Aspirations through Associations: Using Division III Athletics to Enhance Institutional Status and Reputation

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Sport organizations regularly encounter decisions regarding the extent of commitment to a venture or course of action. Often, these circumstances challenge decision makers to forecast the success of a venture or course of action in determining the most efficient and effective means of resource allocation. Among higher education institutions in the United States, increasing commitment to and subsequent investment in intercollegiate athletics has long been common practice in hopes that increased financial support will translate into athletic success, thus producing direct and indirect benefits for the institution (Goff, 2000). While there are a variety of avenues for increasing commitment to athletics, one of the most common has been reclassifying to a more competitive division within the National Collegiate Athletic Association (NCAA). Since NCAA v. Board of Regents of the University of Oklahoma, et al. (1984), the most sought after level of competition has been membership within Division I due to the potential for financial and other spillover benefits (e.g., additional exposure, increased enrollment, donor contributions) (Frieder & Fulks, 2007).

Beyond Division I, institutions at lower levels of the NCAA and alternate athletic associations have also increased commitment to athletics via reclassification. Due to the starkly different circumstances of these lower divisions and associations—notably limited revenue generation and national exposure—select institutions have been motivated by the prospect of increased institutional status and reputation as a purported benefit (Ashburn, 2007; Tech State, 2013). Yet, the decision to increase commitment to either higher or lower levels of athletic competition holds the potential for substantially higher expenses for an institution. Further, decisions to increase commitment are often made with limited empirical evidence of the overall impact on or return to the institution (Feezell, 2009). Such behavior alludes to escalation of commitment theory (see Staw, 1976), as institutions may increase and maintain commitment to a venture or course of action that does not produce the desired outcome. Therefore, the purpose of this study was to examine the impact of lower level divisional reclassification on purported spillover benefits, specifically institutional status and reputation. Using a former National Junior College Athletic Association (NJCAA) institution’s reclassification to NCAA Division III as the setting, this study sought to answer the following research questions:

RQ1: What is the effect of athletic division classification on an institution’s status and reputation?

RQ2: What is the effect of athletic division classification on students’ decision to enroll at an institution?

For the current study, the institution of interest is Tech State (pseudonym), a college with approximate enrollment of 3,500 students located in the northeast region of the United States. Tech State was accepted as a provisional member in NCAA Division III during the 2012-2013 academic year. Though significant financial investment was required, Tech State administrators argued that reclassification would have many spillover benefits for the institution, most notably positive impacts on status and reputation factors such as enrollment. In order to examine the effect of division classification on status and reputation, several variables measuring status and reputation will be collected from the IPEDS Data Center and the Equity in Athletics Disclosure Act (EADA) reports from Tech State’s final three years competing in NJCAA (2010-2012) and first three years competing in NCAA Division III (2013-2015). Specifically, academic status variables will include: (1) number of applicants, (2) number of SAT and ACT test scores submitted, (3) average SAT and ACT test scores of incoming freshman, (4) student enrollment, (5) athlete enrollment, and (6) endowment. Tech State’s reputation will be measured by it’s annual U.S. News and World Report rankings. Finally, data from the U.S. Department of Education will be collected to control for general trends in higher education enrollment. Moreover, survey data from Tech State students (n=184) were collected in Spring 2015 to assess the effect of the institution’s division classification on their enrollment decisions. The 10-item survey
was measured on a 5-point Likert-type scale and included questions such as “I would not be a student at Tech State if the athletic department did not have NCAA DIII membership.”

Once all data are collected, a one-way multivariate analysis of covariance (MANCOVA) will be conducted to examine the effect of division classification on status variables, controlling for higher education enrollment trend. Prior to conducting the MANCOVA, correlations will be examined in order to test the assumption that dependent variables are correlated with each other in a moderate range (i.e., .20 - .60; Meyers, Gampst, & Guarino, 2006). If the MANCOVA is significant, follow-up one-way analyses of variance (ANOVAs) results will be examined, with a Bonferroni correction (/number of ANOVAs) being utilized to control for Type I error.

A separate one-way analysis of covariance (ANCOVA) will be conducted to examine the effect of division classification on reputation, controlling for nationwide enrollment trends. This is being done because status variables (e.g., SAT test scores) are used to calculate U.S. News and World Report Rankings (i.e., reputation). Thus, the independence of variables assumption will be violated if the reputation variable is included in the same analysis as the status variables.

The effect of division classification on students’ decisions to enroll at Tech State was analyzed with a one-sample t-test on a three-item attendance scale (= .84). The analysis was significant, t(183) = -9.38, p = .000, with mean scores (M = 2.24, SD = 1.10) falling below the mid-point value of the scale (i.e., 3). This indicates that, on average, students did not believe that division classification influenced their decision to attend Tech State. Next, a follow-up independent samples t-test was conducted to determine whether the effect of division classification on students’ decision to attend Tech State differed for athletes (n = 68) when compared to non-athletes (n = 116). Levene’s Test for Equality of Variances was not significant. The t-test was statistically significant, t(182) = -6.968, p = .000, with athletic division classification having a greater influence on athlete’s (M = 2.90, SD = 1.06) decision to attend than non-athletes (M = 1.85, SD = .93). However, mean values for both groups fell below the mean value of the attendance scale (i.e., 3) suggesting that while the difference was statistically significant, division classification did not practically affect either group’s decision.

While this project is in progress, initial analysis of survey data indicates a negligible return on the increased commitment to athletics at this lower-level NCAA institution. The reclassification to Division III did not have a significant effect on students’ enrollment decisions and might not have an effect on the status or reputation of Tech State. This may be due to the noticeably less attention Division III athletics receive and lack of athletic scholarships offered compared to universities that reclassify to the Division I level. Thus, various universities may not realize enhanced status or reputation as expected. Although initial data analyses provide little corroboration that institutional status or reputation is benefited by reclassification to NCAA Division III, escalation of commitment theory (Hutchinson & Berg, 2015) suggests that a university’s leaders will likely continue with this course of action even when evidence demonstrates a different approach is needed. Given that the highest percentage of NCAA institutions are classified as Division III members, perhaps such universities should exercise caution when deciding to use athletics as a means to enhance their status or reputation.