

Dying Breed or Viable Sport Organizations? - A Longitudinal Analysis of German Sport Clubs

Number of Abstract: 56

Christoph Breuer, German Sport University Cologne, Germany, breuer@dshs-koeln.de

Pamela Wicker, German Sport University Cologne, Germany

Keywords: Sport management, nonprofit organizations, environmental change, resources

Abstract

Introduction

The dinosaur hypothesis [2] of nonprofit sport clubs survives persistently in public perception. Thus, nonprofit sport clubs seem to be a dying breed of sport organizations due to an assumed inefficiency of their organizational logic. In this paper, this assumption will be analysed. The question is if and to what extent the management of nonprofit sport clubs faces increasing troubles so that the organizational viability of nonprofit sport clubs is at risk.

Theoretical Background

The apologists of the dinosaur hypothesis ignore that the high amount of voluntary work could enhance organizational efficiency. Additionally, public subsidies increase the viability of nonprofit sport clubs. Moreover, their diversity of resources, their ability of self-determination of some resources, and reacting to new market opportunities can secure organizational viability. But if voluntary work or public subsidies will decrease the management of nonprofit sport clubs might get into trouble.

Research Questions

Hence, the questions arise (1) what environmental changes nonprofit sport clubs are facing in terms of availability of resources, (2) how nonprofit sport club manage these troubles, and (3) to what extent their organizational viability will be influenced. There exists only little research in this field. Some papers show an increasing scarcity of some of these resources (e.g. [1]). But there is still a research gap concerning broader analyses that deal with shifts in organizational resources, corresponding management responses, and their impact on the organizational viability of nonprofit sport clubs.

Methodology

As a data basis serves the German sport club panel. In this web based panel survey German nonprofit sport clubs will be inquired every two years in terms of their organizational and financial structure. Base line has been the year 2005. In 2007, the

cross sectional data sample consists of n=13.068 sport clubs (rate of response: 35 %), the longitudinal data set consists of n=1.648 sport clubs. With the help of this longitudinal data, the development of nonprofit sport clubs is analysed.

Results

The results show a decrease of some traditional resources on the one hand but an increase of substitute resources on the other hand. In particular the number of volunteers decreased significantly in the last two years. This decrease can partially be compensated by a higher workload of every volunteer. Yet, the engagement of voluntary workers remains the biggest problem for nonprofit sport clubs. Since there is a problem of recruiting volunteers, significantly more sport clubs offer additional jobs for unemployed people, trainees, and for people who are planning to do a gap year, which is usually exercised to do voluntary work in the social sector. Concerning the sport facilities, more and more sport clubs invest in their own facilities (e.g. in sport fields or gymnasiums) as a response of limited infrastructural support by the municipality. These investments demand to save money or to generate new revenues. In the last two years, nonprofit sport clubs had to increase their membership fees and thus generated significantly higher revenues. Along with these new aspects and financing problems, professional managers are needed. Indeed, in the last two years, significantly more nonprofit sport clubs employed professional managers. As many sport clubs compete with other local sport clubs or commercial sport providers such as fitness centers, they intensify their cooperation with all kinds of institutions such as schools, kindergartens, health insurance companies, health authorities, and youth welfare offices. Moreover, they continue to improve their sport offer by offering health related sport and sport courses for non-members as well.

Discussion

Even if nonprofit sport clubs face new challenges in terms of decreasing traditional resources they might not fail. Their diversity of resources, their self-determination of some resources, and their ability to react to new market opportunities secures the viability of nonprofit sport clubs, despite decreasing subsidies and voluntary work. Thus, nonprofit sport clubs show a strong organizational flexibility which will help to prevent the dinosaur hypothesis from prevailing.

References

- [1] Cuskelly, G. (2004). Volunteer retention in community sport organisations. *European Sport Management Quarterly*, 4, 59-74.
- [2] Taks, M., Renson, R. & Vanreusel, B. (1999). Organised Sport in Transition: Development, Trends and Structure of Sport in Belgium. In K. Heinemann (Ed.), *Sport Clubs in Various European Countries* (p. 183-223). Schorndorf: Hofmann.