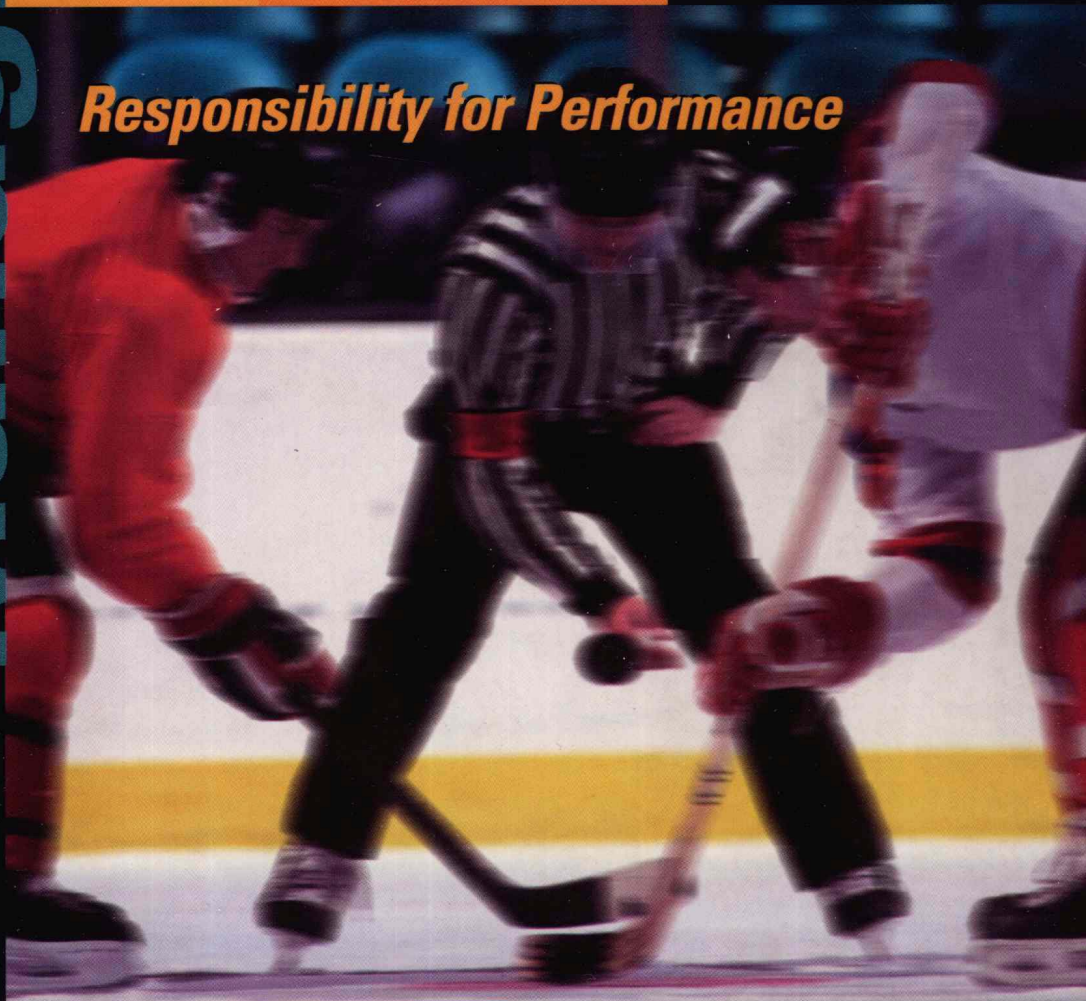


Managing

# Sports Organizations

*Responsibility for Performance*



Covell, Walker,  
Siciliano, and Hess



# **Managing Sports Organizations:**

*Responsibility for Performance*

**Daniel Covell**

*Western New England College*

**Sharianne Walker**

*Western New England College*

**Julie Siciliano**

*Western New England College*

**Peter W. Hess**

*Western New England College*

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***Managing Sports Organizations: Responsibility for Performance***

Daniel Covell, Sharianne Walker, Julie Siciliano, Peter W. Hess

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# Preface

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The field of sport management is a relatively new one. It has been created in response to the ever-growing consumer demand for sports products and services, which totals more than \$150 billion annually in North America alone. Increasingly, colleges and universities are creating sport management programs that emphasize management learning and organizational issues. However, many texts that are currently available do not provide a strong foundation in business management concepts within the context of sport.

## **A Different Approach**

We feel there are three elements that distinguish our approach in this book:

The theme of management as responsible for performance runs throughout the book. Every chapter examines management principles, concepts and issues from the perspective of how to improve the performance of sports organizations.

