

Views In Strategy And Their Translation To Non-Profit Sports Management

Wojciechowski, Torsten; Situm, Mario

University of Applied Sciences Tyrol, Austria

E-mail: torsten.wojciechowski@fh-kufstein.ac.at

Aim of the research

Talking about strategy there are several ways to systematize the literature. Mintzberg, Ahlstrand and Lampel (2012) distinguish several strategic schools whereas Whittington (1996) postulates four basic perspectives: the planning approach, the policy approach, the process approach and the practice approach. Jäger and Beyes (2010) make a distinction between two different approaches: instrumentalist approaches, which focus on strategic tools and approaches that focus on strategic concepts.

Looking in sport management textbooks, we mostly find instrumentalist approaches like the planning and the process approach therein — often combined. In the opposite empirical studies about strategy in sport organizations mostly use middle-range theories to frame their research, for example stakeholder theory or the strategic orientation framework.

What we do not find to date is a discussion about theories of strategy and its usefulness for sport management research and practice. As a result the discussion about strategy in sport is mainly not connected to the state of the art in strategic management research. This paper will provide first steps to fill this gap. For this the following research questions will be discussed: Which elements of existing theories of strategy can non-profit sport organizations use for the development of a strategy? Which steps shall be conducted in order to develop an appropriate strategy for non-profit sport organizations?

Theoretical background

The management of sport seems to have several specific features like its social value, its event-oriented organization, the uncertainty of outcome in sports competitions, the irrationality of the fans, the primacy of success in sport over economic success, the variable quality of sporting performance, its cartel-like organization, the cooperation between central actors (especially in sports leagues), and the differentiation of the system between grass-root and high performance sport (Smith & Stewart, 2010).

Sport organizations underlie — like other non-profit organizations — a (perceived) market pressure, which makes it necessary for them to act in the field of the often contradictory rationalities of its own mission focus and commercial imperatives. The tension between the different rationalities of mission and profit seems to be one major strategic challenge for non-profit sport organizations (Jäger & Beyes, 2010).

Following Mintzberg et al. (2012) there are five broad patterns of strategy: strategy as plan, as a pattern, as a position, as a perspective and as a ploy.

Methodology

An integrative literature review (Torraco, 2005) in the databases EBSCO, JSTOR, Oxford Journals, Sage Journals Online, ScienceDirect and Springer Link using the key terms “strategy” and “strategic management” was conducted to identify the most relevant theories in the field. These are the resource-based view, the market-based view, the knowledge-based view, the network-based view, and the strategy-as-practice view. Based on the five patterns approach of Mintzberg et al. (2012) the usefulness of these five theoretical views for the management of non-profit sport organizations is analysed.

Results and implications

To answer research question one it can be stated that although being different to for-profit companies there are several elements of the theories of strategic management that can be used by sport organizations for the development of strategy. These are mainly the concept of cost-optimization (not maximization), Porter’s five forces, implementation of information management strategies, and building up networks.

With relation to research question two it was identified that the knowledge about the own resources and the capabilities should be the starting point in the strategy development process of non-profit sports organizations. Within the next step the assessment of the market structure is proposed in order to see, whether the organization can succeed (however it is defined) and compete under given resources. Then the internal knowledge of the organization should come into focus, here especially information management systems as well as tacit knowledge of the organization. Based on this the options for cooperation with different partners in networks should be considered to gain competitive advantages against others and to maintain survival and stability. Finally, the last step is to live the strategy and in conclusion to create it via social inter-

actions and cooperation. It is therefore much more difficult to develop a strategy for non-profit organizations due to the different organizational structure in comparison to profit-oriented companies.

In this paper a potential framework is presented, which is deducted from already existing knowledge. Future research should address topics like the analysis of the practices of strategic management in non-profit sports organizations on different levels, the identification of the needs of the practitioners that are involved in non-profit sport organizations' strategizing processes or the development of strategic management tools for non-profit sport organizations.

References

- Jäger, U. & Beyes, T. (2010). Strategizing in NPOs: A case study on the practice of organizational change between social mission and economic rationale. *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, 21, 82–100.
- Mintzberg, H., Ahlstrand, B. & Lampel, J. (2012). *Strategy Safari: Der Wegweiser durch den Dschungel des strategischen Managements*. München: FinanzBuch.
- Whittington, R. (1996). Strategy as practice. *Long Range Planning*, 29, 731–735.