

## Human Resource Legacy in the Olympics - Learning from London and Rio

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The Rio de Janeiro Olympics ended last month. In Tokyo, various preparations are in full swing for hosting the next Olympics, four years from now. Through to 2020, 815,000 new jobs related to the Tokyo Olympics are expected to appear in the labor market, as estimated by the Recruit Works Institute. How should we manage this need for human resources, and what can we expect from it?

This report discusses how the Olympic Games typically affect the labor market, on the basis of research into the London 2012 Olympics and the Rio 2016 Olympics.

Table 1 Estimated need for human resources for the Tokyo Olympics

Category	2013	2014	2015	2016	2017	2018	2019	2020	Total
Manufacturing	340	350	1,080	3,470	5,080	5,330	6,650	21,830	44,130
Construction	4,170	6,010	17,990	63,840	79,950	90,060	53,140	20,140	335,300
Wholesale and retail	660	680	2,090	6,710	9,840	10,320	12,880	42,270	85,440
Transportation and storage	210	210	660	2,100	3,080	3,230	4,040	13,250	26,780
Accommodation and food	280	290	890	2,840	4,170	4,370	5,450	17,900	36,190
Information and communication	160	160	500	1,590	2,330	2,440	3,050	10,010	20,240
Financial Services	130	130	140	1,300	1,910	2,000	2,500	8,190	16,580
Health	160	160	500	1,610	2,350	2,470	3,080	10,110	20,430
Service businesses	1,290	1,340	4,100	13,160	19,290	20,230	25,250	82,880	167,530
Other service activities	480	500	1,530	4,920	7,210	7,560	9,440	30,990	62,640
Total	7,860	9,850	29,740	101,530	135,210	148,010	125,470	257,590	815,250

Source: "Impact of the Tokyo Olympics on Employment," Recruit Works Institute

### Olympic legacies - long-lasting positive effects brought about by the Olympics

Before reviewing the previous Olympic Games, it may be appropriate to introduce the concept of 'Olympic legacy.' Olympic legacies are long-lasting positive effects felt by nations and cities that host the Olympics. Since 2002, the International Olympic Committee (IOC) has asked Olympic venues to develop legacy plans; and London, which was elected as a host city in 2005, became the first city to officially plan for the creation of legacies.

In developing nations and cities, significant legacies are created by hosting the Olympics, due to the associated economic benefits and infrastructure development. A typical example is the Tokyo 1964 Olympics, which involved development of transportation infrastructure such as Shinkansen (hi-speed) train lines and expressways, and construction of the Tokyo National Stadium. More than ever before, Japan made its presence felt in the world through the Olympics, and gained critical momentum for subsequent economic growth.

However, this kind of legacy, aimed at economic growth, is more to be expected in

developing, than in mature, nations and cities. What kind of legacy, then, did London seek to create as a typical mature city?

**The London Olympics as an opportunity to solve social issues**

London's strategy was to use the Olympics as an opportunity to solve social issues, a strategy well reflected in the locations of venues. The Olympic villages and main venues of the London Olympics were located in the eastern part of the city, which had the largest population of people in poverty; and after the Olympics, many of the newly constructed facilities were converted into houses, schools, or business centers where jobs are created, and these have contributed to improving the quality of life of the local citizens.

In London, more focus was given to intangible legacies such as human resources, than tangible legacies such as buildings. The London city government directed the need for human resources generated by the Olympics toward those in the labor market most in need of employment opportunities. For example, the government offered training and job opportunities to 70,000 unemployed people in the city, and helped 68,900 people become employed. The London Organising Committee also worked to create a human resource legacy by directly employing about 8,300 staff members and recruiting about 70,000 volunteers. One of the Committee's informing aims was diversity and social inclusion. As shown in Table 2, the Committee established targets for employing disabled and LGBT individuals, worked toward creating comfortable working environments, and achieved all the targets set for the diversity items.

