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THE FUTURE OF SPORT MANAGEMENT

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The previous four sections have set out issues of contemporary relevance in sport management which are the focus of practitioners and researchers in this field. It is clear that sport management is a diverse and vibrant research area and the organizations that deliver sport are increasingly competitive and effective. However, there are a number of factors in the operating context that will continue to require innovation and the ongoing development of sport management and these will need to be considered by researchers and practitioners alike.

The first of these is globalization, which means that sport markets are increasingly international, subject to diverse and complex laws, policies and cultures and increasingly competitive. Globalization also means that mega-events such as the Olympic Games and World Cups attract worldwide audiences and, consequently, the activities of the organizations that deliver these events are played out on an international stage. This means that the performance of these organizations will need to be acceptable to that international audience. Associated with this are customers who are expecting more for their money (Chapter 5) and are demanding increasingly personal and customized services, which are resource intensive and need to be delivered within a tough economic climate. Finally, sport is perceived to make a key contribution to society in terms of health, politics, social capital and urban regeneration and legacy (Robinson and Palmer, 2011) which are often used to justify state expenditure on sport and sport organizations.

So what does this mean for the future of sport management?

Identifying the future direction of a discipline is always a perilous exercise as we can never be sure that a trend is sustainable. It is also difficult to determine if theoretical research can be transferred to a practical situation and thus become part of the sport management environment. Consequently, it seems easier to identify issues in the context that may drive changes of practice and research and these are set out below under the four key themes of this Handbook.

The future of the performance of sport organizations

The principles of accountability, transparency and ethical behavior will continue to be of importance and indeed are likely to become of greater importance. The importance of good governance and thus models of good governance will continue to be a focus for the performance of sport organizations, both theoretical and practical. The challenge will be to identify
activities that deliver and demonstrate accountability and transparency which can be incorporated into a framework that can subsequently be proved to guide most sport organizations.

In association with accountability and ethical behavior, human resources will need to become increasingly reflective of the people they deliver services to and staff will need to be managed in an ethical way. As addressed in Chapter 15, the challenge here is to ensure that contingent workers are as much part of a sport organization as any other staff member. However, perhaps most importantly, those who are at the top of the organization, who are perceived to benefit most from the organization, will have to be perceived as deserving of their benefits. Appointments to key positions will need to be transparent, appointees will need to be accountable and the challenge for research in the performance of sport organizations is to provide evidence to support that this is the correct way for organizations to operate.

Second, sport will need to develop mechanisms of becoming integrated into the “health agenda” in order to guarantee the sustainability of sport organizations. The UK has had a number of years of declining participation and sport is not a particularly attractive option for an increasing number of people (Robinson and Palmer, 2011). In order to ensure the ongoing survival of many sport organizations there will need to be a strong link between what they can deliver and the health agenda. Indeed, this is perhaps the biggest challenge as sport per se does not improve health; physical activity does. For managers, this may mean using planning systems and expectations management to repackage their product in a way that is appealing to those who are not committed to sport. It will certainly be necessary to address the rising trend of sport spectating, rather than participation, that is becoming increasingly evident in many societies. Research should also continue to focus on establishing the benefits of sport to society and on how this can be best delivered.

“Evidenced-based” management of performance will become increasingly important and will be needed to justify investment in sport organizations and the activities they undertake. For example, will sponsorship of sport continue to be important unless research can establish measurable benefits? This will place greater emphasis on research that “proves” that management techniques and approaches work, or that develops new ways of managing performance. Performance management techniques, in particular performance measurement, will continue to underpin the performance of all sport organizations and will be used for demonstrating successes, identifying areas of underperformance and allocating priorities.

The future of human resource management in sport

The first thing that is clear about human resource management in sport is that most of the work under the purview of sport management cannot be outsourced. This is because the sport industry is service-based and services have to be produced in conjunction with the clients. They cannot be produced elsewhere, stored, transported and delivered at a different place, in a different time, as is done in the case of goods such as tennis rackets and basketballs. It means that service workers are the backbone of the sport industry and always will be.

