Dynamic Capabilities in National Governing Bodies of Sport

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Organizations of all types are striving to develop their ability to innovate as a central strategy for growth. Modern prescriptions for addressing this run the gamut from allowing employee tinkering time to creating an internal entrepreneurial spirit. Scholars have been busy attempting to isolate these various practices to determine their effect on an organization’s ability to consistently innovate. While that research continues to advance, there is very little universal advice to offer organizations seeking to enhance innovation capacities. What works for one organization may not work for another, thus reliable prescriptive advice is difficult to provide without knowing the type of organization receiving the advice (Duening, 2007).

The organizational focus of this study is U.S. National Governing Bodies of Sport (NGBs) in four Olympic sports (gymnastics, cycling, wrestling and sailing). NGBs of sport work in an intensely competitive and high-pressured environment. While such characteristics may be seen to be integral to sport, the macro-level influences of globalization, commercialization and governmentalization have intensified the level of competition between nations and the desire for success (Houlihan, 2008). Today, it is common to see national governments, National Olympic Committees (NOCs) and commercial sponsors invest hundreds of millions of dollars into sport, to apply innovative techniques to manage current performance, to methodically and strategically plan to maximize future medal winning prospects, and to use science (both within and outside of the rules) to push the boundaries of what is possible in sport. Alongside the quest for elite sport success, the majority of NGBs of sport are also responsible for governing their sport domestically including player development, child protection, coach education, and liaison with leagues and teams, they provide support services to their membership, seek to grow mass sports participation, and manage a range of commercial relationships. In short, we argue that the combination of these varied goals, the nature of the work, and the resource dependency of many NGBs make for a highly competitive and challenging work environment. It is in such environments where dynamic capabilities (i.e., resources dedicated to the iterative integration, creation, and recombination of internal and external competencies meant to adapt to rapidly changing environments (Teece, et al., 1997)) can make a significant difference to organizations, enabling them to systematically generate and modify operating routines in pursuit of improved effectiveness (Zollo & Winter, 2002).

The purpose of this paper is to identify the extent to which dynamic capabilities have influenced NGB performance on four key performance indicators: revenue, mass participation, success in international competition and new market development and penetration. These performance indicators are highly relevant to the overall purpose and goals of all NGBs involved in the study. The purpose of research into dynamic capabilities is to understand how firms sustain or create a competitive advantage by responding to, and creating, environment change (Teece, 2007). Such a broad purpose requires that dynamic capabilities research have an equally broad set of variables that it examines. Scholars have examined dynamic capabilities from the perspectives of management decision processes, organizational routines, organizational learning, absorptive capacity and others (Helfat, 2009). While the literature on dynamic capabilities is broad, we contend that it is converging on several high level organizational capacities that are critical. In the context of NGBs we aggregate the insights from the literature into four specific categories: organizational learning (ability to gather and transfer knowledge across the organization and its partner associations), market alignment (ability to gather, analyse and use knowledge from its changing markets), resource acquisition (the acquisition of financial, social and human capital) and innovation and effectual logic (the organization’s entrepreneurial capacity).

The study is based on a quantitative and qualitative research methods. An initial quantitative analysis was undertaken to identify the performance of NGBs based on mass participation and elite performance. A matrix showing sports by mass participation (increasing participation/decreasing participation) and Olympic Games performance...
(increasing medals decreasing medals) was developed with four sports reporting increased mass participation and increased medal count and four sports with decreased mass participation and decreased medals. From these eight sports, four (two increasing and two decreasing) were invited to take part in semi-structured interviews. The semi-structured interviews were facilitated by a team of three researchers and completed with the Executive Director of each NGB either through a face-to-face interview or over the phone. All interviews lasted between 45-90 minutes and were digitally recorded and transcribed for qualitative analysis. Copies of the transcripts were sent to all interviewees to check for accuracy. The data were analysed using a constant comparative approach involving frequent iterations between data and emerging theory (Glaser & Strauss, 1967). After conducting the interviews, and reading and analyzing the transcripts, the team of researchers engaged in memo writing to summarize the key insights from each interview. We then compared key insights across the memos and used these insights to identify open codes (first order codes - portions of text with one coherent message). We are currently at undertaking axial coding (or second order coding) to identify any relationships between the codes.

Although we have yet to complete the full analysis of the transcripts early analysis indicates that successful NGBs demonstrated important dynamic capabilities such as new product development, strategic decision-making and alliancing. Further, the NGBs ability to attract, retain and enact entrepreneurial leadership was viewed as an antecedent to their ability to develop and execute dynamic capabilities. While such leaders are constrained by the broader situational context of the NGB they are able to cultivate the appropriate set of initiating conditions (i.e. money, membership, human resources) that are conducive to entrepreneurial action enabling them to enact meaningful change in their NGB. The research suggests that routines (i.e. initiating conditions and entrepreneurial leadership) are important to NGBs, guiding them through their repeatable processes in between and during the Olympic Games cycles. However, change was seen to happen in high performing NGBs because of dynamic capabilities, which do not necessarily occur on a four-year timeline and incur additional levels of risk for the organization and their leadership. The findings and discussion for this paper will be developed further over the next two to three months.
Creating Organizational Impression Congruence: Case Study of a Professional Golf Event

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Organizational impression management is a key task for organizations in every industry (Elsbach, 2003), including those in the sport industry. For sport service organizations, however, this task is more complex, as they must account for images projected to consumers at multiple organizational levels. For example, an attendee at a sport event will likely encounter images projected at the organizational level (e.g., marketing communications) as well as those projected by consumer-facing staff (employee level). The majority of scholars have focused on the impression management of individuals (e.g., Leary & Kowlaski, 1991) or organizations (e.g., Elsbach, 2003); however, it is important to examine cross-level and multi-level effects in order to understand how different organizational actors contribute to image projection to external audiences (e.g., consumers) (Bolino, Kacmar, Turnley, & Gilstrap, 2008).

