A Place at the Table: How Sport Management Research Can Advance Institutional Theory

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Sport management scholars have become increasingly interested in the underlying mechanisms of organizational change, and academic discourse in this area has been controlled by variants of institutional theory. In this essay we reflect on the relationship of sport management research and institutional theory, addressing, in particular, the ways in which the sport industry can serve not only as a meaningful research context, but as an opportunity to gather theoretical insight that can advance institutional theory as a whole.

In sport management research, institutional theory has been used to explain – predominantly profound or radical – organizational change in governing bodies of amateur sports (Amis, Slack, & Hinings, 2002, 2004; Girginov & Sandanski, 2008; Hinings, Thibault, Slack, & Kikulis, 1996; Kikulis, 2000; Kikulis, Slack, & Hinings, 1992, 1995; Kikulis, Slack, Hinings, & Zimmermann, 1989; Slack & Hinings, 1992; Steen-Johnsen & Hanstad, 2008; Stevens, 2006; Stevens & Slack, 1998), professional leagues and franchises (Cousens, 1997; Cousens & Slack, 2005; Lamertz, Carney, Bastien, 2008; O’Brien & Slack, 1999, 2003, 2004), grassroots sport clubs (Skille, 2011; Skirstad & Chelladurai, 2011), and intercollegiate athletics departments (Welty Peachey & Bruening, 2011, 2012). These and other studies have, in a very short time, provided fellow scholars and practitioners alike with a wellspring of invaluable information on how to approach, analyze, and understand particular organizations’ responses to external and internal pressures. At the same time, as Washington and Patterson (2011) highlighted in their review of the use of institutional theory in sport, past research has been mostly concerned with the replication of familiar mechanisms in the sport setting, thus relegating sport to the role of simply yet another empirical research context. The authors concluded that sport research has thus far not capitalized enough on the rich and idiosyncratic setting the sport industry offers and has not yet taken the chance to use these distinct facets to advance institutional theory as a whole. While we agree with Washington and Patterson’s (2011) overall assertion, the aforementioned authors offered no systematic explanation of what distinct features are supposed to inform not only institutional theory in sport but advance the theory at large. Neither did the authors provide any rationale as to why there should be any features inherent to the sport industry that fit exceptionally well with institutional theory in the first place.

The goal of this essay is to highlight several distinctive features of the sport industry that in fact not only make sport a fertile empirical setting for research in institutional theory but that are well-suited to advance the understanding of institutionalism in general. Focusing in particular on professional sport in the United States – a grossly neglected research setting in institutional theory – we argue that sport’s distinct character manifests itself along three related dimensions. The first is its embeddedness in socio-political and cultural systems. As we will show in the following sport is deeply embedded in a variety of social and historical narratives and logics. Professional sports in the U.S. like basketball or baseball, for example, have constructed meaningful identities around their particular past and present, and umbrella organizations like the National Basketball Association (NBA) or Major League Baseball (MLB) are faced with distinct expectations on how to govern their sport. Second, we assert that the professional sport industry is indeed characterized by a set of heterogeneous stakeholders that can act as buffers and amplifiers of particular institutional pressures. Third, and, finally, professional sport is characterized by a particular form of governance – cartel structures that enable executives to “get away with a number of anti-competitive practices that would normally put the CEOs of business enterprises in jail” (Smith & Stewart, 2010, p. 11) – that are assumed to inform their self-identity and manner in which they translate existing external pressure into salient issues that deserve attention and reaction. These governance structures are proposed to mediate institutional pressures, adding another layer of analysis to the process of translating external forces into demands for organizational action.

With the present research, we pursue three goals. First, we extend the ideas presented by Washington and Patterson (2011) and propose a series of hitherto unexplored linkages between the sport industry and institutional theory.
These linkages are suggested to advance not only the theoretical application of institutionalism in sport but also to in turn add value to institutional theory in general. In particular, this study highlights the pervasiveness of cultural contingencies, structural antecedents, and stakeholder involvement, as well as their combined impact on organizational responses to institutional pressures, not only in sport but other industries. Second, the theoretical tenets developed in this essay advance the understanding of strategic choice in sport organizations when faced with external pressures for managerial action and change. In particular, we further explicate the delicate interplay between micro and macro level processes that mutually reinforce or buffer each other. Third, by drawing from several parent theories, we demonstrate the potential value of combining theories to understand organizational change situations and to further increase applicability (Graetz & Smith, 2010; Slack, 1992). We believe this essay presents an important step in developing a body of organizational change management theory in sport that not only replicates findings from the broader management discourse but that actively contributes to existing theory by specifically acknowledging and drawing from sport’s special features that “demand the application of sophisticated and ‘professional’ business principles” (Stewart & Smith, 1999, p. 98). Ultimately, we aspire to contribute to the continued development of a sport-focused model of research (e.g., Chalip, 2006) that acknowledges sport as a distinctive discipline that not only borrows from its managerial parent disciplines (Zanger & Groves, 1994) but that allows for the derivation of significant theory in its own right.