

A Model of Corruption in Intercollegiate Athletics: The Impact of NCAA Violations on Organizational Success

Lisa Kihl, University of Minnesota

Mansour Ndiaye, University of Connecticut

Janet Fink, University of Massachusetts, Amherst

Ethics

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Corruption is a complex and multifaceted phenomenon (Andvig & Fjeldstad, 2001; Kihl, Richardson, & Campisi, 2008; Luo, 2004). Broadly defined corruption consists of those practices that violate organizational rules and norms for personal or group gain (Zyglidopoulos & Fleming, 2008). Reported cases of corruption in National Collegiate Athletic Association (NCAA) Division I athletic programs include various types of bribery (e.g., inappropriate inducements to recruits and impermissible benefits), fraud (e.g., academic and out of season workouts), and a lack of oversight (e.g., university officials failing to monitor programs or failing to stop corrupt acts). Different forms of corrupt acts can be categorized relative to their extent as well. This extent has been defined as intensity (i.e., quantity and gravity) and hierarchies involved (i.e., levels of organizational involvement) (Luo, 2004). Current literature suggests the form and extent of corrupt activities affect organizations differently (e.g., Baucus & Baucus, 1997) requiring different types of analysis (Maanning, 2005) in different contexts, and therefore making comparisons of corruption's impact to sport programs' success difficult.

Studies show that consequences on organizations differ by the form (e.g., fraud, bribery, favoritism) (Davidson & Worrell, 1992; Luo, 2004; Strachan et al., 1983) and extent of the corrupt act (Baucus & Baucus, 1997). Luo (2004) argued bribery is the primary form of corruption in organizations over fraud, extortion and favoritism. However, little theoretical support exists for proposing relationships with specific forms of violations. The nature of these relationships is unknown, that is, a program's form of violations, its impact on success, and how it varies based on the form of the violation(s) is unclear. Serious (i.e., intensity and hierarchies) violations can have a lasting effect on an organization (Baucus & Baucus, 1997; Hughes & Shank, 2008). Harsh penalties are generally the consequence of serious corruption which can have both multiple and lasting effects on an organization including affecting the long-term reputation of a firm, generation of ongoing negative publicity, and poor performance (Baucus & Baucus, 1997). However, in the context of intercollegiate athletics, research has found mixed results about the impact of penalties on team performance (e.g., Mahoney, Fink, & Pastore, 1999; Perry, 2002). Mahoney et al. (1999) found programs under NCAA probation had a minimal impact on team performance. Conversely, Perry (2002) found a reduction in on-the-field success of men's basketball and football programs under NCAA major violation penalties; however, significance varied by sport and penalties.

Despite this literature, minimal research specifically delineates how the form and extent of corruption impact sport organizational performance. Surprisingly, in the context of intercollegiate athletics, where many serious cases of corruption occur in men's basketball and football, we do not have a sound understanding of the varying aspects of corruption and the extent to which the violations impact these respective programs' organizational success. Therefore, the purpose of this study is to propose and test a model of corruption in intercollegiate athletics that seeks to achieve two main objectives. First, we investigate the enduring effects of the form and the extent of NCAA violations on institutional reputation. Second, we explore the mechanism through which the form and extent of the violations impact organizational success. We anticipate this relationship will be mediated by institutional reputation. Data collection for this study is ongoing, and the focus is on NCAA Division FBS and FCS football and Division I men's basketball. The rationale for context selection is related to the high profile nature of these programs combined with the fact that most major infractions occur in these two sports (NCAA, 2012). Data were collected from the NCAA's infractions database (LSDBi), where we identified and included major infractions cases that occurred only in a single program (i.e., football or men's basketball, N = approximately 200). Instances where major violations occurred in two or more sports at the same institution were excluded. The form and extent of corruption were operationalized based on the corruption literature and NCAA definitions of seriousness. Form was categorized into bribery, fraud, and lack of oversight (or their combinations) while extent was categorized into three levels of seriousness high, medium, and low for each sport program based on the extent of the infraction. Extent was operationalized based on the previous literature and independent analysis amongst two of the researchers resulting in category consensus.

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Institutional reputation was obtained from the United States New and World Report academic ranking data based on the year the corruption was exposed. Sport ranking was collected from the NCAA database of ranked sport programs at the year the corruption was reported. Organizational success was operationalized as a formative variable and was defined as a combination of average win/loss record, average attendance, average revenue, and average recruiting ranking for each sport program at a time period of five consecutive years immediately after the major penalties were imposed. A period of five years was chosen based on the fact that the effect of penalties might not be immediately apparent.

To test the hypothesized relationships of our model, a three-step process will be used to analyze the collected data. After data entry, an examination of the correlations between the exogenous and endogenous variables will be performed. Next, descriptive statistics about the form and extent of the violations will be examined in order to understand the overall make-up of the sample in the study. Finally, a SEM analysis (i.e., path analysis) will be performed to assess the goodness-of-fit of the overall model. Toward that end, we will follow current practice and recommendations (e.g. Boomsma, 2000, Kline, 2010; McDonald & Ho, 2002) to report and interpret our results using the following set of fit indices (a) the model chi-square, (b) the Steiger-Lind root mean square error of approximation (RMSEA) with 90% confidence interval, (c) the Bentler comparative fit index (CFI) and (d) the standardized root mean square residual (SRMR).

Results will be presented and discussed. Theoretical and practical implications regarding this study will be explained in further detail during the presentation.

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