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PART II

Managing human resources in sport organizations

Edited by Packianathan Chelladurai
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CONTEMPORARY ISSUES IN
THE MANAGEMENT OF
HUMAN RESOURCES

Packianathan Chelladurai

Introduction

One perspective on organizations would hold that the human resource at the disposal of the organization is the most important resource because it is the human resource that puts into use all the other resources of the organization. Given this level of significance, it is not surprising that every organization strives to increase the caliber of its employees and enhance their productivity. Concomitantly, scholars in human resource management and/or organizational behavior have been engaged in intensive research spanning a myriad of topics including, for example, individual differences in personality, perceptions, attitudes, motivation, commitment, and satisfaction; managerial practices aimed at the commitment and satisfaction of employees; and employee reactions to these practices. While this section on human resource management could cover any subset of human resource topics, we have confined ourselves to those topics that are more pertinent to sport organizations. Further, as is fitting for a book mapping the territory of sport management, we have focused on those topics that have not been given due attention in the sport management literature.

As the products of most sport organizations are services instead of goods, human resource management should reflect, and be consistent with, the imperatives of service operations. Hence, the section begins with Solha Husin's chapter titled “Human resource management in sport: a service-based approach.” In her chapter, Solha Husin notes that the service employee is the key to creating the perceptions of service quality among clients or customers. Therefore, managing the human resources based on the exigencies of a service operation is strategically important. She describes the critical factors in such human resource management, which include support at work, training, reward system, supervisory assistance, and performance appraisal.

It is also acknowledged that most sport organizations rely on the contributions of volunteers both at the policy level and at the service level. So it is only appropriate that Chapter 12 deals with volunteer management in sport. May Kim and Hyejin Bang begin their chapter on volunteering in sports by outlining the extent to which sport organizations depend on volunteers to achieve their goals. As an aside, Chelladurai (2006) estimated the value of volunteer contributions to sport in America to be around US$50 billion, which is nearly one-fourth of the most liberal estimate of $207.503 billion in 2005 (Milano and Chelladurai, 2011). Kim
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and Bang explain the management of human resources focusing on three important stages of recruitment and selection, training, and retention. It must be added that retaining the current volunteers is more efficient and cost-effective than recruiting new volunteers. Another important contribution of the Kim and Bang chapter is that they juxtapose these managerial practices within four different sport settings – non-profit sport organizations, youth sports, mega/international sporting events, and community sport.

One of the factors that sustain the motivation, involvement, and productivity of both paid workers and volunteers is what is termed organizational support. The chapter by Boyun Woo and Claudio Rocha is focused on this critical component of human resource management – the support workers get in performing their assigned activities. Woo and Rocha explain that such support can emanate from the three different sources of co-workers, supervisor, and the organization itself. After elaborating on the definitions of various forms of support a worker can get, in Chapter 13 Woo and Rocha discuss the antecedents and consequences of such support.

Another topic that has not been addressed adequately in sport management literature is psychological contract. In Chapter 14, Gonzalo Bravo, David Shonk, and Doyeon Won address the topic of psychological contract and its ramifications. Their essential argument is that while workers may be attuned to the elements contained in their formal work contract, they are equally sensitive to the unwritten and tacit understandings between the worker and the organization. After defining the construct of psychological contract, Bravo, Shonk, and Won discuss the psychological contract theory and describe the two major forms of psychological contract – transactional psychological contract and relational psychological contract. They explain the issues related to the breach, violation, and fulfillment of the psychological contract. They also discuss psychological contract in the context of four relational contexts: administrators–volunteers; administrators–coaches; coaches–players; and administrators–graduates. Finally, they report on methodological issues and future research on the psychological contract in sport management.

