

Canadian Sport Tourism Alliance



# NSO BID EVALUATION

## MODEL



Photo: Larry Nelson



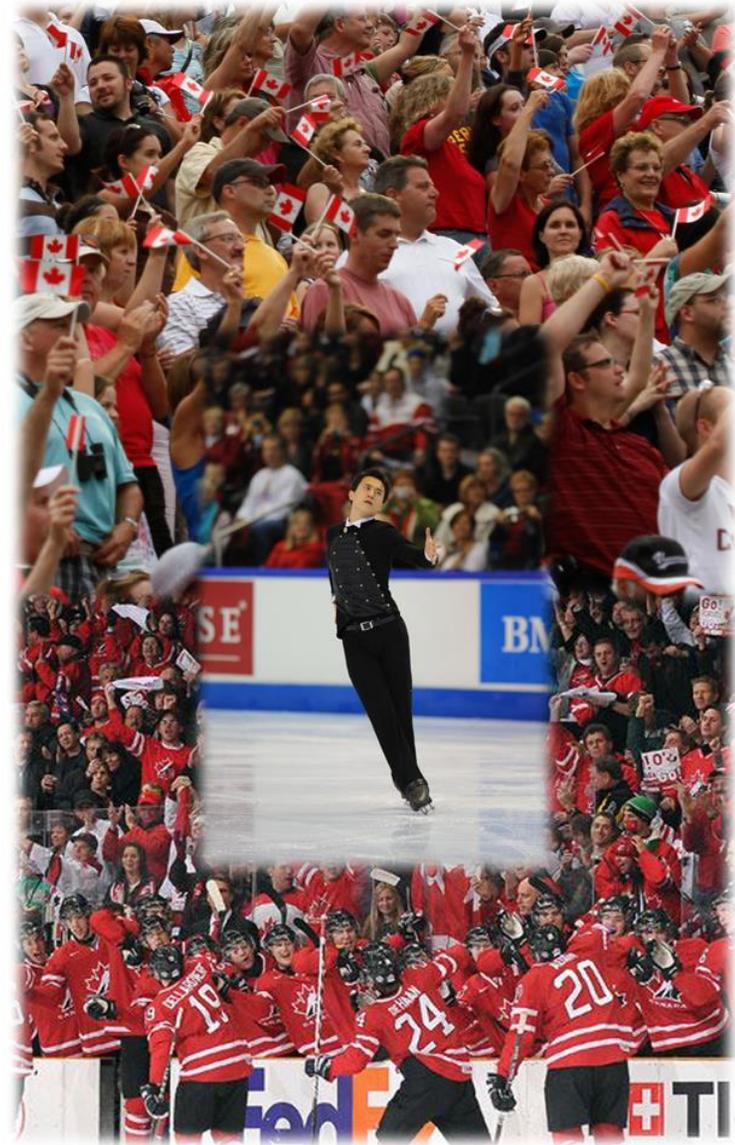
## NSO Bid Evaluation Model for Hosting Selected International Sport Events

### Acknowledgements

The Canadian Sport Tourism Alliance (CSTA) gratefully acknowledges the contribution of the following agencies and individuals in the creation of this template:

- The Canadian Olympic Committee's NSF Enhancement Initiative;
- Patrick Healy, Manager, Hosting Program and Federal Secretariat, Sport Canada;
- This template was adapted from the original "Bid Evaluation Model to Assess Community Capacity for Hosting Selected Events" produced by Lynn Morrow, the principal of Lynn Morrow Consulting in Toronto;
- The template is part of the CSTA's Transfer of Knowledge program under the leadership of Eric Savard, Program Director and Rick Traer, Chief Executive Officer.

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## Introduction

The National Sport Organization (NSO) Bid Evaluation Model (NBEM) is intended to function as a decision support tool, assisting NSOs who are considering a bid to host a particular international sport event to determine whether to proceed with a bid proposal in consideration of a variety of factors. A precursor to preparing a Business Plan, the goal of the NBEM is to provide a relatively quick assessment of the fit between the NSO's and host community/country assets and the event rights holder's requirements. **In certain cases the potential bid community has already been selected by the NSO; therefore it is recommended to complete the Community Bid Evaluation Model (CBEM)<sup>1</sup> as part of the due diligence process<sup>2</sup>.** If more than two communities are bidding for the event, it is recommended to use the CSTA Request for Proposal Template which also includes a scoring sheet for the NSO usage.

