

## Building Reputation Through Legitimacy in Sport Management Programs: Perceptions of Masters' Students

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**Session 11: Organizational Theory  
Poster**

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From an anecdotic point of view, it is possible to assert that reputation, in sport management programs, seems to be of great importance when students narrow down their choices to select the program they like. Moreover, it seems that for those programs that are known -in the mind of a prospective masters' student- have a significant competitive advantage over those that are less known by them. But the question here is not only to know, how to be become known, but also, to provide some insights about what areas or aspects of the program matter more, when prospective students face the question of deciding which program to choose. In this study, the importance of reputation for sport management programs is examined, and how reputation is built in the minds of master's students attending sport management programs in the U.S.

While several studies have examined and acknowledged the role and impact of reputation to be of critical importance, particularly for those organizations in the business of education (e.g., Cole and Lipton, 1977; Davies & Melchiori, 1982; Volkwein & Sweitzer, 2006), among researchers there still is a great amount of discussion of how actually reputation is built. In addition, the literature in sport management has almost entirely neglected the study of reputation and its impact on the sport context. From a managerial perspective, reputation has been acknowledged to be a critical intangible for organizations (Hall, 1992, 1993) that operate (a) under new markets, and (b), under incomplete information (Weigelt & Camerer, 1998; Baden-Fuller, Ravazzolo & Schweizer, 2000). Following this argument, it is suggested that reputation becomes important for sport management programs because the discipline operates in a relatively new market setting, especially when compared to other more established academic disciplines. Because of that, it is also suggested that sport management programs also operate in an atmosphere of incomplete information setting, since its prospective customers lack the complete knowledge about what actually sport management programs do and have to offer. Thus, from a strategic perspective, it is suggested that reputation becomes an important variable to put attention to.

This study is drawn from the literature on strategic management, organizational theory and marketing. It is proposed that in order to obtain insights about how reputation is built, first it must be examined how an organization legitimates itself (Rao, 1994). Reputation as well as legitimacy are two critical intangibles that help the organization to obtain resources from its environment (Ashforth & Gibbs, 1990; Hall, 1992, 1993). By knowing the sources of legitimacy, it is suggested that it would be possible to infer how an organization has formed its reputation. In this study reputation is operationalized by the degree to which the organization legitimates itself. Drawing from Zimmerman and Zeitz (2002) three types of legitimacy are identified: (a) Regulative (e.g., abiding by standards and rules), (b) Normative (e.g., following social norms, and adhering to values), and (c) Cognitive (e.g., complying with ideas and models).

The purpose of this study were threefold: (a) to generate a pool of items which prospective sport management graduate students employ in their perceptions of sport management graduate programs in terms of legitimacy signals, (b) to purify and reduce the items into a more manageable size, and (c) to ensure construct validity of the scale. To achieve these research objectives, a three step process was followed: (1) item generation (panel of experts), (2) item reduction/ scale refinement (1st study), and (3) reliability and validity assessment (2nd study). This poster focused primarily on the results of the 2nd study.

During the 1st study, participants (N =103) completed the Reputation Sport Scale (RSS) which was exclusively developed for this study (see Bravo & Won, 2006). RSS asked respondents to express the extent to which each of 24 legitimacy signals (grouped in three dimensions: Regulative, Normative and Cognitive) were important to them when they chose their sport management graduate program. While purifying the scale, at least three items in each dimension were sustained to enhance the internal consistency of the subscales (Churchill, 1979). Thus for the 2nd study, the purified and pruned scale consisted of 11 items with four items in two dimensions and three items in one dimension of the RSS. Subsequent factor analysis was carried out on the 11 items. Principal component analysis resulted in a three-factor solution and these three factors explained more than 66% of the variance. The coefficient alphas for Cognitive, Regulative, and Normative dimensions were .81, .76. and .75, respectively.

The objective of the 2nd study was twofold: to (a) ensure discriminant validity and reliability of the scale, and (b) establish construct validity of the scale using factor analytic procedures. Corrected-item-total-correlations and estimation of internal consistency tests as well as a confirmatory factor analysis were conducted using the AMOS software. Subjects in the 2nd study

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were 205 sport management masters' students attending U.S. universities who responded to an online and paper and pencil survey. The questionnaire contained questions regarding the importance of the graduate program legitimacy on a seven-point Likert-type scale (1 not important and 7 very important). For a confirmatory factor analysis (CFA), a three-factor model was specified for the covariance structure of the remaining 11 items, allowing the three factors, Cognitive, Normative, and Regulative to covary. Chi-square test was statistically significant ( $\chi^2 = 78.58$ ,  $df = 41$ ,  $p < .001$ ) and the chi-square test divided by degrees of freedom,  $\chi^2/df = 1.92$ , is at a level indicating acceptable fit (Wheaton, Muthern, & Alwin, 1977). The RMSEA was .07 indicating a close fit of the model (Browne & Cudeck, 1993). Other fit indices (NFI = .99, CFI = .99, TLI = .99) were within the acceptable levels suggested by Bentler (1990). As for reliability of the scale, Cronbach's alpha and corrected item-to-total correlations were calculated for the RSS. The Cronbach's alpha for Cognitive, Regulative, and Normative were .78, .76, and .75, respectively, indicating that all three sub-scales were reasonably reliable (Nunnally, 1978). The corrected item-to-total correlations for all 11 items were well above 0.3, the cut-off value. In addition, the descriptive statistics for individual items and summated scores for each dimension were also reported.

Results demonstrated the validity and reliability of the RSS developed. In terms of the descriptive statistics, Cognitive legitimacy items (as well as the summated Cognitive score) deemed to be more important for graduate students, followed by Normative, and Regulative, continuously so in two studies. That means, if sport management programs want to improve their reputation to prospective students -through the process of legitimacy-, they should focus first on the cognitive areas of legitimacy. In this study this dimension was reflected in the area related to program content. This result is consistent with similar studies that have examined the building of reputation in medical schools which have concluded that "reputation stems from functionally appropriated performance (Cole and Lipton, 1977, p. 662)" as opposed to other more subtle factors like following social norms and adhering to existing prevailing values (Normative legitimacy) or adhering to rules (Regulative legitimacy). Future studies should explore the empirical relationship between legitimacy and reputation. Limitations of this study include sample size and sampling bias (data from only voluntary participants).