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Privilege Gets Your Foot in the Door: A Multilevel Examination of Institutionalization in Sport Management Careers

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Organizational theory/culture

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(including questions)
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The sport industry, most notably in the U.S., has experienced exponential growth. During this time, it has gone from an industry worth \$50.2 billion (ranked 23rd among U.S. industries) in 1987 (Sandomir, 1988) to a preeminent powerhouse, estimated to be worth \$435 billion (Plunkett Research, 2012). This estimated worth puts it among the top ten industries in the U.S. (Miller, 2011; Sports Business Journal, 2010). Consequently, this status as a leading industry has made the field of sport management an appealing field of study on U.S. campuses, as numerous institutions of higher education clamor to add this major to their curriculum. Due to its growth and popularity, aspiring sport industry professionals have significantly outpaced job opportunities. Essentially, the supply of labor surpasses the demand, due to the limited number of positions and low turnover rates within sport organizations (Wong, 2009). To that end, it is now the norm for aspiring sport industry professionals to accept unpaid internships with the hopes of it eventually materializing into a full-time position. We argue that unpaid internships have become an institutionalized practice within the sport industry. This institutionalized norm of unpaid internships provides an advantage to the privilege, wealthy, college student and acts as a huge barrier to lower socioeconomic status students. Not only do students pursuing a career in sport management have to be able to afford to take advantage of an unpaid internship, but also when they graduate, have to be willing to make less than many of their peers. An established professor of over 20 years, who teaches sport management and is a consultant to many professional sport organizations, says he has watched entry-level jobs transform into internships and paid internships turn into unpaid internships (King, 2009). Even sport managers who attend graduate school experience suppressed wages. For instance, according to The New York Times, recent M.B.A. graduates that enter the sport industry earn about \$35,000 annually, which is half of what M.B.A. students average in other areas of business (Knowing the Score, 2010). We aim to examine the institutional norms of working in sport management, while also providing micro-level and meso-macro level institutional outcomes for this phenomenon.

Theoretically, we respond to this question by grounding this study in neo-institutional theory (e.g., DiMaggio & Powell, 1991) and institutionalization (Meyer & Rowan, 1977; Scott, 1987). Because “sport is an area that is highly non-traditional” (Washington & Patterson, 2011, p. 10), arguably unrivalled by any other industry, we feel that our main contribution is that this paper expands the understanding of institutionalization, while also highlighting those elements inherent to sport organizations. Given the need to further elaborate on institutional theory in sport (Washington & Patterson, 2011) and sport management internships or careers, (Cunningham, Sagas, Dixon, Kent & Turner, 2005; Eagleman & McNary, 2010; Odio & Walker, 2012) subsequently, there remains a gap in connecting the two. We use a multilevel framework to provide a holistic perspective of institutionalization in sport management careers. Cunningham (2010) suggests a multilevel framework provides deeper understanding of factors that may influence a phenomenon. Also, to date, no such study has sampled sport organizations and students, in an attempt to identify the cyclical nature of this phenomenon, or offer recommendations for institutional change.

Thus, the purpose of this study is to twofold. First, we will identify a set of micro-level institutional norms that feed into this labor pool of unpaid internships in sport management. Questions such as, what are student expectations of working in sport management, will frame our investigation. Next, by interviewing sport organizations hiring personnel, we will examine the meso-macro level institutional norms that perpetuate this cycle of unpaid internships.

A pilot study was conducted and preliminary data has been collected from 65 students at a large state university in the Northeast and 20 sport organizations attending a sport management career fair in the Northeast. Of the 65 students, 32% (N=21) were freshmen, 17% (N=11) sophomores, 22% (N=14) juniors, and 23% (N=15) seniors; 3 participants did not state their year in college. The 20 sport organizations ranged from small minor league baseball teams, to large sport business conglomerates.

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Micro-level results suggest that the majority (84%, N= 57) of students expect unpaid internships. More shocking is that 90% (N=61) may accept the unpaid internship and 69% (N=47) would consider covering their own expenses, which can include paying rent to live in a big city, all for the chance “to get a foot in the door”. One student stated, “Those who can afford to move to Boston and pay the expensive rent for an unpaid summer internship are the ones whose parents can foot the bill, not all of us have it this easy”. Of the 65 student respondents, 67% completed an unpaid internship. Meso-macro level results were of the same accord in that, 75% (N=15) of sport representatives agree that they have seen an influx of applications for internship and entry-level positions. As one sport industry professional articulated, “The number of paid positions that exists in sports is microscopic when compared to the number of people who either have or are vying for the aforementioned jobs.” A minor league sport representative stated, “Seems like the norm in our industry to gain some experience before you can land a full-time job.” More telling was a sport representative from a major sport business conglomerate stating, “Most don't know they can get paid.” Also, 50% (10) of the sport representatives report that their organization does not provide any compensation. The others offer food (usually only lunch at the company's cafeteria), travel (gas reimbursement) or compensation (well below minimum wage). Corroborating the notions of institutionalization, both employers and students viewed the employment practices in the sport industry as “the nature of the business.” Grounded in the results of this pilot study, two qualitative instruments were developed using the tenets of institutionalization and a phenomenological approach. These instruments were used to conduct interviews with students and sport organization representatives.

Empirically, this study seeks to identify the role “the uniqueness of sport” plays in perpetuating biased institutions. The multilevel framework, may suggest which level (micro or meso-macro) is the best catalyst for institutional change. Practically, this research provides sport managers with the unintended negative consequences of their institutional practices, while also suggesting recommendations for change. Finally, this study provides recommendations for institutional change that can make access and opportunities to sport management careers more equitable.

The final presentation will include finalized results, conclusive themes, a cyclical model of privilege in sport management, recommendations for organizational change, limitations, and future research.