

2013 North American Society for Sport Management Conference (NASSM 2013)

Determinations of a Novelty Effect for Universities Considering Athletic Association Reclassification

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Economics

Saturday, June 1, 2013

**20-minute oral presentation
(including questions)**

Abstract 2013-287

2:00 PM

(Room 415)

According to Collins (2012), “athletics strategy is a collective term that describes a specific course of action within the intercollegiate athletics program” (p. 21). This strategy is intended to meet the long-term goals and objectives of both a university’s athletic department and the institution overall. Initiatives often included within the athletics strategy involve the addition of new sports programs, the construction of new athletic facilities, and a change of conference affiliation or reclassification of an entire athletics program to a different level of competition (Collins, 2012).

Recently, university reclassification has been a highly discussed topic as schools have desired entrance into the National Collegiate Athletic Association (NCAA) Division I (Adelson, 2012). Various members of the media as well as members of specific fan nations have engaged on the potential of entering Division I for athletics (Adelson, 2012). Several researchers have noted that the decision to reclassify from a lower division within the NCAA (Division II or Division III) can forever alter an institution’s support of their athletic programs (Schwarz, 1998; Cross, 1999; Tomasini, 2003, 2005). Reclassification can also take the form of schools not affiliated with the NCAA [e.g. National Association of Intercollegiate Athletics (NAIA); United States Collegiate Athletic Association (USCAA); and National Junior College Athletic Association (NJCAA)].

The ascension into Division I overall can be a tedious, complex, and expensive process that has the ability to impact the internal and external constituencies of an institution (Weaver, 2010). In addition, the mobility into a higher grouping can cause a wide array of reactions from the on-campus community determining if the increased commitment to athletics will have a positive or negative impact to the academic nature of the university (Putler & Wolfe, 1999; Weaver, 2010). Reclassification can be considered an organizational change as institutions will alter, or be forced to alter, many policies and procedures in order to adapt to their new surroundings.

Several researchers have noted that university administrators have often viewed intercollegiate athletics as a means to generate publicity and increase enrollment (Chu, Segrave, & Becker, 1985; Hart-Nibbrig & Cottingham, 1986; Brooks & Althouse, 1993; Weaver, 2010; Collins, 2012). Collins (2012) further noted that university leaders believe that athletics can be effective in generating new resources for the respective institution. Specifically, university leaders feel that athletics can boost admission applications for a university. This traces back as far as 1901 with institutions such as Harvard and Yale (Clotfelter, 2011).

More recently, Weaver (2010) conducted a case study on Elon University, a small private college located in North Carolina that underwent a reclassification from NAIA to the NCAA Division II to Division I in 1997. Based on interviews with various Elon officials, Weaver (2010) noted that the philosophy of the school was to shift from a local and regional admissions strategy to a national and international strategy. Keller (2004) also noted that Elon officials felt a move into the NCAA would serve as a better long-term strategy for the university and would fit with the overall marketing plan that Elon was implementing.

Finally, Seattle University serves as another example of an institution that has reclassified by transitioning from the NAIA to the NCAA Division II, then to Division I starting in 2008 (Kettering, 2010). Seattle University Dean of the Albers School of Business, Joe Phillips, highlighted reclassification in order to improve the campus life of the students; maintain relationships with alumni; and attract students from different regions of the world (Kettering, 2010).

Both of these examples highlight the “Flutie Effect” in terms of student applications. Collins (2012) noted the “Flutie

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Effect” describes the increase in student applications and enrollment in 1985 to the success of Boston College and specifically Heisman Trophy Quarterback Doug Flutie in 1984. Other examples of the “Flutie Effect” were seen by George Mason University following their success in the 2005 NCAA Men’s Basketball Tournament (Johnson, 2006) and Northwestern University following its Big Ten Football Championship in 1995 (Goff, 2000).

While researchers have noted that the “Flutie Effect” does occur based on sport success, there are several limitations based on this methodology. Specifically, studies on the “Flutie Effect” only consider the initial increase to student applications instead of a longitudinal application. In addition, the “Flutie Effect” only utilizes result based successes opposed to the organizational changes that Athletic Directors engage when considering reclassification.

The proposed research will address both of these limitations and provide a quantitative analysis to determine if a reclassification has a substantial impact on a university, mainly the number of freshman applications and freshman enrollment at institutions transitioning from the NAIA to the NCAA. According to Smith (2011), over 300 schools have joined the NCAA from other athletic associations since 1980.

The dependent variable for this proposed research will be the application and enrollment data of universities within the Integrated Postsecondary Education Data System (IPEDS) website since 1984. To analyze this data, the proposed research will follow the “Novelty Effect” methodology, which found a short-term attendance increase due to the newness of a facility (Coates & Humphreys, 2005; Quick & Fort, 1997). For the proposed research, the independent variable will be the athletic association status of each school included in the sample. This will be recorded based on a 1/0 dichotomous variable with a value of 1 indicating a school is a member of the NCAA and 0 indicating a school is not. To control for specific academic factors within institutions, a 1/0 dichotomous variable will be utilized. The value of 1 indicates the university has certain academic compartments such as a Graduate School, Law School, or Medical School while a value of 0 indicates the school does not have those elements. To control for team success, the number of wins by football, men’s and women’s basketball, baseball, and softball will be staggered by one year. Other control variables include university application fees and the U.S. News and World Report school rankings.

Due to the dependent variable being a continuous variable, an Ordinary Least Squares Regression (OLS) will be estimated. The results from the OLS regression can have important implications all universities considering a reclassification either into or within the NCAA. Specifically, university and athletic administrators should consider if an athletic reclassification will achieve their desired results in terms of enrollment and exposure. Kettering (2010) noted that the reclassification process has a lengthy probationary process that could limit any potential gains university officials hope to achieve. For researchers, the proposed research will provide an effective quantitative analysis that will reduce future limitations to reclassification studies.