To ensure that students understand the complexity of the sports industry, each chapter features a distinct sports segment, such as sports agency, high school and youth sports, the licensed and branded product industry, and professional league sports to name a few. Information about the structure and characteristics of the highlighted sports segment provides the background for each chapter.

We organize the material into twelve chapters for conciseness and clarity. Given the evolving range of theories and principles that define the management field and the complexity of the sports industry, we feel that our focus on integration and synthesis is essential for student learning.

In addition to these distinguishing elements, the book also includes a number of features designed to enhance learning.

## **Key Features**

The book includes complete coverage of the full range of topics and issues currently defining the sports industry. Each industry segment, from high school athletic programs to professional sports organizations, is described from an historical perspective and in terms of current management trends. These current topics include quality and continuous improvement, teamwork, diversity, ethics and social responsibility, globalization, information technology, and change.

The book's design is characterized by simplicity. We have attempted to minimize the number of boxes and other special features in the text that at times can draw the student's eye and attention away from the key points of the chapter. Instead, we have fully integrated current examples within the chapter narrative to illustrate the concepts and challenges of sport management.

At the opening of each chapter, learners see an overview of one segment of sport industry in our “Check the Stats” feature. Information on the size and scope of the industry segment, its participants, revenue, and governance, is available at a glance.

Each chapter features an “Inside Look” at a personality or organization within the sports industry. This profile offers a real-life look at sports professionals, the challenges they face, and the management skills that enable them to meet those challenges.

A “Management Exercise” at the conclusion of each chapter provides an opportunity for students to apply the ideas they are learning in the course. The exercise involves students directly in management decisions and challenges them to solve organizational problems. The students are required to make decisions using the available data just as the manager would in comparable situations.

These key features and the distinguishing elements discussed earlier reflect our goal of integrating sports industry dynamics with management principles and concepts. Given the complexity and diversity of both sports and the management field, this goal represents a significant challenge. We hope that other instructors will view this book as an effective first step in providing students of sport management with a solid foundation for learning about sports from a management viewpoint.

## Supplements

An Instructor’s Manual with Test Bank, (ISBN 0-324-13156-9) has been prepared by the authors for adopters of this text. In addition, PowerPoint slides (ISBN 0-324-17099-8) are available for download from the book support website at <http://covell.swcollege>

.com. PowerPoint slides are available for use by students as an aid to note-taking, and by instructors for enhancing their lectures.

The book support website also includes links to online resources mentioned in the text, and both students and instructors are invited to visit South-Western’s online Management Resource Center at <http://www.swcollege.com/management/management.html>. The Management Resource Center provides access to a library of BusinessLink Videos, South-Western’s exclusive online tutorials, Internet exercises, as well as links to business cases and strategic management websites.

## Acknowledgments

Credit for making this book goes first to John Szilagyi, Executive Editor at South-Western. His enthusiasm for the concept and support of our efforts provided strong encouragement during the development phase. Our thanks also go to the other fine professionals at South-Western, namely Jennifer Baker, our developmental editor, and editorial assistant Molly Flynn, for important contributions relating to the text’s content. We would also like to thank Libby Shipp for her thoughtful attention in editing and producing this book.

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Denver Technical College

Nadine Forbes  
Florida College of Natural Health

Charles Hammersley  
Northern Arizona University

James D. LaPoint  
University of Kansas

Marcia J. Mackey  
Central Michigan University

Larry Marfise  
University of Tampa

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David K. Stotlar  
University of Northern Colorado

Peter Titlebaum  
University of Dayton

William C. Vance  
Central Washington University

John Vincent  
University of Alabama

Joanne Washburn  
Washington State University

— ***Daniel D. Covell***  
***Sharianne Walker***  
***Julie Siciliano***  
***Peter W. Hess***  
***Western New England College***