The tool can be applied to a variety of international sport event hosting opportunities.

At a high level, the NBEM will help to provide a consistent, quantified assessment of the relative suitability of entering the bidding process for a particular event for a NSO at a given point in time. Premised on the congruity between a particular international event rights holder's requirements and the potential NSO & bidder's resources and capacities—the model highlights associated resources and deficiencies/gaps, which may contribute to potential risks and rewards. The NBEM is built around six modules:

1. Competitive Context
2. NSO Support
3. Event Expertise
4. Federal Government Support
5. Financial Considerations
6. Legacy

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<sup>1</sup> CBEM is available on the CSTA website under the Members Only section and the tab: CSTA Tools

<sup>2</sup> The Community Bid Evaluation Model contains several modules in addition to those included in the NSO Bid Evaluation Model, such as: Infrastructure assets, Community support, Management and event expertise, Public sector support and Sustainability considerations.

### The benefits of using the NBEM are twofold:

- Provides the NSO with an early indication of the readiness and deficit areas needing attention. The user will also have a sense of the anticipated net benefits of hosting that would accrue to the sport community and others.
- Over the long term, the NSO ensures that it has a reasonable opportunity to win a bid for a particular event before approaching other organizations for support.

### How to Use the NBEM

In tandem with completing the NBEM / CBEM, an Infrastructure Inventory/Event Requirement Matrix can be an invaluable tool in determining a community's ability to satisfy a particular event rights holder's fundamental requirements<sup>3</sup>. Adding dates, details and metrics to facility requirements (e.g., international level technical standards, seating capacity, number, quality and price point of accommodations, etc.), quickly highlights gaps. A determination then needs to be made as to how those gaps can be filled, at what cost and within what timeframe.

Working through the NBEM, a number of decision points are presented offering a "Go/No Go" determination. Within each section of each module a series of questions is asked and an affirmative response is required to move forward. If the response is "No" above the divider line, the respondent is pointed to the question below the divider line. If the response continues to be "No" the recommendation is to not pursue bidding for the event, at least at this time. A "No" response is in effect a red flag asking the respondent to reconsider the bid or consider strategies to address the requirement.

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<sup>3</sup> Please refer to the CSTA Capital Scope of Work Template.

Event Name:

Date:

Rights Holder:

**1. COMPETITIVE CONTEXT**

Any bid decision needs to be made within the context of the bid process and timing, past hosts, informed intelligence related to the likely competition and any leverage points the community may have in respect to the specific event.

*The Go/No Go Decision—an affirmative response to the following questions must be indicated in each category; if the response is “No” above the divider, it must be “Yes” below to consider pursuing a bid to host the event in question. If the response is “No” both above and below the divider, do not pursue bidding on the event, at least at this time.*

Yes No

<b>1.1 International Bid Process</b>	Is an international bidding process used to select the successful host community? [e. g. exclude events that are part of a pre-existing schedule, are hosted in your country on a cyclical basis or in the same community annually, etc.]	<input type="checkbox"/>	Go to B
B	If no, do you have a strategy and the resources to gain full knowledge of the requisite selection process and to successfully meet all criteria? (For more information please refer to the CSTA Sport Event Bid Template)	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.2 Requirement</b>	Do you understand and have a reasonable expectation that your team can meet all the requirements of the international bid process?	<input type="checkbox"/>	Go to B
B	If no, do you think that without respecting certain requirements, you still have the opportunity to be successful at hosting the event?	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.3 Timing</b>	Is the timing of the international bid process realistic in terms of the amount of effort required to submit a competitive bid?	<input type="checkbox"/>	Go to B
	Is there enough time to seek government support for the bid?	<input type="checkbox"/>	Go to B
	Are there other Canadian bids in other sports or games that may conflict with this bid?	<input type="checkbox"/>	Go to B
	Are there other major events taking place in the city (only if the city is already selected) at the same time that would draw on government and private sector funding?	<input type="checkbox"/>	Go to B
B	If no, do you have a strategy to find additional resources to successfully meet all criteria?	<input type="checkbox"/>	<input type="checkbox"/>

