
**STRATEGY-AS-PRACTICE IN SPORT MANAGEMENT
AN EMPIRICAL INVESTIGATION OF THE PRIVATISATION OF SPORT
CLUBS IN SAUDI ARABIA**

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Synopsis:

For more than a decade the Saudi government has been actively promoting a policy for the privatisation of sport clubs. This initiative is part of an ongoing government strategy for wider economic development designed to stimulate the national economy via the privatisation of various sectors including sport. The declared objectives of the privatisation policy are to reduce the overall government spending in the sports sector and to stimulate economic growth through greater involvement of the private sector in the field of sport. However, despite significant investments and years of rhetoric, the progress made to-date has been scarce and sporadic. This study explores how the privatization strategy in sport has been interpreted and acted upon by different actors.

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INTRODUCTION

For more than a decade the Saudi government has been actively promoting a policy for the privatisation of sport clubs. This initiative is part of an ongoing government strategy for wider economic development designed to stimulate the national economy via the privatisation of various sectors including sport. The declared objectives of the privatisation policy are to reduce the overall government spending in the sports sector and to stimulate economic growth through greater involvement of the private sector in the field of sport. However, despite significant investments and years of rhetoric, the progress made to-date has been scarce and sporadic. This study explores how the privatization strategy in sport has been interpreted and acted upon by different actors.

AIMS

A key aim of this study is the empirical application of a relatively new research approach within strategic management, namely strategising, or 'strategy-as-practice' in the context of the privatisation of Saudi sport clubs. This

investigation allowed the researchers to examine how strategising activities are typically understood, interpreted and implemented by all strategy actors.

LITERATURE REVIEW

Strategising, or strategy-as-practice, has emerged as an important research agenda within strategy research (Jarzabkowski & Spee, 2009; Whittington, 2006). Strategy can be conceptualised as “a situated, socially accomplished activity, while strategising comprises those actions, interactions and negotiations of multiple actors and the situated practices that they draw upon in accomplishing that activity” (Jarzabkowski, Balogun & Seidl, 2007, p.7). Strategising views strategy as a pattern in a stream of goal-directed activities over time that take place in and outside the organisation (Jarzabkowski & Spee, 2009). The activity-based dynamics of strategising include the various patterns of goal-directed activity, as well as the different types of strategising and the main forms of organizational legitimacy. The work of everyday strategy is not only confined to top management but is instead a multi-level phenomenon involving various organisational actors as well as the wider organisational community. The three interrelated domains of strategising, namely practitioners, practices and praxis (aka the 3Ps), work together to shape key aspects of the strategising agenda (Jarzabkowski & Spee, 2009; Whittington, 2006). Hence, this study pays particular attention to organisational actors’ daily strategic activities in different contexts directed at the privatization of sport in Saudi Arabia.

METHODOLOGY

Researching strategising entails the empirical analysis of everyday processes, practices and activities that make up the strategising agenda. The research design follows a qualitative approach through the use of an embedded, multiple-case study strategy (Yin, 2012). In total, 18 case organisations across three levels of strategising praxis (macro, meso and micro) were studied. Semi-structured interviews were conducted with 33 officials from 18 organisations and were complemented by personal observations and documents gathering. Data analyses followed a systematic approach using various techniques including content and thematic analyses and cross-case synthesis (Robson 2011; Yin 2012).

RESULTS AND DISCUSSION

Consistent with the basic predictions of the theoretical framework, research findings at the macro, meso and micro levels revealed strong evidence to support the crucial role of the 3Ps within the overall dynamics of the strategising activity system. Hence, these three strategising domains were found to play a significant role in the context of the Saudi sport club privatisation. Analyses also provided strong evidence in support of the important role of context, particularly the socio-cultural factors that characterise the Saudi organisations. A common theme transpired around the dominance of top-down management approaches, combined with high levels of centralisation in decision-making. The General Presidency of Youth and Welfare (GPYW) role is crucial in the implementation phase of privatisation, as government agency is an extremely influential macro-level strategising actor and across all the levels of strategising.

A key pattern of strategising was the procedural type across all case organisations. This is consistent with theoretical predictions that organisations dominated by hierarchical management, ultimately lead to the dominance of such rigid patterns of strategising activity. Thus, procedural strategising is found to be mainly enacted through the widespread use of long-established formal administrative practices that came to typify centralised policymaking in Saudi Arabia.

There was lack of participation of regional and local level officials in the key stages of strategy formulation. This has often led to inadequate interpretation of the policy aims and has eroded the trust and caused conflicts of interest between key strategising actors. With a few exceptions at the highest levels of policymaking, the existing daily strategising practices lacked goal-direction, which in turn opened the door for extensive personal interpretations particularly at the lower levels. Many of the practices exhibited elements of inertia, persistence, and high levels of inferred 'structural legitimacy'.

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