

SERVICE INNOVATION IN NON-PROFIT SPORT ORGANIZATIONS: TOWARDS A CONCEPTUAL FRAMEWORK

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Abstract

Aim of abstract

Non profit sport organizations (NPSOs) such as sport clubs or sport federations are being encouraged to change to adapt themselves to the competitive environment they face and to meet the expectations of their stakeholders. New sport and non-sport services should be developed to retain and attract members. Therefore, innovation has become strategically central for NPSOs (Newell & Swan, 1995). However, little has been done on innovation in NPSOs despite call for such research (Newell & Swan, 1995; Hoeber et al., 2009). The contextual framework in which NPSOs exist, might lead them to approach innovation differently. Their mission is social and/or sport oriented, they are managed by volunteers and paid staff, they have a mixed economy (grants, sponsorship, membership fees) and they operate via a sport network and thus are regulated by national and international sport systems (Winand, Zintz, Bayle & Robinson, 2010). This paper focuses on service innovation in these organizations which provide sport and non-sport services to satisfy their members. We argue service innovation requires a distinct definition and approach for these organizations which do not compete for-profit but for financial support, sport results, and membership participation (Newell & Swan, 1995). No research has yet addressed service innovation in NPSOs despite the crucial role it could fulfil within these sport service oriented

organizations. Studying service innovation in NPSOs could both contribute to a better knowledge of innovation in the non-profit context and serve as a starting point for future research.

Theoretical background

At the organizational level, innovation has been broadly defined such as the adoption of an idea or behaviour new for the organization (Zaltman, Duncan, & Holbek, 1973; Damanpour, 1996; Damanpour & Schneider, 2006). That is, even though it has already been developed by others, it is new for the adopter (Rogers, 1995). Bring into use, this new and different idea leads the organization to change. According to Damanpour and Aravind (forthcoming, 2012) most research on innovation does not make the distinction between service and product innovations. However, crucial differences between them do exist which substantiates the need for a distinct theory on service innovation (Toivonen & Tuominen, 2006). The latter could result without any planning when emerging from a users' need and thus be recognized a posteriori. Furthermore, services cannot be stocked and are characterised by customer integration as production and consumption are simultaneous (Gallouj & Weinstein, 1997; Hipp & Grupp, 2005). We developed a model to establish a better understanding of the concept of service innovation in NPSOs drawn from generic attributes of innovation suggested by Wolfe (1994).

Conceptualization of service innovation in NPSOs

We highlighted attributes we consider relevant to analyse service innovation in the context of non-profit organizations promoting sport. We argued that newness, compatibility, attractiveness and time are four necessary attributes. Four other attributes, namely radicalness, complexity, cost and observable added value, could be present to a different extent or degree. The latter have a strong impact on determinants of service innovation. Finally three attributes are related to the characteristics of the services developed by NPSOs: type, intangibility and members' integration. According to the attributes underlined and/or adapted for NPSOs we suggest a definition of service innovation in this specific context as all new sport or non-sport services or renewal of existing services which are introduced for the first time by the non-profit sport organization in a timely fashion to increase members' satisfaction, its effectiveness or its quality to the members (or users). They should be attractive and compatible with the mission and values of the organization.

Discussion

The response of NPSOs to innovation could differ substantially from other organizations. Indeed, they might not see the incentive to innovate or be more risk-averse. However, being a NPSO is no excuse to not respond to members' expectations of new services. The theory of service innovation applied in the context of NPSOs may act as a conceptual framework to generate and test hypothesis related to key issues in non-profit sport organization research. Further research should analyse the impact and interaction of the determinants on service innovation in NPSOs and its relationship with performance. Attitude towards innovation, available resources, competitive position and their sport system network might be crucial factors for innovative NPSOs. Managers of these organizations should develop new attractive services (e.g., new sport programs to membership, adapted sport training for coaches) in line with their mission and values. They might take advantage of this framework when aiming to implement service innovations or to report on them.

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