

## Using action research to develop board strategic capability

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**Governance  
Session 13**

**Friday, May 30, 2008  
1:30 PM - 1:55 PM**

**Presentation (25-minute)  
Abstract 116**

In recent times the governance of sport organizations has been highlighted as an important area of focus for both sport management researchers and practitioners. Consequently, a small but growing number of studies have been undertaken on the work of boards charged with governing sport entities (Hoye & Cuskelly, 2003; Inglis, 1997; Shilbury, 2001). It is also widely argued in policy documents, practitioner literature and some scholarly writing, that boards should be active in strategy and strategic issues (Sport & Recreation New Zealand, 2006; Stiles, 2001) yet surprisingly, the volume and depth of scholarly debate does not reflect this need (Ferkins, Shilbury & McDonald, 2005). The adoption of corporate governance models has been popular among sport organisations as a possible solution for governance concerns in the sporting environment. While this model incorporates a strategic dimension, the evidential basis for how boards might undertake this role and more significantly the means by which the strategic function might be advanced, is not fully understood.

This study investigated how boards of national sport organizations might enhance their strategic role. An eighteen-month qualitative study investigated how boards of three national sport organisations (NSOs) in New Zealand could develop their strategic capability. Utilizing a developmental action research method (Cardno, 2003) the researchers combined with board members and CEOs to identify, design and implement an intervention in which the barriers to the board's strategic contribution could be examined and ultimately action taken to further enhance the board's strategic function. Focus groups, workshops, board meetings and interviews with board members and CEOs as well as participant observation and document analysis were the primary methods used to generate data between August 2005 and January 2007. One of the three NSOs that participated in the research program will be used in this presentation to illustrate outcomes from the study.

Outcomes from the study identified the need for greater board involvement in strategy development as well as the need for the board to be involved in integrating strategy into board processes (e.g., agendas and meetings). The notion that the board needs to be a full and visible partner in strategy development in order to further develop its strategic capability is a key finding of this research and contributes to previous work by Inglis (1997) and Shilbury (2001). Six factors were identified from the study as those contributing to board strategic balance. Board strategic balance refers to the need for all these six factors, some conflicting or competing roles, to be undertaken in a balanced way in order for board strategic function to be optimised. Board strategic capability therefore is an all-encompassing concept, enhanced by creating equilibrium in roles and functions that include the design, enactment and monitoring of strategic ideas. Achieving equilibrium and how the factors can create disequilibrium will be illustrated during this presentation. This study found that in striving to become more strategically orientated, the demand on individuals in order to cope with the increasing complexities is ever growing. The managerial and governance implications of these findings will be discussed.