It is also expected that the sport industry will grow in size and stature. For instance, Molitor (1996) has noted that leisure time pursuits will be the primary driving force behind economic growth in the near future, beginning about 2015. As consumption of sport in all its forms is largely a leisure time pursuit, we can expect that the sport industry will also grow and, by implication, the size and significance of the workforce in sport will also increase. Hence, more attention will be paid to managing this group of workers in an effective and ethical manner.
We must also be cognizant of two other forces that exert their influence on human resource management in sport. First, bureaucracy characterized by division of labor, specialization, routinization of jobs controlled by rules, and hierarchy of authority was considered relevant only to the manufacturing sector and the public sector. However, in recent years, service operations have also adopted the bureaucratic tenets of specialization and routinization. The most glaring example is the McDonald’s restaurants and their delivery of fast food, although other service operations are also embodying what Ritzer (1996) calls the “McDonaldization” of the workplace. This is the application of the production principles and processes of the fast-food industry to other workplaces.

The essential elements of such a process are (a) efficiency, by choosing the best means for achieving a goal, (b) calculability, which is quantifying everything the worker does, (c) predictability of the products, and services being the same every time they are produced, and (d) control of the behaviors of both workers and customers guided by the technology of the production process. Ritzer (1996) also notes that McDonaldization results in the creation of “McJobs” involving simple and predictable tasks and controlled by non-human technologies. This process is contradictory to the motivational strategies such as job enrichment (Herzberg, 1968) and enhancing the motivating potential of jobs (Hackman and Oldham, 1980). The challenge for future managers of sport is to balance the process of rationality with the need to keep the workers motivated and satisfied. This will also need to be a focus of research in this area.

The other trend is that the workforce in developed and developing countries will be more and more diversified in terms of gender, ethnicity, nationality and language. By the same token, the customers and clients of sport organizations will also belong to diverse groups. As mentioned above, managers of sport organizations need to be attuned to the diversity in their workplace as well as their market and become more efficient and effective in managing such diversity.

The future of sport marketing

The globalization phenomenon is probably one of the most noticeable factors affecting the sport marketing field. Globalization is characterized by the increased free flows of individuals, ideas, goods, services and capital, which creates new opportunities for sport organizations, but also intensifies the competition between these sport organizations and creates more complex performance environments. One challenge for sport marketers will be to understand these environments and adapt their offers to this complexity. To achieve this goal, the role of strategic marketing (identity, segmentation, targeting and positioning) will be more crucial than ever.

For instance, selling replica shirts abroad cannot be the only strategy of a club in new foreign markets given the increasing number of professional clubs and leagues that are now competing for these markets. Professional sports clubs and leagues have to clearly understand who their new satellite fans are, what their characteristics and levels of attachment are, how they have become fans, how they are satisfied, how they become loyal, who they are competing with in their sport and in other sports, who are their local and international competitors and how they are perceived in these new markets, by these new fans. Moreover, they need to have the same strategic thinking with regards to their local fans and spectators, as foreign sport clubs and leagues will increasingly compete with them in their home markets.

The challenge will certainly be for sport marketers to understand the heterogeneity of sport consumers and the organizations they now compete with, but they will also need to
determine how far can they go in their activities and quests for new foreign markets because this is not a “neutral” activity. This will impact on their home fans, who appear to be more and more dissatisfied by these commercial practices as they sometimes make them feel less valued and appreciated than high-spending foreign fans.

In the same vein, the intensification of competition between sport organizations will force managers to not consider their customers as a captive audience, as the range of offers can lead them to switch loyalty easily. At every level, it seems crucial for sport organizations to create and maintain individualized relationships with their customers and different stakeholders. Although the massive number of potential new customers may lead sport marketers to focus on customer attraction and recruitment strategies, the new configuration of sport markets and a newly-expressed customer need which emphasizes the social aspect of consumption both support the importance, if not the necessity, of relationship marketing.

