From the Bench to the Front Office: Is NHL Playing or Coaching Experience Related to Success as a General Manager?

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Sport has proven particularly conducive for examining questions posed within the field of strategic management (Gerrard, 2003; Shilbury, 2012; Todd, Crook, & Barilla, 2005; Wolfe et al., 2005). The overarching objective of research within strategic management is to gain a greater understanding of firm performance (Meyer, 1991; Rumelt, Schendel, & Teece, 1991). The field of strategic management, more than any other body of research, has brought the problems and perspectives of organizations’ top managers to the fore (Hambrick, 1989). Some of strategic management’s most intellectually stimulating work has been focused on the internal workings of organizations’ top management teams (TMTs) and chief executive officers (CEOs), and how these individuals formulate and implement organizational strategies (e.g., Finkelstein & Hambrick, 1990; 1996; Finkelstein, Hambrick, & Cannella, 2008; Hambrick & Mason, 1984). Underlying this entire line of research is the notion that ‘management matters,’ and that senior executives may have a legitimate impact on the performance outcomes of their organizations (Hambrick & Mason, 1984).

In the context of professional sports, the relationship between senior executives and organizational outcomes is of great interest since TMTs have a direct responsibility for overseeing a significant portion of the organization’s personnel-related matters (Gamson & Scotch, 1964; Wong & Deubert, 2010). Specifically, the selection of player talent is amenable to influence by the decision making of clubs’ front office executives, particularly its General Manager (GM). Policies and decisions regarding whom to scout, whom to draft, whom to promote, whom to demote, whom to acquire, and whom to trade away are all elements that are managed to some degree by a club’s GM (Gamson & Scotch, 1964). Beyond the obvious role played by the GM in terms of developing and implementing the appropriate people management systems, this senior executive serves as a strategic human resource in itself.

Originally conceptualized by Hambrick and Mason (1984), the upper echelons perspective (UEP) has become a dominant framework in the study of strategic decision making across a great number of disciplines. Over the past three decades, the work of these authors has been cited in over 500 refereed journal publications, lending credence to the applicability of the UEP when studying TMTs (Carpenter, 2005; Carpenter, Geletkanycz, & Sanders, 2004). As a theoretical framework, the UEP is based on three central tenets: 1) that strategic choices made in firms are reflections of the values and cognitive bases of powerful actors (i.e., ‘bounded rationality’); 2) that the values and cognitive bases of such actors are a function of their observable characteristics (i.e., demographic proxies), and; 3) that significant organizational outcomes will be associated with the observable characteristics of those actors (Hambrick & Mason, 1984). To compensate for shortcomings in accessibility and instrumentation, the UEP uses demographic variables as proxies for the underlying psychological constructs that shape senior executives’ interpretations of business situations in formulating and implementing appropriate strategic alternatives (Carpenter et al., 2004; Hambrick, 2007).

In the context of the National Hockey League (NHL), the selection and development of player resources are critical to organizational performance (Farris, 2011). Consistent with the UEP, it is believed that the cognitions, values, and perceptions of NHL GMs, along with their undeniable influence on the process of strategic choice, are associated with significant team level outcomes. Drawing upon theory and literature related to the UEP, the purpose of this study is to investigate how experience and effectiveness as a NHL coach and/or player is related to one’s success as a NHL GM, and how these effects may have changed over time.

According to Hambrick (2007), “...executives’ characteristics serve to filter and distort information in a three-step process: executives’ experiences, values, and personalities affect their (1) field of vision (the directions that they look
“and listen), (2) selective perception (what they actually see and hear), and (3) interpretation (how they attach meaning to what they see and hear)” (p. 337). On this basis, we employ a series of regression models to explore the effects of NHL coaching tenure (in games), NHL coaching effectiveness (as win percentage), NHL playing tenure (in games), and age upon first being hired as a GM (in years) on one’s success as a GM in the NHL (in games, win percentage, playoff appearances, and Stanley Cup Championships), while controlling for normalized team payroll, from the 1989-1990 through 2013-2014 seasons (n = 95). A MANOVA with follow-up univariate ANOVAs will be used to assess how, if at all, the strength of these relationships may have changed over time.

This presentation will share the results from both sets of analyses with the hopes of informing NHL franchise owners about the effects of hiring GMs with previous NHL coaching and/or playing experience. From a theoretical standpoint, this research provides a direct response to calls from both Slack (1996) and Shilbury (2012) for more strategy research within the field of sport management, while adding to the limited UEP research that has been previously conducted within the domain (Dixon, 2007; Juravich, 2013; Juravich & Babiak, 2012).