As such, Brandon-Lai, Armstrong, and Ferris (in press) proposed a conceptual model of organizational impression congruence (OrgIC), in which they suggested that congruence between images projected at multiple organizational levels would likely result in the formation of desired positive impressions among external audiences, and ultimately favorable consumer behaviors. Conversely, incongruence in multi-level image projection would lead audiences to experience cognitive dissonance, potentially resulting in the termination of service (see Elliot & Devine, 1994; Festinger, 1957).

While every organization would presumably like to project a coherent image to consumers, and achieve their desired impressions, achieving congruence across organizational levels is by no means an easy feat. In order to gain insights into the ways in which sport service organizations try to attain OrgIC, we have embarked on an investigation of the practices and procedures of one of the world’s most prominent professional golf tournaments. Due to our agreement with the tournament organizers, we are not at liberty to divulge its name. Through our investigation, we will provide insights into a number of antecedents of image projection at different organizational levels, including (a) the strategic formulation of desired organizational images; (b) the design and implementation of event-related marketing communications; (c) the creation of training materials for consumer-facing event staff; and (d) the delivery of training to consumer-facing event staff. This will enable us to assess how and where in/congruence occurs within a sport service organization, and discuss the implications of managerial actions at or between organizational levels.

Methods
In order to examine these antecedents of image projection, and address the various components of Brandon-Lai et al.’s (in press) model of OrgIC, we are conducting an ethnographic study of the aforementioned golf tournament. This involves a number of components, including interviews with consumer-facing staff during their formal training and after the event; analysis of written reflections of consumer-facing staff regarding their experience working the event; interviews with managers and directors involved in the organization and execution of the event; and observations made during our attendance at the event.

*It should be noted that some components of this research are yet to be conducted at the time of abstract submission; however, we conducted a complete set of pilot data during last year’s tournament. As such, we are familiar with the necessary timeline. Furthermore, arrangements have already been made with all relevant parties to ensure data will be collected and analyzed in advance of the prospective presentation at NASSM.*

Interview transcripts and written reflections will be analyzed using content analysis. This type of analysis was selected as categories “are often derived from theoretical models: categories are brought to the empirical material and not necessarily developed from it” (Flick, 2009, p. 323). This lends itself well to this particular study, given that our investigation is framed using the OrgIC model. Interview guides were developed based on the theories of self-presentation (Baumesiter, 1982; Goffman, 1959), organizational impression management (Elsbach, 2003; see also...
Jones & Pittman, 1982), and conceptualizations of reputation (Rindova, Williamson, & Petkova, 2010; Rindova, 1997; Whetten & Mackey, 2002) that underpin the model. Member checking will be used to verify the accuracy of our interpretations.

Observations of consumer-facing staff at the event will be recorded in field notes, with particular emphasis on their impression management actions/tactics (Jones & Pittman, 1982; Tedeschi & Reiss, 1981). This will enable comparisons to be drawn between un/intended image projection at the employee level, organizational images projected to staff during training, and image projection to external audiences at the organizational level.

Results & Discussion

Although analysis will be subject to the collection of all empirical material, some insights are offered here based on our pilot data from the previous year’s tournament. In their discussion of the conceptual model of OrgIC, Brandon-Lai et al. (in press) refer to the temporary nature of employment for event staff in the sport industry; thus, it was assumed that training in impression management tactics would be more feasible than attempting to instill organizational values. However, given the extended training period (67 hours) available in the present context, attempting to promote desired image projection through authenticity (Golant, 2012) becomes more feasible.

To this end, training materials were created by the organization’s top management teams in line with the strategic direction (and thus desired image) of the tournament. This was then provided to the middle-managers responsible for training consumer-facing event staff. The clear “top-down” communication of the brand identity of the event was integral to setting internal expectations for image projection through event-day interactions with consumers (see Gummesson, 2008; Rafiq & Ahmed, 2000). The content of the training materials themselves focused on the event’s brand identity as a high-end, international professional golf tournament, which was seen as being congruent with the content of marketing communications available to external audiences. The congruence between the different organizational levels appeared to produce coherent images that would result in cognitive consonance (Festinger, 1957), increasing the likelihood of favorable attitude formation among consumers.

The primary contributions of this research are (a) providing empirical material to support the importance of establishing OrgIC in communications and interactions with consumers; (b) understanding how multi-level managerial practice facilitates in/congruence; and (c) providing examples of managerial practice that contribute to in/congruence. Further results from the main study, and detailed implications, will be discussed in the prospective presentation.