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# Part 1



## *Introduction to Management of the Sports Industry*

**Chapter 1 Introduction to Sports and Management**

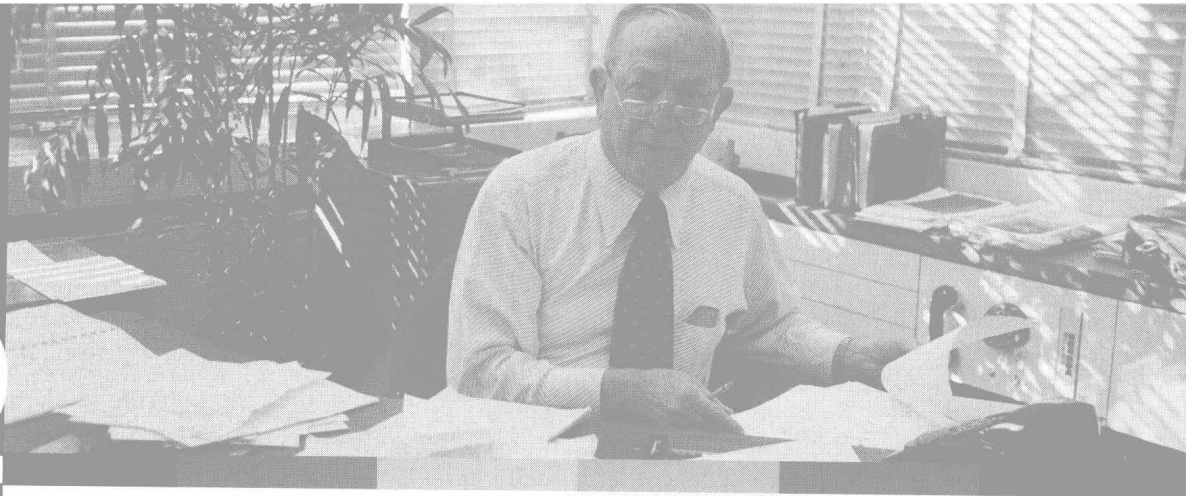
**Chapter 2 Global Licensing and Social Responsibility**

**Chapter 3 Technology and Information Management**



# Chapter 1

## *Introduction to Sports and Management*



### **Introduction**

### **Defining Organizations and Management**

*Understanding Management*

*Management as Shared Responsibility*

### **The New Management Environment**

*The Challenge to Compete*

*Quality*

*Speed and Flexibility*

*Innovation*

*Sustainable Growth*

### **The Development of Management Thought**

*Some Early Ideas*

*The Early Twentieth Century: Three Milestones in Management Thinking*

*More Recent Contributions*

### **Summary**

### **Management Exercise: Covering Lids—Which Theories Apply?**



## Introduction

Among those not familiar with the enormous impact of sport on the American economy, the idea of a major in sport management might raise some eyebrows. “sport management? That’s a real major? What do you do? Read *Sports Illustrated* in class? Watch SportsCenter on ESPN?” Actually, there should be no question about just how real a major is that prepares individuals for careers in the sports industry. Consider this: It has been estimated that the total U.S. expenditures on sports consumption, defined as sports entertainment (which includes professional sports leagues), sports products, and sports support organizations, approaches \$152 billion annually. These expenditures rank sport as the eleventh largest U.S. domestic industry, ahead of chemicals, industrial machinery, and motor vehicles and equipment (Meek, 1997). If you told people you planned on majoring in chemical or industrial engineering, they might be equally clueless about the content of the major, but they wouldn’t question the viability of the industry. Nor, given the kind of economic value generated by the sports industry in the United States, should there be with sport.

If they’re still not convinced, you might respond to the question with a question of your own. You might ask your interrogators why are they wearing a hat or jersey from a favorite team or if they’ve ever written a letter to a sports hero. Or if they work out regularly or play in an organized recreational sports league. Or if the sports section of the daily paper or favored website is the first (or only) section they read. Or why fifty million Americans fish and spend \$40 billion annually on angling activities and gear (Buckley, 1999). Or why a rock band called the Zambonis (named in honor of the beloved ice-resurfacing apparatus) perform songs (including “Bob Marley and the Hartford Whalers,” and “Robert Moog meets Andy Moog”) only about the sport of ice hockey.



Or consider these comments from former Florida A & M student Melvin Wright: “My first day I wanted to quit. My toes were hurting and I couldn’t walk. I went to the dorm and called my mom to tell her I was coming home. She told me I couldn’t.” Wright stuck it out and became a member not of the football, baseball, basketball, or soccer teams, but of the university marching band, which is part of the proud tradition of showstopping theatrics and musicianship seen at football halftime shows at historically black colleges and universities in the United States (White, 2001, p. 150). Or why you could place any one of hundreds of bets in Las Vegas each year on the Super Bowl—not just on who wins or by how much, but on who’ll score first, which team will kick more field goals, whether a team will go for it on fourth down, or, as in 2001, whether the Baltimore Ravens and New York Giants would combine to score more points than Los Angeles Laker Kobe Bryant’s combined total of points and assists in his game that day versus the New York Knicks. These examples are indicators of the significant breadth of interest in sport in our society, and that interest is a major component in all societies around the world. Every culture has some kind of sports activities.

Clearly the sports industry is alive and well in the United States, both in terms of participation and in terms of growth. For example, one study found that 25 percent more Americans participated annually in bowling (ninety-one million in all, making it the nation’s most popular competitive sport) than voted in the 1998 congressional elections. And total live attendance at major-league baseball, basketball, football, hockey, NCAA football and basketball games, and NASCAR races has nearly doubled since the early 1960s (Putnam, 2001).