Under Pressure?: An Exploration in Managing Stakeholder Interests and Priorities in High School Athletics

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The landscape of high school sport is changing. State budgets are shrinking for education which has led high school athletic directors to change the way they manage their department. Participation fees, booster clubs, commercialization, and other techniques are being engaged to raise necessary funds for the continuation of the athletic department (NIAAA, 2013; Nelson & Gazley, 2014). As a consequence, athletic directors are now engaging more stakeholders as they seek financial and other forms of support. The goal of this research aims to uncover the processes and approaches that athletic directors use in order to balance the interests and power of multiple stakeholders in the context of interscholastic sport. Stakeholder theory offers a perspective which integrates, accounts for, and explains the varying and often competing, interests and expectations of a variety of individuals and groups (Freeman et al., 2010; Laplume et al., 2008). The scholarly literature, however, tends to focus on organizational level perspectives and very little is known about the individual level decision-making process and choices regarding how stakeholders are managed (Reynolds et al., 2006). This study aims to address this gap by investigating at the individual level of analysis (i.e., the athletic director), the mechanisms used in maneuvering a changing sport landscape with powerful and vocal stakeholders.

Stakeholder theory developed as a strategy that calls organizations to be cognizant of stakeholders to achieve strong organizational performance. Freeman (1984) believed that organizations should be managed in the interest of all their constituents, not only those who have a share in the organization. Understanding the interests, pressure, and power tactics stakeholders might employ plays an instrumental role in the performance of the organization. The definition of who is a stakeholder has evolved (see Mitchell, Agle, & Wood, 1997), although the most commonly used definition is “Any group or individual who can affect or is affected by the achievement of the organization’s objectives” (Freeman, 1984, p. 46). Stakeholders have been classified and categorized in a number of ways, from the degree of prioritization from primary and secondary (Freeman, Harrison, & Wicks, 2007), to stakeholder salience which considers the stakeholder’s power, urgency, and legitimacy (Mitchell, Agle, & Wood, 1997), to the influence strategies they employ (Frooman, 1999). Beyond identifying relevant stakeholders in the interscholastic athletic domain, this study will examine how the salience of the various stakeholder groups, their unique interests, and their influence strategies affect the choices athletic directors make. In order to do this, the decision-making literature was considered.

Decision-making can be a difficult process, particularly when the decision maker is trying to balance the needs of multiple stakeholders. At the individual level of stakeholder theory, understanding decision making is essential to understanding the process of stakeholder management. Reynolds et al. (2006) focused on two types of decision-making schemes for managing stakeholders. The within-decision scheme focuses on each decision being a separate occurrence where the stakeholder(s) considered does not influence the next decision. The other across decision-making scheme focuses on stakeholder equity across multiple decisions where the stakeholder satisfied in one decision may influence subsequent decisions. Reynolds et al. (2006) found that managers use both approaches depending on the conditions of the decision-making situation. These findings allow for further development around the processes as to why each approach was used, and under what circumstances. This study will build on this by qualitatively understanding the conditions, processes and strategies underpinning the decisions made, not just the decision-making scheme used.

Methods

The sample for this study was public high school athletic directors in one state. This focus will allow for a control of statewide education policies to be similar across all participants. Athletic directors were chosen using a stratified sampling technique, this purposeful selection allowed for representativeness of diverse school settings and collection
Preliminary Findings:

Preliminary findings suggest a decision-making approach that engages stakeholders in the decision process particularly on politically charged decisions such as the hiring of coaches or policy changes. A decision such as hiring a coach in ‘media-driven’ sports like football and basketball was classified as ‘political’ by the athletic directors in that the visibility made for higher stakes for the program, school, and the community. Engaging stakeholders also occurred when making policy changes, particularly around eligibility and academic requirements. Athletic directors cited various strategic reasons for engaging stakeholders from garnering their input and expertise, to shared ownership of the decision which makes the buy-in stronger and in turn helps diffuse the blame, and to show transparency of the decisions made.

These findings build on the work by Reynolds and colleagues (2006) by suggesting another decision-making scheme, which has ties to the literature on participative decision-making. Participative decision-making in schools is not a new phenomenon but has typically been reserved for relationships of subordination with the principal including the teachers in the decision process (Ardichvili, 2001; Hoy & Tartar, 1993; Yukl, 2002). This study suggests a decision-making approach of inclusiveness in which stakeholders above and below, internal and external, to the organizational are included in making the decision. The use of participative decision-making helps to engage a sense of collectivism (Mokoena, 2015; Somech & Ron, 2007; Reeves et al., 2012), increase the level of perceived commitment to the organization (Bogler & Somech, 2004), and increase perceptions of procedural fairness and therefore commitment to the decision and the organization (Koorsgard et al., 1995).

Implications for practice and for future research:

This study suggests a line of further research particularly with the connection of values and decision-making approach. Sport participation and support often ensues a collectivistic mentality of ‘we’ and ‘us.’ Future research should look at the value of sport to each individual stakeholder or stakeholder group and how this is influenced in their level of involvement with the athletic department. This could be similar to previous work by Putler & Wolfe (1999) except at the interscholastic level revenue is not a consideration, and understanding within each stakeholder group the differences in priorities (i.e. parents of athletes versus non-athletes). In particular, future research should look at the perspective of teachers, teacher-coaches, and coaches with regards to the value of sport participation to students and their engagement in athletic department support.