Finally, one of the realities of modern-day organizations and their management is the tendency of organizations to rely more and more on contingent workers. The technological advances that facilitate accomplishment of varieties of work and the tendency among organizations toward downsizing (the reduction in workforce as a cost-saving strategy) have resulted in a growing number of contingent workers. Employment of contingent workers is also a necessity for those sport organizations whose service operations are seasonal. For example, golf courses are out of use in the winter months in places where there is heavy snowfall. Many professional sport franchises whose competitive seasons are limited to a few months in a year need to turn to contingent workers. Given this imperative, in Chapter 15, Kyungro Chang deals with the emergent phenomenon of contingent workers which includes part-time workers, temporary workers, employee leasing (i.e., one organization lending the service of its own workers to another organization), and self-employed workers. He concludes the chapter with a discussion of the strategy of outsourcing which has become common among organizations.

**HRM as a social responsibility**

One of the continuing difficulties faced by management is the balancing of the concerns for people on the one hand and task accomplishment on the other. Any and every legitimate organization is sanctioned and sustained by society because its stated objectives are expected to serve society well. Therefore, the most important social responsibility of any organization
is to try its best to achieve its stated goals (Chelladurai, 2010a). While achieving organizational goals is serving society, it must also be understood that doing good by the employees of the organization and their welfare is also serving society. After all, the employees are members of the society! The exciting aspect of this phenomenon of goal attainment versus employee welfare is that they need not be antithetical to each other. Good human resource management should yield benefits to both the organization and its workers.

Principle of fit

While the following chapters address some of the critical issues associated with human resource management, there is an underlying principle that should guide all HRM practices – the fit. The principle of fit deals with two types of fit – the fit between the person and the task (i.e., person–task fit) and the fit between the person and the organization (i.e., person–organization fit).

Person–task fit

The authors of the following chapters have identified recruiting the right person for a job, training the person in the task responsibilities, appraising the performance of the individual, and then rewarding the person accordingly. The notion of the right person for a job has been emphasized, with a greater focus on the person and the person’s attributes such as personality, ability, and aptitudes. In the process, the significance of the task and its attributes are largely overlooked.

While differences among tasks are varied and numerous, a useful schema can be derived from the distinctions made among consumer services, professional services, and human services (Hasenfeld and English, 1974; Sasser, Olsen, and Wyckoff, 1978). Sasser et al. (1978: 400) defined consumer services as “a limited range of services delivered by a relatively low-skill workforce to a large aggregate market.” An example of such a service in sports is that of a ticket checker in a football stadium who simply confirms that the tickets are valid for the specific game and punches or tears the tickets and directs the spectators to the appropriate seat. On the other hand, professional services are “individualized for each customer and delivered by a relatively high-skill workforce” (Sasser et al., 1978: 400). In the case of our football stadium, the engineers who ensure the safety of the seats – and the proper functioning of the lighting systems and the scoreboards – are providing professional services. The third class of services are the human services in which human beings with specific attributes are processed and changed into persons of higher levels of those attributes or with different attributes (Hasenfeld and English, 1974). In our example of a football game, the coaches who enhance the abilities of the players, assign them specific roles, and mold them into a well-coordinated team are providing human services.

It must be noted that sport management and sport managers are mostly concerned with consumer services and human services. In the case of consumer services, the sport managers are largely concerned with efficiency of operations. Such efficiency is enhanced by breaking down the task to simple routines, stating specific rules for each routine, and monitoring those who carry out those routines. The ticketing operation in a professional sport franchise is a good example of an efficient consumer service. From the time a fan calls in for tickets to the time the fan attends a specific game, all the actions of the franchise and its employees are scripted. This process is akin to the assembly line in a manufacturing firm where the activities at every station of the assembly line are simplified and specified.
In contrast, the coach and assistant coaches can routinize only a few things like setting the practice times and ensuring that the equipment is in place for those practice sessions and that the field is marked. But their major task of developing the players and molding them into an effective team cannot be simplified or routinized because the inputs (i.e., the players) are characterized by a multitude of individual differences among them, their reactions to practice regimens are varied, the interactions among them during practices and games are mixed, and the opposing teams come with differing personnel, strategies, and tactics. Given this extensive variability, the coaching job cannot be scripted. In other words, the coaches must be left alone to decide on what, when, and how they would do to make a winning team but within the rules of the game, the league, and the land.

