues
➢ Non budgeted items
➢ VIK from authorities
➢ Insert your Marketing Plan*

Note* From the CSTA Marketing Plan Template
Your Business Plan conclusion

You can now write the conclusion with:

– Business plan objectives
– The event
– The unknown
– Legacies and impact
– Public financing
– Risk evaluation
– Action plan
The Rights Holder

- Intl governing bodies of a specific sport event
- Responsible for overseeing the bid process, awarding the event and the overall management
- Type of Rights holder* (international)
  - Multi-Sport Organizations,
  - Single Sport Organizations,

Note*: Normally a Canadian governing body exists, its support is essential prior to bidding internationally; sometimes, they even oversee a bid process to select the Canadian Candidate Community.
Rights Holder Top 10 List

1. Motivation to Host
2. Host Community
3. Partnerships
4. Host Competition Venue(s)
5. Marketing and Communications
6. Business Plan
7. Operational Plan
8. Servicing the Athletes/Teams
9. Atmosphere and Participant Experience
10. Enjoy the Experience
The Bid Process

- Dictated by the Rights Holder in a Bid Guidelines document
  - Bid timelines
  - Event information and history
  - Hosting standard
  - Bid document requirements
  - Selection process
  - Reference documents
The Bid Process – Bid Timelines

- Bid timelines can include several components
  - Submission of letter of intent by interested communities
  - Receipt of Rights Holder Bid Guidelines document
  - Submission of bid document(s)*,
  - Rights Holder site visit*
  - Bid Committee presentation to Rights Holder
  - Nomination of Host Community with signature of the contract and payment of rights fee

Note*: in certain bids, a process to short list Bidding communities is implemented by Rights Holder
The Bid Process – Bid Document

2 situations
- Rights Holder provide:
  - a Bid Questionnaire or
  - Table of content of the Bid Document
- Bid Community needs to create their Bid document
  Table of content and documents
What the template include?

- You have 2 sections for each topic:
  - Hosting standards
  - Bid document recommended content
The Bid Document

SECTION A – Introduction
SECTION B – Community Overview
SECTION C – Host Organizing Committee Overview
SECTION D – Business Plan
SECTION E – Operational Plan
SECTION F – Conclusion / Summary
SECTION G – Appendices
Risk Management Tool Box

1. Organizational Structure
2. Operational Issues
3. Financial Management
4. Legal Compliance
5. Insurance Coverage
6. Alternate Dispute Resolution (ADR)
7. Politics, Ethics, Morality
8. Communications Network
9. Crisis Management and Response
10. Critical Path
11. Transition Planning
12. Exit Strategy
Critical Success Factors

- Targeted and proactive approach
- Good research/networking
- Effective human resource, financial, IT and time management
- Clear strategy and event planning
- Be humble in the dealings with the rights holder
- Don’t be afraid to ask questions
- Prepare and review a bid checklist
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