Strategic Sports Management: An Analysis of Mission Statements in Professional Sport

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Despite mission statements being viewed as a widely used strategic tool that emphasizes an organization’s uniqueness and identity (Alegre & Berbegal-Mirabent, 2017), it would appear to be an overlooked task in strategic sport management. The content and character of mission statements matter for organizational effectiveness, and research has shown that firms who develop and systematically revisit mission statement, and consider them to be an integral part of a firm’s culture, realize great benefits (Rarick & Vitton, 1995; David, David, & David, 2016). These include: articulating a firm’s purpose or reason for being; aiding prioritization and strategy; providing a basis for allocation of resources; organizing work, departments, activities and segments around a common purpose; aligning an organization’s customers, products, services and markets; and defining concerns for growth, image, philosophy and survival (King & Cleland, 1979). Studies outside the sport environment have explored the relationship between mission statements and organizational specificities, however, relatively few have explored these relationships in a sport context.

This study employed a mixed method approach to identify core elements of mission statements in order to assess how they relate to organizational performance, communication and strategic outcomes. Researchers conducted an assessment of structure and quality of mission statements, assessed the utilization of the statements as they relate to strategic planning and organizational practice. The empirical, two-part study, included a content analysis of the mission statements of each of the 30 National Basketball Association (NBA) teams. The inventory was secured through an extensive search of league and team data sources. Analyzes assessing the nine key components of mission statements (David et. al., 2016), as well as a denotative and connotative review, utilizing the Fog Index to measure readability, were conducted (Cochran, David & Gibson, 2008). Additional components were examined utilizing a coefficient created by David et al. (2016). A follow-up was conducted with representatives of each of the NBA teams to ensure that data was current, and to identify participants for a Delphi study. Executives of each team were targeted to ensure reliable consensus of opinion among respondents.

Delphi studies operate on the principle that “several heads are better than one” in making subjective inferences about policy decisions or planning, and experts will make conjectures based upon rational judgment rather than merely guessing (Weaver, 1971). Studies comparing Delphi results with other methods (Ulschak, 1983) confirmed the effectiveness of the method in terms of generating ideas, use of participants’ time, and helping reach consensus. To ensure appropriate responses executives from each team were targeted. They were selected as those who would shed the greatest light on the utilization and effectiveness of mission statement with their respective teams, i.e., VP or Basketball Operation, VP of Business Development.

In a Delphi study, the development and administration of questionnaires is interconnected, and in this study multiple questionnaires were used. Participants agreed to receive and respond to a series of questionnaires over the course of multiple rounds until a consensus was found. The first questionnaire consisted of open-ended questions, as well as a 30-question Qualtrics quantitative instrument targeting identification, importance, use, and quality of missions statements. Based on the information collected during the first round, a series of structured items were developed. Participants were asked to utilize rank-order items and Likert rating to establish preliminary priorities. Participants were invited to comment on their rationale for ratings and to add supplementary items. Additional rounds were utilized to afford opportunities for re-rating and to allow for further classification of constructive measures. To assist in their consideration, participants were provided with: (a) statistical feedback related to their own rating on each item, (b) group rating of the same item, and (c) a summation of comments made participants. These feedback processes ensured respondents were aware of the range of opinions, and the reasons underlying those opinions.
Results from the empirical study found that only 9 of the 30 NBA teams had mission statements. Of the nine key mission statement components, identified by David et al. (2016), only one of the NBA teams addressed all nine components. In contrast, one of the mission statements addressed one component. In addition, none of the mission statements contained the eight components that Cochran et al. (2008) suggested should be elements of mission statements. The majority (55%) had a focus on self-image, while 22% had a primary focus on quality. The remaining statements had a community and/or customer focus. A denotative and connotative analysis of the statements was conducted to determine the readability and common understanding of the mission statement. The connotative analysis revealed optimism and activity scores of 4.1, an inspiration score of 3.8, certainty 3.7, aggressiveness/assertiveness 3.6 and concreteness 3.0. No scores toward applicability (to be denoted through assessment of final Delphi results) were revealed. The denotative measure, utilizing the Fog Index, (ideal scores are 7 to 8) produced scores ranging range of .24 to 1.44. A complete description of the two stages of the study, including the Delphi outcomes, will be presented.

Research suggests that there is a positive relationship between mission statements and financial performance (David et al., 2016). Despite the average value of an NBA franchise in 2017 being $1.36 billion (Forbes, 2017), reports released by ESPN suggest that nine NBA teams lost money in the 2016-2017 season. It is important for NBA teams to evaluate their strategic management practices and the study assesses a particular aspect of strategic management, mission statements. It will clarify the relative importance of specific components and their utilization, particularly as it relates to strategic business practices. Operational requirements for success emanate from a conceptual basis that has been well described and linked to clarity of mission, vision, goal and objective statements. Ultimately, we will be able to share the results and information with the league and teams to help enhance strategic business practice.