**Empowerment**

An often cited human resource strategy is empowerment. According to Schneider and Bowen (1995), the empowerment of employees can best be achieved by:

- redesigning the jobs to permit more autonomy and more room to make decisions,
- management sharing the power with the employees;
- sharing of information about the organization, its units, and their performances;
- sharing task-relevant knowledge; and
- sharing of rewards based on organizational and individual performance.

From a different perspective, Spreitzer (1995: 1444) defines psychological empowerment as:

> a motivational construct manifested in four cognitions: meaning, competence, self-determination, and impact. Together, these four cognitions reflect an active, rather than a passive, orientation to the work role.

Meaning refers to the value of a work goal. It is a fit between the requirements of a work role and one’s personal beliefs, values, and behaviors. For example, a person who values including everyone in a program may be comfortable in mass sport and not in an elite program which tends to exclude the not-so-gifted individuals. Competence refers to an individual’s belief in his or her capability to perform activities with skill. For example, some people feel competent to work in the recreational setting while others are competent in the coaching of elite athletes. Self-determination refers to an individual’s sense of having choice in initiating and regulating actions. It reflects autonomy in the initiation and continuation of work behaviors and processes. For example, individual workers in both the recreational and elite settings may be permitted relatively more autonomy to decide on how they will carry out their responsibilities. Impact refers to the degree to which an individual can influence strategic, administrative, or operating outcomes at work. This attribute refers to whether the volunteers and paid workers are permitted to have a voice in determining the policies and strategies of the sport’s governing body.

It is expected that empowered frontline workers would (a) respond quickly to customer needs during service delivery, (b) handle dissatisfied customers through service recovery, (c) interact with customers with more warmth and enthusiasm, and (d) feel better about their jobs and about themselves. Thus, empowered employees can be a great source of service ideas, word-of-mouth advertising, and customer retention. The process of empowerment releases hidden resources that would otherwise remain inaccessible to both the individual and the organization.
While empowering employees is a laudable strategy, such a practice is not tenable in highly simplified and routinized consumer services where rational and efficient processes are paramount. On the other hand, empowerment is the most rational strategy in human services. Given this dichotomous nature of tasks in sport organizations and based on Bowen and Lawler (1992), Chelladurai (2006) has advanced a contingency approach to human resource management in sport organizations. His scheme shown in Figure 10.1 begins with the idea that consumer expectations can be met by either consumer services or human services as defined above. If it is a consumer service, the production-line strategy would be most appropriate where the jobs are specialized and standardized and where the service provider does not have much discretion. In a human service, however, the empowerment strategy would be most fruitful with the jobs fully enriched and where the service provider is given a greater degree of autonomy in carrying out the task.

**Person–organization fit**

The next level of fit discussed in the literature is the fit between the person and the organization. What is meant here is that a worker in the organization needs to share the goals and values of the organization for that person to feel comfortable in it and to also be productive. In the context of sports, the goals and values of a professional sport franchise and the recreation department of a city government are divergent. It is only reasonable to expect that the personal goals and values of a person may steer that person toward either professional sports or community recreation. By the same token, it is also reasonable to expect that a person’s commitment to the organization, satisfaction with the job, and actual performance in the job will be a function of the fit between the individual and the organizational goals and values.

We can extend this line of thinking to different manifestations of sport and the services thereof. Chelladurai (2010b) has distinguished among egalitarian sport, elite sport, and entertainment sport as illustrated in Figure 10.2. Egalitarian sport is variously labeled as mass sport or participant sport or recreational sport. In such a venture, the organization facilitates the participation of all interested persons. It is an inclusionary process where the pleasure in participation is the ultimate aim. Elite sport refers to the domain where talented and dedicated individuals are in pursuit of excellence by engaging in a well-planned practice and
competitive regimen. It is an exclusionary process whereby those not talented enough or dedicated enough are excluded from the organizational process designed for excellence. Finally, entertainment sport is concerned with generating revenue by offering competitions among elite teams as entertainment. Professional sports franchises attempt to make a profit over the expenses, which include paying the players. In non-professional sports, the organization does not pay the players but still attempts to raise money through the provision of sport as entertainment. The surplus in such efforts is used to cover the costs and to support other organizational efforts as in the case of North American university athletics.

