

The Moderating Effect a Sport's Rules Have on a Home Team's Competitive Advantage

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Presentation (25-minute)**

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1:30 PM - 1:55 PM

Why does the home team have a competitive advantage in sport? Courneya and Carron (1992) argue that there are a number of variables that affect home and visiting team performance. Their model of home team advantage has led to a sizeable body of research (e.g., Baumeister, 1995; Baumeister & Steinhilber, 1984; Pace & Carron, 1992; Schlenker & Phillips, 1995; Smith, Ciacchiarelli, Serizan, & Lamber, 2000). The results from these studies have yet to definitively explain differential performance between home and visiting teams.

Our argument is that the rules of a sport have a moderating effect on a home team's competitive advantage. The rules of each sport determine how the game will be structured and, as a result, played. In every team sport the intended output of the team is the production of a win. To produce a win, the players attempt to score/prevent more goals/runs than their opponents. How players score/prevent more goals/runs depends on how the players on the team transfer their work between each other.

Task interdependence refers to the way that work is transferred between an organization's work units (Van de Ven & Ferry, 1980). As organizations become more complex so does the task interdependence of the organization. When the amount of work that is transferred between units increases, so to does the degree of task interdependence that is present in an organization (Van de Ven & Ferry, 1980). As an organization's workflow becomes more complex, the coordination of organizational work units becomes more difficult (Wageman, 2001). The increased difficulty of coordination affects organizational actions and performance.

The rules of each sport affect how work moves between the players on each team. For example, the rules of baseball determine that the players act as independent work units. Batting and fielding are relatively independent activities. As such, there is little need for players to coordinate with each other to produce runs or prevent runs. In contrast, the rules of hockey determine that players have to act as contingent work units. As a result, the coordination of hockey players is of the utmost importance in the production of team wins.

To test our hypothesis we examine the game-by-game performance of professional baseball and hockey teams. We examine nine years of data from Major League Baseball and eight years of data for the National Hockey League. We use probit regression analysis to examine the data. Probit regression analysis is used because the dependent variable is coded as a 1 if the home team wins and a 0 if the home team loses. The home team advantage is measured for in the design of the study because only home team results are used as the measure of team performance. Our results demonstrate that the rules of a sport have a moderating effect on a home team's competitive advantage.

This presentation makes a significant contribution to the literature because the effects the rules of a sport have on a home team's competitive advantage have, for the most part, been ignored. In fact, some have asked whether or not the effects of a sport's rules should even be tested at all (Carron, Loughhead, & Bray, 2005).

Our research has significant practical implications for sport managers. Over the past ten years sport leagues have made significant changes to the rules of the game. It can be argued that many of these changes were made without considering how these changes might increase or decrease the competitive advantages that are inherent in the sport. We demonstrate that rule changes moderate a home team's competitive advantage. The consequence is that the effects of rule changes need to be carefully considered if they are to be made.

References

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