<b>1.4 Previous Hosts</b>	Was the previous host located on a different continent? [e.g., consider past hosts, likely competition, chance your geographic location would disqualify you from contention, etc.]	<input type="checkbox"/>	Go to B
B	If no, do you have reasonable assurance that a bid in the same or close proximity to the previous host community would be considered? Are your assets uniquely positioned to overcome this competitive disadvantage?	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.5 Competition</b>	Have you considered the calibre of other international bidders and assessed the likelihood of your success in comparison?	<input type="checkbox"/>	Go to B
B	If no, do you have a competitive advantage that can be leveraged?	<input type="checkbox"/>	<input type="checkbox"/>
<b>1.6 Domestic Bid Process</b>	Have you already selected or already identified a potential host community to bid at the international level (if yes please have them complete the Community Bid Evaluation Model)	<input type="checkbox"/>	Go to B
B	If no, do you intend to have a domestic bid process <sup>4</sup> (for more information, please refer to the CSTA Request for Proposal Template for Sport Events) and do you intend to have a contractual agreement with the selected Canadian bid city prior nominating them? (for more information please refer to the CSTA Event Contract Template)	<input type="checkbox"/>	<input type="checkbox"/>

<sup>4</sup> NSO must be proactive to ensure that at least one community is interested in hosting the event. Putting the event out to tender is often not enough to guarantee that at least one community will bid to host the event. It is essential that NSOs are proactive and discuss the opportunity with key community leaders in potential host communities.

## 2. SPORT COMMUNITY SUPPORT

NSO support is critical to the success of any sport event and an important resource that must be effectively utilized if the event is to run smoothly.

*The Go/No Go Decision—an affirmative response to the following questions must be indicated in each category; if the response is “No” above the divider, it must be “Yes” below to consider pursuing a bid to host the event in question. If the response is “No” both above and below the divider, do not pursue bidding on the event, at least at this time.*

Yes No

<b>2.1 Sport community</b>	Does the NSO Board of Directors support the event and is interested in contributing to its success?	<input type="checkbox"/>	Go to B
	Is this event a strategic priority for the NSO?	<input type="checkbox"/>	Go to B
	Does it fit with the NSO Long Term Athlete Development model?	<input type="checkbox"/>	Go to B
	Does the local sport community support the event and is interested in contributing to its success?	<input type="checkbox"/>	Go to B
B	If no, do you have strategies to engage them?	<input type="checkbox"/>	<input type="checkbox"/>
<b>2.2 International relations</b>	Are there Canadians positioned at the international level able to support and lobby for the bid?	<input type="checkbox"/>	Go to B
B	If no, do you have strategies to build alliances with the international federation?	<input type="checkbox"/>	<input type="checkbox"/>
<b>2.3 Sport management</b>	Do you have within your NSO / sport structure the relevant human resources to manage the sport operations of the competition?	<input type="checkbox"/>	Go to B
B	If no, do you have strategies to assemble, train and manage sufficient numbers of personnel prior to the event?	<input type="checkbox"/>	<input type="checkbox"/>
<b>2.4 Competition officials</b>	Will you have sufficient numbers of competition officials certified at the international level?	<input type="checkbox"/>	Go to B
	Will you have sufficient numbers of competition officials certified at the national level?	<input type="checkbox"/>	Go to B
B	If no, do you have strategies to assemble, train and manage sufficient numbers of competition officials prior to the event or to bring these resources to the competition from other countries?	<input type="checkbox"/>	<input type="checkbox"/>

### 3. EVENT EXPERTISE

NSO bid teams should include individuals with the following skills:

- An understanding of federal and provincial hosting policies and the international events rights holders' criteria;
- Professional skills to prepare business plans, assess the impact of hosting sport events, sustainable practices and event management;
- Strong networks with both the international sport federation and the public sector at the federal and provincial levels;
- Effective linkages at the community level including municipal leaders to ensure that at least one community will be interested to bid for the event;
- Credibility in the relevant sport and competitive environment.

*The Go/No Go Decision—an affirmative response to the following questions must be indicated in each category; if the response is “No” above the divider, it must be “Yes” below to consider pursuing a bid to host the event in question. If the response is “No” both above and below the divider, do not pursue bidding on the event, at least at this time.*