The point here is that as these three domains of sport have differing goals and processes, the people who are hired to carry out the tasks associated with each domain must have the skills and competencies to create the person–task fit. More importantly, they must also share the goals and values associated with each manifestation of sport. The problem becomes more acute in those organizations that provide all three forms of sport services. A good management strategy would be to differentiate the operation of these three domains in terms of structure and processes. Equally important is recruitment and retention of the right people in each domain.

**Vertical differentiation**

The above discussion of staffing of the consumer service operations versus human service operations, and the differential staffing of the egalitarian, elite, and entertainment sports represents the differentiation of units offering different services. Differentiation occurs when an organization is divided into units according to environmental exigencies, and those units are then staffed with people of the appropriate aptitude and skills. Note that differentiation is not identical to the concept of departmentalization. The emphasis in differentiation also extends to staffing the units with the requisite abilities, competencies, aptitudes, and dispositions.

![Figure 10.2 Three domains of sport](https://example.com/figure10_2.png)
The management of human resources

The foregoing differentiation among the three domains of sport and between consumer and human services is horizontal in the sense that they are all equally important without any hierarchy among them. We should also look at vertical differentiation in management of these domains of sport. Figure 10.3 illustrates a model drawn from Parsons’ (1960) thinking. In his view, an organization consists of distinct hierarchical sub-organizations – the technical, the managerial, and the institutional subsystems. The technical subsystem is concerned with those activities that are directly associated with the major tasks of the organization. The nature of the technical task and the processes involved define its fundamental requirements. The managerial subsystem is a higher-order system that both administers and serves the technical system. The two major areas of responsibility of the managerial subsystem are to (a) mediate between the technical organization and those who use its “products” – the customers – and (b) procure the resources necessary for carrying out the technical functions (i.e., financial resources, personnel, and physical facilities). In essence, the managerial subsystem spans the boundaries and secures the necessary resources for the production of its products as well as for the exchange of its products with the environment. In the process, the technical system is unencumbered by environmental turbulences.

The function of the institutional subsystem is to interact with the wider environment with which the organization must deal. It works to legitimize the existence of the focal organization and justify the societal support extended to it. It is responsible to set the objectives and policies of the organization, to recruit the top managers, and to influence the wider economic and political systems in support of the organization. In essence, the institutional system first charts the major course for the organization and then deals with the larger environment with a view to securing necessary resources and legitimizing the organization in the eyes of the public.

From a human resources perspective, it is imperative that those who will occupy positions within each of the three subsystems described above must have those aptitudes and skills to perform. For example, individuals who are elected to the institutional subsystem (e.g., the board of directors of a sport governing body) must have the capacity and inclination to influence the external groups.

![Figure 10.3](image-url)
In summary, three contingent factors to be kept in mind when instituting and implementing human resource strategies have been outlined. First, the differences between consumer services and human services clearly indicate the extent to which a given human resource practice would be effective in the two distinct service operations. As an example, the empowerment strategy would be more effective in human service operations than in consumer service operations. The second contingent factor is the conceptual distinctions among egalitarian, elite, and entertainment sport. These three enterprises have differing goals and processes and, therefore, the staffing of them should be consistent with the exigencies posed by them. Finally the vertical differentiation among the institutional, managerial, and technical subsystems of an organization has been highlighted. Accordingly, those who are recruited and hired for any of the subsystems must have the requisite abilities, competencies, and aptitudes to suit the requirements of each subsystem.

References