

Money Needs Management — Managers Need Money: Models For Careers And Compensation Of Sports Managers In Germany

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Aim of research

In the background of all activities in sport business, sport managers are the professionals who are responsible for daily business operations. Yet, they remain in the shadow of players, coaches and voluntary sport officials and are not in the public limelight. Sport managers (broadly speaking) are all people working in a specific position with sports-related administrative tasks. The aim of this project is to identify specific patterns within the education, compensation and career development of sport managers to provide a better understanding of the German sport management labour market.

Theoretical background

The abolishment of the Amateur rule by the IOC (1981), the big bang by private media corporations (in Germany 1984) and the German reunification (1989) brought professionalisation, commercialisation, globalisation, and privatisation to the sports industry and built the foundation for the development of sport management as a career option (Trosien, Ratz, & Hattemer, 2017). The sport branch can be divided into three sectors: non-profit, for-profit and public sport organisations. Additionally, there are sport managers working outside the sports branch in sport-related positions (Trosien, 2012). For some sport sectors or organisations, data on their sport managers is already available (Falk & Thieme, 2017; Goldmedia, 2013; Trosien et al., 2017). Grund (2013) found that individuals consider eight factors for an employee-initiated job change. Pay and type of work are the most important ones. He acknowledges that more insights may be found by analysing the whole working life of individuals.

Methodology, research design and data analysis

The research project is based on various individual studies with the long-term objective to analyse all sports managers in Germany by using the same basic questionnaire design. The first two surveys were conducted with the Federation of Sports Economists and Sports Managers (Verband für Sportökonomie/-management, VSD) in 2016/2017. Every member and newsletter subscriber of the organisation was able to take part (random sampling) leading to 432 responses with 74 per cent male participants (typical for the sport market) and an average age of 33 years. Additional data was derived from an extended survey among CEOs (n = 12) of national sport federations by contacting all executives individually (purposive sampling).

Results, discussion and implications

Job changes and satisfaction

On average, people changed their job 1.5 times. Only the minority of the participants has never changed their job (23%). Sport managers receive their satisfaction from their job content rather than from the compensation. Among the managers without a job change, 52 per cent were satisfied or very satisfied with their position. However, only 40 per cent were satisfied or very satisfied with their compensation. Comparing sport managers who have changed their position twice or more, 67 per cent are happy or very happy with their current job and 55 per cent of those were satisfied or very satisfied with their salary as well. This indicates that sport managers are willing to change their job for higher salaries. This supports the theory by Grund (2013), highlighting that the pay of work is a major driver for employee-initiated job changes. With this data about the job changes and sector of the employer, the authors identified at least five different models of sport manager career paths (starters, loyals, sport insiders, experts and returnees).

Differences in compensation

Although professionalisation has taken place, there are still considerable differences in compensation of the sports managers — often without consideration of their (academic) education and compensation in other branches. The best-paid sport managers (more than 100.000 Euro per year) were exclusively male, often employed in their organisations for many years, and they had at least one position outside the sport branch. All of them had completed at least a degree programme, and for 68 per cent this was a sport economics or sport management course. The other 32 per cent hold degrees in sport sciences.

Outlook

It was surprising that all best-paid managers had a sport-related academic education, as this does not seem to represent the whole sport market in which highly-paid managers come from a professional sport career or other academic backgrounds. Therefore, these findings will be compared to sport managers with different educational backgrounds in the next surveys. In conclusion, given the large sums of money transferred in the sport business and the complex tasks and responsibilities, well-educated managers are needed who are satisfied with their job attributes, but who demand adequate compensation as well. This led to a salary rise for top sport managers according to recent press releases, but also to increasingly public awareness for those executives.

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