

Coordinating Precision, Efficiency, and Equity in Public Asset Operation: A Case Study of Yongzhou Stadium

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Abstract: As public sports venues in China expand free or low-cost access, government-led facilities face persistent tensions between public-service obligations, asset operation, and sustainable openness. Using Yongzhou Stadium as a case, this paper adopts an explanatory single-case design to examine how government leadership and market empowerment can be coordinated. The study finds that resource-allocation precision improves through prior demand identification and functional reshaping; operational efficiency enhances through governmental coordination, professional operation, and multi-actor collaboration; and service equity and outcome equity are promoted through low-threshold access, compensation mechanisms, and spillover arrangements. The paper proposes a “precision-efficiency-equity” analytical framework and argues that the governance of public venues depends not on substituting government with market, but on coordinating multiple goals through institutional combinations.

Keywords: Public asset operation; Public sports venues; Precision-efficiency-equity; Government leadership; Market empowerment

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1. Research background

In recent years, China has advanced reforms in public sports venues. Policies such as the *Measures for the Administration of Subsidy Funds for Free or Low-Cost Access to Public Sports Venues* and the *Notice on Further Strengthening the Management of Free or Low-Cost Access* have established a policy orientation linking opening performance with fiscal support, and introduced exit mechanisms for underperforming venues^[1,2]. Against this backdrop, achieving high-quality openness and sustainable operation has become an urgent practical issue.

In practice, many large sports venues face low utilization, insufficient events, high maintenance costs, and

persistent tension between public-welfare obligations and operational pressure ^[3]. The key to addressing these challenges lies not in a simple substitution between government and market, but in how market capabilities can be introduced through institutional combinations under government leadership. This paper takes Yongzhou Stadium as a case and analyzes it along the main line of “government leadership–market empowerment–multi-goal coordination.”

2. Theoretical analysis and analytical framework

2.1. Core tensions and theoretical perspectives

As a typical form of public asset, public sports venues simultaneously embody three attributes: the accessibility of public services, the preservation and appreciation of state-owned assets, and the financial sustainability of daily operations ^[4]. Inherent tensions exist among these three attributes: the public-service obligation requires lowering thresholds and benefiting the public, but may weaken profitability; asset preservation demands maintenance and renovation inputs, which increases operational costs; sustainable operation requires balancing revenue and expenditure, which may squeeze the space for public services. When a single actor attempts to assume all of these goals alone, trade-offs and imbalances are likely to occur. This inherent tension constitutes the starting point for understanding the operational dilemmas of public sports venues.

Existing literature offers various theoretical perspectives for understanding government-market relations, each with its own emphases and limitations.

New public management theory advocates introducing market competition, business-management techniques, and performance orientation into the public sector to compensate for the efficiency deficits of traditional administrative models ^[5,6]. From this perspective, improving the operational efficiency of public venues hinges on bringing in professional operating teams and allowing the government to withdraw, to an appropriate extent, from concrete affairs. However, an overemphasis on efficiency may lead to the weakening of public-service attributes, especially when the operating entity prioritizes profit maximization, potentially eroding the public-interest bottom line.

Agency theory more directly explains the internal logic of entrusting venue operation to enterprises: the government or public institution acts as the principal, while the enterprise serves as the agent ^[7,8]. Since the two parties differ in goals and face information asymmetry, agency deviation, moral hazard, and short-term behavior can easily emerge. While this theory reveals the risks in government-enterprise cooperation, it often presumes a clear boundary between principal and agent. In the governance practice of Chinese public venues, the relationship between government and market is often nested and overlapping, rather than completely separated.

Public value management theory corrects purely efficiency-oriented thinking ^[9]. Moore argues that the central task of public managers is not simply to improve efficiency, but to create publicly recognized value within an authorized environment. For public venues, value lies not only in “losing less money” or “making more money,” but also in responding to public needs, ensuring the sustainable operation of assets, and enabling the broader sharing of public benefits. However, public value theory remains relatively vague at the operational level, making it difficult to translate directly into measurable governance indicators.

Collaborative governance theory focuses on how multiple actors interact ^[10]. It emphasizes that contemporary public affairs are too complex to be handled by government departments alone and instead require institutionalized cooperation among governments, enterprises, and social organizations. Its effectiveness depends on whether the parties can build trust, share benefits, assume responsibilities jointly, and form conflict-

resolution mechanisms. In the operation of public venues, this perspective provides an analytical framework for understanding how governments, public institutions, professional operating teams, and community organizations can form a concerted force. However, collaborative governance theory often assumes that multiple actors have relatively equal status, whereas in government-led contexts, the asymmetry of power needs to be more fully accounted for.

These theories provide important analytical foundations for understanding government-market relations, yet they share a common explanatory limit: they tend to focus on a single objective (efficiency, value, cooperation) or a single relationship (principal-agent), making it difficult to fully explain how multiple goals, such as precision, efficiency, and equity, can be coordinated within the same governance process. For government-led public venues, it is necessary not only to respond to differentiated demand and correct supply mismatches, but also to improve the operational conversion of existing assets while safeguarding public accessibility and responding to the sharing of public benefits. A single theoretical perspective is therefore insufficient to fully explain the coordination of these multiple goals. This limitation constitutes the starting point for this paper’s attempt to construct a “precision-efficiency-equity” analytical framework.

2.2. The “Precision-Efficiency-Equity” analytical framework

This paper proposes an analytical framework that integrates three interrelated dimensions, further dividing equity into service equity and outcome equity. **Table 1** summarizes their meanings and observation indicators.

