

Relighting the flame – Can you achieve Olympic success when funding is withdrawn?

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Aim of abstract/paper

To ascertain the utility of generic turnaround strategies for National Governing Bodies of Sport facing significant reductions in funding

Theoretical background

This scientific abstract seeks to present the conclusions from a year long investigation into the impacts on three National Governing Bodies of Sport (NGBs) that had their funding from UK Sport completely removed. As funding agencies (Sport England & UK Sport for example) create ever closer links between the achievement of specified targets and the level funding they are receive, the importance of managing resource decline within sport organisations has taken on new levels of saliency. Indeed, it the aim of this abstract to highlight key findings that seek to illuminate the actions of the three NGBs investigated, as they employ strategies in order to turnaround their organisations and reengage with the World Class Funding programme of UK Sport.

These NGBs will require a specific set of strategies that are tailored to their current situation. These strategies are based on the theoretical field of turnaround, where the organisation has no choice but to undertake major actions in order to ensure organisational survival (Grinyer, Muyes, & McKiernan, 1990). Boyne (2004) established a link between turnaround strategies in private sector and their applicability to public organisations. Boyne (2004) goes on to argue that the actions the NGBs undertake will be broadly categorised by what he defines as the 3R's of turnaround – retrenchment, reorganisation, repositioning. Boyne (2004) concludes by stating that these strategies, although feasible within public organisations (NGBs are seen as 'public' due their high levels of funding dependency), may prove problematic or even inappropriate.

Current research notes that these three strategies do not always adequately explain how or why the turnaround was actually achieved or whether these actions need to be adapted due to contextual or situational factors (Favero & Rutherford, 2015). The benefits and limitations of each strategy needs to be clear to the organisation so that when it is employed it can lead to performance improvement (Amis, Slack, & Hinings, 2004). There is a need to examine whether these generic turnaround strategies enhance a turnaround situation or whether these categorisations need to be enhanced, adapted or augmented so as to identify the actions that carry the greatest utility for NGBs.

Methodology, research design and data analysis

The primary data collection period for this research took place over the period of a year, and sought to track the responses of three NGBs who lost all their funding from UK Sport after the London 2012 Olympic Games. This research adopted a social constructionist approach due to the researchers' stance that the reality of turnaround cannot be understood independently of the social actors involved in knowledge production (Burr, 2003).

Primary research data was generated through 18 in-depth interviews with Chief Executive Officers, performance managers and elite athletes of the three cases. These interviews sought to categorise the decisions of the NGBs using the 3R's framework developed by Boyne (2004). The purpose of this was to discover the utility of the 3R's framework and to ascertain whether generic turnaround strategies are applicable to a sport management context.

Results, discussion and implications/conclusions

The key findings of this research argues that the generic turnaround actions proposed by researchers such as Boyne (2004) hold little utility to sport organisations due to the severe restrictions NGBs face from both internal and external stakeholders. At a retrenchment level NGBs, could not completely cancel elite sport development programmes as there were pressures to field a GB team due to the implications of creating a 'glass ceiling' for athletes. From a reorganisation perspective, it is extremely challenging to develop a common vision for the sport when the it is separated by home nation and GB status, which in turn makes its problematic to reconcile this vision when one is 'elite' based and the other 'grassroots' focused - How to create a one sport vision? Finally, from a repositioning perspective, a growth strategy maybe achieved through integration with other sports, but these actions are severely limited due to the competitive nature of the sport governing body environment.

A consequence of these 'pressures' is that NGBs lack the degree of freedom needed by organisations to affect a successful turnaround. This abstract argues that the limitations placed on the NGBs by internal and external stakeholders, impose structures and restrictions that mitigate the NGBs ability to 'turnaround' and may actually contribute to a long-term inability to meet future performance criteria (Hinings & Greenwood, 2002).

References

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