Yes

No

<b>3.1 Leadership</b>	Do you have sport and business expertise and experience on your core team?	<input type="checkbox"/>	Go to B
	Do members of the core team also have international credibility?	<input type="checkbox"/>	Go to B
	Does the bid group have competencies in business plan development, financial management, human resources and event management, as well as an appreciation for sustainable sport event practices? (For more information please refer to the CSTA Business Plan Template & Sustainable Sport Event Template)	<input type="checkbox"/>	Go to B
B	If no, can you recruit members to the bid group with the relevant skills, experience and networks?	<input type="checkbox"/>	<input type="checkbox"/>
<b>3.2 Experience</b>	Has your NSO previously bid to host an event with your international rights holder?	<input type="checkbox"/>	Go to B
	Has your NSO hosted an event of a similar scale and scope? Were the outcomes positive?	<input type="checkbox"/>	Go to B
	Does your NSO have experience in conducting successful sport events at a similar level of competition?	<input type="checkbox"/>	Go to B
B	If no, do you have a strategy to gain knowledge from past bidding and hosting experiences?	<input type="checkbox"/>	<input type="checkbox"/>

#### 4. FEDERAL GOVERNMENT SUPPORT

Federal Government —political and administrative—support is essential to winning bids and successfully hosting events. Networks, partnerships and influence need to be cultivated well in advance of any bid to host an international sport event. The breadth and scope of federal government engagement will vary depending on the scale and prestige of the event. It is mandatory to produce a business plan for federal contributions over \$50,000. Writing a business plan will require extensive work (for more information please refer to CSTA Business Plan Template). It is strongly advised that the federal financial contribution be confirmed prior to submitting a bid to an international rights holder.

*The Go/No Go Decision—an affirmative response to the following questions must be indicated in each category; if the response is “No” above the divider, it must be “Yes” below to consider pursuing a bid to host the event in question. If the response is “No” both above and below the divider, do not pursue bidding on the event, at least at this time.*

Yes No

<b>4.1 NSO Hosting Plan</b>	Is the event included within the NSO hosting plan submitted to Sport Canada?	<input type="checkbox"/>	Go to B
B	If no, did Sport Canada agree that you can request funding from the Hosting Program even if the event was not included in your NSO hosting plan?	<input type="checkbox"/>	<input type="checkbox"/>
<b>4.2 Federal Government Support</b>	Do you have letter of support for hosting the event from the federal government?	<input type="checkbox"/>	Go to B
	Have you forwarded a funding request for the event to Sport Canada? <sup>5</sup> If the funding request is over \$50,000, have you produced a comprehensive business plan with a detailed budget with your submission? (For more information please refer to CSTA Business Plan Template and the Federal contributions for International Single Sport Events 2008 - 2016 compiled by CSTA)	<input type="checkbox"/>	Go to B
	Do you have financial support for hosting the event from the federal government?	<input type="checkbox"/>	Go to B
	Do the IF hosting requirements include essential federal services support? If yes, did you have the IF requirements assessed by Sport Canada to know how this support will impact a federal funding request? (Please also refer to 5.1)	<input type="checkbox"/>	Go to B
B	If no, do you have strategies to gain financial support of federal government prior to the bid submission deadline?	<input type="checkbox"/>	<input type="checkbox"/>

<sup>5</sup>As per the Contribution guidelines - Hosting Program International Single Sport Events Component effective October 2012 - section 2.2: Funding requests are assessed based on the following categories: 1/Senior World Championships 2/ Senior World Cup Events, Senior Continental Championships and World University Championships 3/ Junior World Championships, Junior World Cup Events and Junior Continental Championships 4/ Annual International Event. As per the Federal Policy for Hosting International Sport Events - January 2008 - Appendix A: Olympic and Paralympic qualifying events and World Cup events are referenced. This category (International Single Sport Events) includes events which may range in size and complexity from Small to Large. The distinction is made, in part, on the amount of the funding request to the federal and/or provincial/territorial government. Application and reporting requirements vary based on the size and complexity of the event, and the thresholds for each type shall be regularly reviewed by Sport Canada. Currently, events and commensurate requirements are grouped according to the requested amount and/or the contribution provided under the Hosting Program. **Note: Sport Canada will consider the support of the international phase of bidding projects for International Major Multisport Games and selected large International Single Sport Events only.**

## 5. FINANCIAL CONSIDERATIONS

Hosting major sport events offers sport communities the potential to capture significant benefits across a broad range of objectives, as events have the potential to act as a catalyst for generating substantial sport, economic and social wealth.

However, bidding and hosting sport events requires significant investment and everyone involved—NSO, bid organization/community, government, and corporate sponsors—wants to maximize the return on investment, be it in the form of revenue or broader economic impacts. Hence, demonstrating financial return is critical to any bid, as is limiting financial risk.