Table 2 Employment targets established by the London Organising Committee of the Olympic and Paralympic Games

Diversity	Target	London 2012 Games-time contractor workforce
Disability	3-6%	9%
Black, Asian and Minority Ethnic	18-29%	40%
Lesbian, Gay, Bisexuals and Transgender	5-7%	5%
Gender (% female)	46-54%	46%
Age: % under 30	20-30%	36%
Age: % over 50	10%	15%

Source: "Olympic Jobs Evaluation," SQW, Mayor of London (2013)

Diversity targets were also applied to the construction sites of the main stadium and other facilities, to enhance this human resource legacy. While, before the Olympics, the vast majority of construction workers in London had traditionally been male workers, the image of the construction workplace has since changed dramatically, with increased participation of female workers in the workplace. And with more female workers handling heavy equipment, which had been considered exclusively suited to male workers, the

awareness and attitude of construction companies, with respect to recruitment, has changed substantially. Another legacy is improved safety standards. Fatal accidents were completely avoided by applying high safety standards to the construction sites, including the attention-grabbing main stadium site; and this also contributed to an improved image of the construction industry.

The so-called Games Makers, who were volunteers for the Olympics, represent another significant human resource legacy of the London Games. Although there is a well-established culture of volunteer activity in the UK, the population of volunteers had been decreasing year by year. After the London Olympics, however, the number of volunteers has begun to increase, and it is said that former Olympic volunteers are actively participating in sports and other regional events. In the London Olympics, it was guaranteed that the opportunities for volunteer activity, like the broader employment opportunities, were open to all people; and support volunteers were recruited to help disabled persons participate in the volunteer work.

After the Olympics, a database called Team London, consisting of data on about 70,000 volunteers, was put under the management of the London city government; and this database now enhances the civil society of London by providing an on-line function to match regional needs for volunteers with potential volunteers.

It appears that such efforts are being appreciated by London's citizens. According to a survey conducted by the BBC after the Olympics, nearly 70% of the citizens thought the Olympic Games had no economic impact; but at the same time, nearly 70% thought the Olympic Games had been worth the investment of public money ("BBC Olympics Legacy Survey" by ComRes). While the high satisfaction level may partly reflect the high level of athletic performance, it appears that the citizens in the mature city appreciated the social significance more than the economic impact of holding the Olympic Games.

### **Human resource legacy emphasized also in the developing city of Rio**

As in the case of London, emphasis was placed on legacies in the recently ended Rio de Janeiro Olympics; however, greater focus was placed on economic growth and development in the legacy plans of Rio, which is less developed than London or Tokyo. A typical legacy in the case of Rio is transportation infrastructure, such as the city's bus rapid transit (BRT) system and new subway line; but many new hotels and shopping malls have also been built, especially in the areas near the main venues.

In addition to these prominent tangible legacies, however, Rio worked on developing a human resource legacy, and here the primary issue in the city was security. There are numerous depressed areas called favelas, which are regarded as a hotbed of crime; and efforts are required in such areas to break the chain of poverty and prevent crime. In terms of industry, though living in a heavily touristed city, the people of Rio have not been accustomed to hearing multiple languages, including English. To promote their equal-opportunity inclusion in the labor market, and their acquisition of advanced skills, related efforts have been made, such as offering vocational training to young people in favelas, and offering English-conversation lessons to taxi drivers, who are on the front line of the

hospitality business.

As in the case of London, volunteers may also be a significant legacy of the Rio Olympics. As most Brazilians are not familiar with volunteer work, other than religious activity, it was expected to be difficult to recruit volunteers. In reality, however, more than 250,000 people applied for the planned 70,000 volunteer jobs, within three months of the beginning of temporary registration of volunteers in 2014. The number of mobilized volunteers was eventually reduced to about 50,000 due to subsequent revisions of the project, and about 15,000 volunteers did not show up when the Olympics actually commenced. Nonetheless, the volunteers who took advantage of the valuable opportunity to participate in this world-class event are expected to participate again in various events in the future.

As exemplified in London and Rio, intangible legacies are receiving increasing attention in the recent Olympics. The significance of hosting the Olympic Games in mature, developed countries is often a matter of debate, because it is difficult to expect economic growth from the Olympics in such countries. The London 2012 Olympics initiated a new trend of creating legacies aimed at solving social issues. Against this backdrop, what kind of human resource legacy can we create in Japan, with its population aging and declining at a rate unequalled in the world?

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