Inextricably attached to the relationship marketing approach and the individualization or customization of offers is the other major factor affecting the sport marketing field: information and communication technology. This new technology offers unlimited options for sport organizations that aim to develop and maintain individualized relationships; for example, the development of Customer Relationship Management (CRM) programs by sport clubs, the development of websites such as www.miadidas.com and the increased presence and use of social networks by sport organizations. The communication and technological dimension of sport marketing is probably the most evolving dimension of sport marketing practice and research. Excitingly, the page is blank and sport marketers have the freedom to write on it.

Finally, experiential marketing appears to be another trend of sport marketing in this hyper-rationalized and standardized world where consumers want to be re-enchanted. However, as for other practices and marketing trends, such as relationship or tribal marketing, we can wonder if this trend will be translated into any real changes in the practice of sport organizations. This is a key challenge for research in the sport marketing area.

The future of sport economics

The chapters contained in Part IV cover a fairly narrow range of topics and issues. They are united, however, by the view that the sport economy comprises mass participation, the expenditure on goods and services to support that participation, and upon professional team sport and events.

Within this set of contexts there are many interfaces that need to be further investigated. From the demand side it is clear that the interface between economic theories of demand and marketing needs to be explored to better understand revenue sources for both commercial goods and services providers and professional sport. The role of sponsorship is important likewise. As a source of revenue for professional sport, and indeed amateur sport, it has implications for consumer behavior. In other words the set of interrelated demands in sport needs further investigation.

Supply side issues also need further analysis. This includes examining to what extent access to facilities of different types and organizations underpins participation. The role of the qualities of those facilities in maintaining demand also requires examination. The latter has implications for professional team sport as well as events. It is well known, for example, that different types of stadia can account for variations in demand for professional team sport.

The role of volunteer labor in sport also requires further analysis. Whilst we know that it supports sport-club systems and events, we know less about how volunteering is shaped by the leisure choices of volunteers. What substitute and complementary activities are present?
Further, do events promote volunteering and participation? These are issues that are yet to receive adequate answers. Finally, the role of the financing of sport needs more analysis. There has been some initial work on the role of alternative capital structures for sport. However, it is clear from the current debates concerning financial fair play that this issue is of paramount concern for future research.

Outside of this traditional core of activities are further topics that require elaboration. The globalized nature of sport means that, currently, sports of different types and geographical locations may actually be in competition more than traditional alternatives. This might mean that emergent sport leagues face unique economic obstacles. Sport economics has not examined this possibility and broadly remains focused on traditional geographical boundaries and dimensions of provision and demand. Whilst individual sports are now investigated more than in the past, examining how both their economic organization and sporting results are related through tournament theory remains a fertile avenue for research.

Does competitive balance matter for sets of rolling tournaments between individuals across different geographical domains, or across tournaments with different brand identities and technical features? What gives certain tournaments their status and market power? As the Olympics, for example, begins to extend into competition with existing tournaments, what will be the implication of this? Finally, much more work needs to be done on how talent produces sporting results. Part of the answer here will lie in examination of the interpretation of rules by officials, and the influence of location and other advantages on both these decisions and the efforts of athletes. This is a fertile research area currently; however, as this brief note suggests, there is much more work yet to be done.

Conclusion

The discussion above shows that sport management research and its practice needs to continue evolving and responding to changes in society. Many of the challenges to be faced will impact on all areas of sport management and indeed some of these challenges are fundamental to the way sport has been managed and the way sport organizations perform. As a consequence, the field of sport management is left with a question: is sport, as we know it, appropriate anymore in today’s society? Given declining participation in organized sport, particularly among the young; the increasing competition bought about by technological advances for both spectators and participants; and increasing public discontent with the way major sport organizations are managed, it would be relatively easy to suggest that sport has had its golden age. The challenge is for the field to continue to address these major issues and cement the role of sport and its management as a valuable and integral part of society.

References