Producing the relevant documentation to confirm financial support from various government partners at the bid phase can be very time consuming. NSO, in many cases, must partner with a specific community or put in place a domestic bid process to have the required funds available at the bid phase. (Please refer to CSTA Request for Proposal Template for Sport Events and Event Contract Template for more information).

It is strongly advised that the federal, provincial and municipal contributions be confirmed prior to submitting a bid to an international rights holder.

*The Go/No Go Decision—an affirmative response to the following questions must be indicated in each category; if the response is “No” above the divider, it must be “Yes” below to consider pursuing a bid to host the event in question. If the response is “No” both above and below the divider, do not pursue bidding on the event, at least at this time.*

Yes

No

		Yes	No
<b>5.1 Funding</b>	Will this event have at least one municipality interested in providing an adequate municipal contribution toward the event budget?	<input type="checkbox"/>	Go to B
	Will the province and municipality be able to match the proposed federal contribution?	<input type="checkbox"/>	Go to B
	Does the International Federation provide a grant to the organizing committee?	<input type="checkbox"/>	Go to B
	Have you received and assessed the IF hosting requirements to draft an event operating budget <sup>6</sup> ?	<input type="checkbox"/>	Go to B
	If you have an event operating budget, have you provided a copy of the event operating budget to the various levels of governments to assess the essential services required?	<input type="checkbox"/>	Go to B
B	If no, will you be able to produce a balanced event budget?	<input type="checkbox"/>	<input type="checkbox"/>
<b>5.2 Marketability</b>	Is the event highly marketable? Consider audience demographics and positive brand attributes of the sport.	<input type="checkbox"/>	Go to B
	Is it a highly competitive/strong spectator sport? Will the event attract significant public interest? Consider sport popularity in Canada, event prestige [e.g., highly competitive/strong spectator sports bring a substantial number of participants, officials, staff and captive/loyal fans]	<input type="checkbox"/>	Go to B

<sup>6</sup> For more information, please refer to the CSTA Business Plan Template.

	Is the event considered prestigious? Does it have a positive reputation? Does the international rights holder have a credible reputation and delivery system?	<input type="checkbox"/>	Go to B
B	If no, will you be able to create a balanced event budget with low ticketing revenues? (For more information please refer to the CSTA Sport Event Marketing Template)	<input type="checkbox"/>	<input type="checkbox"/>
<b>5.3 Corporate Sponsors</b>	Does the sport/event have a historical track record of corporate support?	<input type="checkbox"/>	Go to B
	Does the event have the capacity to attract corporate sponsors?	<input type="checkbox"/>	Go to B
	Does the event have the capacity to attract a TV audience?	<input type="checkbox"/>	Go to B
	Does the IF have sponsors that will contribute to the event operating budget?	<input type="checkbox"/>	Go to B
	Does the NSO <sup>7</sup> have sponsors that will contribute to the event operating budget?	<input type="checkbox"/>	Go to B
B	If no, will you be able to create a balanced event budget with a low sponsorship revenue? (For more information please refer to the CSTA Sport Event Marketing Template)	<input type="checkbox"/>	<input type="checkbox"/>
<b>5.4 Economic Impact</b>	Will the event provide economic benefits prior to and during the event, as calculated by STEAM? [Economic benefits could include increased GDP, increased tourism, job creation, enhanced infrastructure and increased tax revenue, etc.]	<input type="checkbox"/>	Go to B
	Will the event provide economic benefits during/following the event, as calculated by STEAM PRO? [Economic benefit could include increased tourism, job creation, enhanced infrastructure and increased tax revenue, etc.]	<input type="checkbox"/>	Go to B
B	If no, are there sufficient value-added benefits (e.g. experience, reputation, positioning for next bid, etc.) to be derived from hosting the event to off-set its low economic value?	<input type="checkbox"/>	<input type="checkbox"/>
<b>5.5 Bid Budget</b>	Has a bid budget been developed to cover the cost of assessing the potential to bid, meeting with stakeholders, preparing the bid documents, conducting a domestic bid process, travel to submit and/or lobby for the bid and travel for IF delegate site visit?	<input type="checkbox"/>	Go to B
	Do you have sufficient working capital to fund the bid process?	<input type="checkbox"/>	Go to B
B	If no, is a strategy in place to obtain sufficient working capital to provide the resources required to prepare a compelling bid? (For more information please refer to the CSTA Event Contract template)	<input type="checkbox"/>	<input type="checkbox"/>

<sup>7</sup> In certain cases, IF restrictions regarding sponsorship, such as restricted categories, may have an impact on the overall revenues of the organizing committee.