Table 1. Analytical framework of precision, efficiency, and equity

| Concept | Basic meaning | Observation dimensions |
|----------------|--|---|
| Precision | Match between supply and differentiated demand | Demand identification; service design; resource allocation |
| Efficiency | Operational output and spillover effects per unit input | Renovation efficiency; operational efficiency; spillover efficiency |
| Service Equity | Accessibility of public services across groups | Ticket affordability; free opening; coverage of special groups |
| Outcome Equity | Sharing of operational benefits across spaces and groups | Job creation; merchant benefits; county-level coverage |

3. Case analysis: Yongzhou Stadium

3.1. Research method and case selection

This paper adopts an explanatory single-case study with process tracing and pattern matching. Materials are drawn from government documents, media reports, policy texts, and interviews. Yongzhou Stadium was selected for its clear turning point, typical government-led context, and integration of market tools and multi-actor coordination.

3.2. Precision: Demand diagnosis and functional reshaping

Before transformation, Yongzhou Stadium exhibited a clear supply mismatch: aging facilities could not host quality events, and daily opening arrangements were disconnected from public demand. The renovation began not with hardware, but with a four-step method of “diagnosis–planning–implementation–operation”, redefining the venue’s dual orientation as “professional events + livelihood services.” Precision here manifested as the correction of resource mismatch ^[11].

3.3. Efficiency: Organizational restructuring and coordinated operation

Efficiency gains emerged from organizational restructuring. The venue completed Grade-D dangerous building reinforcement within 50 days and coordinated funds for basic upgrading, shortening the time from investment to effective supply ^[12].

Efficiency did not rely on administrative orders alone. Under government leadership, a clear division of labor formed: government departments provided direction and public-interest oversight; the venue and public institutions delivered services; professional teams managed events and digital systems; and labor unions, culture-and-tourism departments, and merchants contributed through vouchers, discounts, and content linkage. This pattern of “government coordination, professional operation, and social connection” provided a stable foundation for efficiency.

3.4. Service equity: Low-threshold access and fine-grained provision

Yongzhou safeguarded service equity through low-threshold access. The venue opened free for 340 days per year, 14 hours daily; event tickets were priced at RMB 9.9; core seats and services were reserved for front-line workers and outdoor laborers. Differentiated creative ticket types translated varied demand into rule-based supply, while an integrated reservation and evaluation system enabled timely adjustments, reducing waste from undifferentiated provision.

3.5. Outcome equity: Compensation mechanisms and benefit spillovers

Equity extended beyond venue access. Through arrangements with over 150 cooperating merchants, linked discounts with 14 scenic spots, on-site agricultural product sales, and county-level participation, event-driven consumption was intentionally directed toward counties, rural areas, and small merchants. Events created more than 200 new jobs and drove over RMB 1.2 billion in related consumption ^[13]. Equity thus expanded from who could enter to who could share spillover benefits.

This equity model involved costs. Low ticket prices and long free periods compressed direct income, but Yongzhou offset these through labor-union vouchers, government service purchases, and linked investment promotion, socializing part of the cost. This suggests equity and efficiency are not inherently opposed; with compensation mechanisms, they can coexist in sustainable operations.

4. Mechanism chain and theoretical implications

4.1. Mechanism chain

The Yongzhou model can be summarized as a mechanism chain: “demand frontloading–organizational coordination–operational innovation–differential compensation–external linkage.” This chain explains how precision, efficiency, and equity are separately organized within the same governance process.

The core logic lies in embedding different goals into different institutional tools: universal ticket allocation controls exclusiveness of precise services; compensation mechanisms offset public-welfare costs; digitalization and standardization reduce management costs of fine-grained services.

4.2. Theoretical and practical contributions

Two theoretical implications emerge:

Dividing equity into service and outcome equity extends public value management’s analytical boundaries.

Fairness reflects not only who enters the venue, but also who shares spillover benefits.

The paper identifies a governance type of “administrative leadership + market empowerment,” enriching typological discussions of public asset operation in the Chinese context.

Practically, the case shows that activating existing public assets depends on combining renovation sequencing, operational arrangements, and collaborative mechanisms. The “precision-efficiency-equity” framework also offers a multidimensional coordinate system for performance evaluation, integrating fiscal subsidies, contracts, and assessments into a unified logic.

5. Boundaries and future research

This study is based on a single case; the Yongzhou experience should not be generalized indiscriminately. Key boundary conditions include as follows:

- (1) Heavy reliance on key local leaders and cross-departmental coordination;
- (2) Dependence on events as an ignition point, with potential momentum decline;
- (3) Sustainability risks if long-term compensation is absent;
- (4) Insufficient public disclosure of renovation costs and payback estimates;
- (5) Increased operational complexity from fine-grained services.

Future research can proceed in two directions as outlined:

- (1) Comparative studies across regions, scales, and governance models can test the scope conditions of “administrative leadership + market empowerment;”
- (2) Combining interviews, operational data, and fiscal data can further develop measurement frameworks for service and outcome equity, and examine relationships among demand identification, compensation mechanisms, and performance outcomes.

6. Conclusion

Taking Yongzhou Stadium as a case, this paper analyzes the collaborative mechanism between government leadership and market empowerment in the operation of public sports venues and interprets it through the three-dimensional framework of precision, efficiency, and equity. The significance of the Yongzhou case lies not in offering a fixed model to replicate, but in demonstrating that for large venues with strong public attributes, the real issue is not a binary choice between government and market, but how precision, efficiency, and equity can be made conditionally compatible through institutional combinations.

Disclosure statement

The authors declare no conflict of interest.

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