Addressing Hegemony and Homophily in Sport Entrepreneurship

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The parallels between sport and entrepreneurship have been enumerated in the literature (Ratten, 2015), and have formalized the study of sport entrepreneurship. One manifestation of sport entrepreneurship involves individuals leveraging their knowledge of the sport industry in order to generate financial and/or social capital (Ratten, 2012). Therefore, much of the research exploring individuals who manage sport ventures has observed athletes (Brison, Byron, & Baker, 2016; Brison, Baker, & Byron, 2013; 2015; Rehman and Frisby, 2000; Troilo, Bouchet, & Welty Peachey, 2014; Wilson, Van Luijk, & Boit, 2013). This body of research has found that well-known athletes and unknown athletes possess different set of advantages and disadvantages as they pursue financial and social endeavors.

However, being an athlete is a sufficient precondition for engaging in sport entrepreneurship, but it is obviously not necessary. Thus, the examination of sport entrepreneurs can be enhanced by examining sport entrepreneurs of all backgrounds and vocations. Moreover, investigations of sport entrepreneurs to date have frequently adopted a case study approach. The gravitation towards athlete-entrepreneurs and the use of case studies limits the investigation of sport entrepreneurship because the field has yet to build a generalizable model of who sport entrepreneurs are. Meanwhile, scholarship has espoused the importance of building profiles of entrepreneurs (Carland, How, Boulton, & Carland, 1984; Carland, Hoy, & Carland, 1988) in order to understand the mechanisms by which entrepreneurial opportunities are recognized and leveraged. In other words, charting a range of traits sport entrepreneurs possess will help sport entrepreneurship learn about how sport ventures come about, how they are managed, and why they succeed or fail.

Therefore, the purpose of this manuscript is to investigate successfully funded sport ventures and their founders in more detail. In so doing, the manuscript contributes two takeaways. First, it identifies which groups are least represented across a broad range of sport entrepreneurs. Sport is an industry characterized by hegemonic masculinity (Trujillo, 1991), whiteness (McDonald, 2004), and heterosexuality (Anderson, 2002; White & Clarke, 1999), so it is worth understanding how hegemony affects sport entrepreneurial and how sport entrepreneurship can be enhanced by marginalized groups. Overlay high technology’s similar reputation and the sport technology segment along with the sport entrepreneurship literature are both at risk of engendering homophily. Therefore, identifying which groups are absent from sport entrepreneurship can help identify institutional barriers (Carland, How, Boulton, & Carland, 1984; Carland, Hoy, & Carland, 1988). Second, the manuscript aims to identify what helps sport ventures become successful. Identifying the determinants of success for these sport entrepreneurs will generate implications for agency theory in the venture capital-entrepreneur context, where adverse selection generates disproportionate agency costs compared to other agency contexts (Arthurs & Busenitz, 2003).

The analysis combines a dataset containing information about 993 successfully funded sport ventures with the professional and personal information of their respective founders. The first phase of the project is a complete demographic analysis of the entrepreneurs in the sample. The second phase investigates the determinants of success for these ventures based on venture-level and founder-level factors.