**6. LEGACY**

Ultimately, the event should create legacy at the national, provincial and local level. Over the longer term, this means targeting and prioritizing “Best Bet” opportunities—events that best utilize the community/country’s existing and planned assets, bring the greatest economic impact and yield the highest revenues.

Social benefits, such as unique work experiences, training and youth participation, volunteer promotion and an increased emphasis on fitness and health may be realized. Major sport events may also raise a community’s profile and contribute to place making and regeneration.

*The following questions are intended to help track “Best Bet” opportunities for inclusion in the event business plan.*

Yes

No

<b>6.1 Infrastructure &amp; equipment</b>	Is there a city(ies) in Canada that has existing infrastructure and equipment to fulfil the IF hosting requirements?	<input type="checkbox"/>	<input type="checkbox"/>
	Is it the intention of the NSO to use this event to leave an infrastructure and equipment legacy? Is there time to solicit government and private sector support to cover these costs? Does a capital budget need to be developed?	<input type="checkbox"/>	<input type="checkbox"/>
	Will the sport community benefit from enhancement(s) to existing infrastructure or new construction or sport equipment?	<input type="checkbox"/>	<input type="checkbox"/>
<b>6.2 Sport</b>	Is Canada competitive internationally in this sport?	<input type="checkbox"/>	<input type="checkbox"/>
	Will the event have program to increase the number of people participating in the sport?	<input type="checkbox"/>	<input type="checkbox"/>
	Will the event have an educational element to encourage youth and adolescents’ participation in physical activities?	<input type="checkbox"/>	<input type="checkbox"/>
	Will the event have program to increase the number of competition officials or sport management volunteers?	<input type="checkbox"/>	<input type="checkbox"/>
	Will the event offer clinics, seminars or other learning opportunities for coaches?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the NSO expect that the event will leave a financial legacy as well programming legacy?	<input type="checkbox"/>	<input type="checkbox"/>
<b>6.3 Media</b>	Is the size of the event sufficient to generate out of region/province/country T.V. viewership?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the event have the capacity to attract a variety of print and electronic media?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the event have the capacity to attract television and radio broadcasters?	<input type="checkbox"/>	<input type="checkbox"/>
	Will the event include a promotion/advertising media campaign?	<input type="checkbox"/>	<input type="checkbox"/>
<b>6.4 Environmental</b>	Is the bid team aware of and committed to addressing sustainability issues related to sport events?	<input type="checkbox"/>	<input type="checkbox"/>
<b>6.5 Expertise</b>	Will the event recruit, train, inform and involve volunteers who will acquire expertise and experience in sport event organization and be available for future events?	<input type="checkbox"/>	<input type="checkbox"/>

<b>6.6 Integration</b>	Will the event provide the opportunity to favour a greater integration of the different cultural components of the community, including official languages, minority or ethnic communities?	<input type="checkbox"/>	<input type="checkbox"/>
	Will the event provide the opportunity to bring the following sectors into the organization of the event: Cultural, tourism, business, education, health, community groups?	<input type="checkbox"/>	<input type="checkbox"/>
<b>6.6 Tourism</b>	Is the size of the event sufficient to generate out of region/province/country visitors?	<input type="checkbox"/>	<input type="checkbox"/>

**7. LEGAL**

*The following questions are for information only:*

Yes

No

<b>7.1 IF Bid/Event Organizational Agreement</b>	Will the NSO be signing the IF Bid/Event Organizational Agreement?	<input type="checkbox"/>	<input type="checkbox"/>
	Will the Bid Committee be signing the IF Bid/Event Organizational Agreement?	<input type="checkbox"/>	<input type="checkbox"/>
	Will the City be signing the IF Bid/Event Organizational Agreement?	<input type="checkbox"/>	<input type="checkbox"/>
<b>7.2 Other agreements</b>	Will there be an agreement between the Bid Committee, NSO and/or Bid City? (For more information please refer to the CSTA Event Contract Template)	<input type="checkbox"/>	<input type="checkbox"/>
	Will there be a Legacy Agreement?	<input type="checkbox"/>	<input type="checkbox"/>
<b>7.3 Deficit Guarantor</b>	Does the IF require a deficit guarantor? If the answer is yes, which party (NSO, Bid Committee and/or Bid City) will be the deficit guarantor?	<input type="checkbox"/>	<input type="checkbox"/>