



THE SPORTS MANAGEMENT TOOLKIT



PAUL EMERY

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THE SPORTS MANAGEMENT TOOLKIT

The Sports Management Toolkit is a practical guide to the important management tools and techniques available to those working in the sport and leisure industries. Designed to bridge the gap between the classroom and the workplace, it includes ten free-standing chapters, each of which provides a detailed introduction to best practice in one of the core sports management disciplines.

Written in a clear and straightforward style, and free of management jargon, the book covers all the most important elements of contemporary sports management, including:

- marketing
- performance management
- risk management
- human resource management
- project management
- finance.

Each chapter includes a detailed, step-by-step description of the key tools and techniques and their application, a 'real world' case study to demonstrate the technique in action, and self-test questions. The final chapter offers an extended, integrated case study, demonstrating how all the key management techniques are combined within the everyday operation of a successful sport or leisure organization. Online materials include an extensive guide to further resources and guideline answers to the self-test questions for each chapter.

This book is essential reading for all students of sport and leisure management, and for all managers looking to improve their professional practice.

Online resources are available at www.routledge.com/9780415491594.

Paul Emery is a Lecturer in Sport Management at La Trobe University, Australia.

Dedicated to my extraordinary parents, my loving wife Coral, and my treasured children Sabrina, Sean and Jamie. Thank you for teaching me to laugh, love and live life to the full.

ABBREVIATIONS

ACMA	Australian Communications and Media Authority
AIRMIC	The Association of Insurance and Risk Managers
ALARM	The National Forum for Risk Management in the Public Sector
AoI	angle of incidence
ARR	accounting or average rate of return
BCCI	Board of Control for Cricket in India
BCG	Boston Consulting Group (matrix)
BEA	break-even analysis
BEP	break-even point
CMQ	common metric questionnaire
CPA	critical path analysis
CSF	critical success factor
CVP	cost–volume–profit
DCF	discounted cash flow
DESTEP	Demographic Economic Social/cultural Technological Environmental Political/legal
FC	fixed cost
FF	finish to finish (logic relationship)
FIFA	Fédération Internationale de Football Association
FIFO	first-in, first-out
FINA	Fédération Internationale de Natation
FJAS	Fleishman job analysis system
FS	finish to start (logic relationship)
GE	General Electric (matrix)
GNR	Great North Run
HR	human resource
IAAF	International Association of Athletics Federations
ICC	International Cricket Council

IEC	International Electrotechnical Commission
IPL	Indian Premier League
IRM	The Institute of Risk Management
IRR	internal rate of return
ISO	International Organization for Standardization
KPI	key performance indicator
MIRR	modified internal rate of return
MoS	margin of safety
NPV	net present value
PAQ	position analysis questionnaire
PB	payback
PERT	programme or project evaluation and review technique
PIMS	profit impact of marketing strategies
PLC	product life cycle
POWER	Personal experience Order Weighting Emphasize detail Rank and prioritize
QSPM	quantitative strategic planning matrix
SBU	strategic business unit
SMART	Specific Measurable Achievable Realistic Time-based
SPACE	strategic position and action evaluation
SS	start to start (logic relationship)
SV	sales value
SWOT	Strengths Weaknesses Opportunities Threats
TC	total cost
TOWS	Threats Opportunities Weaknesses Strengths
UK	United Kingdom
USA	United States of America
USP	unit selling price
VC	variable cost
WBS	work breakdown structure
WPS	work profiling system

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CHAPTER 1

INTRODUCTION

CONTEXT

To meet the complex demands and challenges of the emerging sports industry, future managers will need to be everything to everyone. In an unprecedented world of technological connectedness and social diversity, sport managers will need to know how to maximize income, be resource smart and time precious, and simultaneously minimize their footprint. Evaluated against new output metrics, this dynamic global industry will require knowledgeable and innovative problem solvers who are competent in a broad range of management tools.

Historically, such education and training have largely been the responsibility of tertiary institutions. However, as Mallinger (2009) suggests, 'Several recent business journals suggest a growing gap between those who teach in graduate business programs and those who practice business in corporations and agencies.' Elaborating further, he argues that, while academics encourage theoretical input and thoughtful reasoning, practitioners face real-life deadlines and bottom-line pressures and require urgent practical solutions. The outcome is an emergent theory and practice divide, limited dialogue between the two entities, and significant barriers to the development of mutually beneficial partnerships.

The purpose of this textbook is to help bridge this gap between classroom teaching and workplace needs. It is intended to be a sport and leisure management student *and* practitioner text that applies conceptual, procedural and professional knowledge to real-world case studies. As an introductory textbook, this process-oriented practical management toolkit covers the broad remit of management disciplines. Through selection of fundamental analytical and planning techniques to the key resources of people, products, money and time, the long-term aim is that this book will

become one of those rare essential sources that every manager keeps and uses in the workplace.

ORGANIZATION

Given that this is not a standard textbook, it is not intended to follow the norm of developmental and sequentially read chapters. Instead it adopts an active learner approach that encourages independent chapter reading. Each free-standing chapter presents a management tool or set of tools that is suited to a particular purpose. In the same way that a tradesman would not use a hammer to cut a piece of wood or, to use a sports analogy, a golfer would not use a driver to sink a final putt, a manager should use a tool that is fit for purpose and solves a problem. Possessing its own unique assumptions, processes, limitations and applications, each chapter – and tool – provides a framework for practical use and where possible will adhere to the following structured format:

- technique description – defines the nature and key concepts of the management tool(s);
- purpose – elaborates on the benefits of using the tool;
- theoretical overview – clarifies broader concepts, key principles, historical development and theoretical underpinning;
- practical application – provides examples of tool use;
- assumptions and limitations – establishes the application and interpretation boundaries of the management tool;
- process – illustrates step-by-step procedures;
- common mistakes – identifies frequently encountered errors;
- interpretation and management decision – explains what the data mean and possible decisions derived from them;
- summary – paraphrases and draws together the key points of the chapter;
- self-test question – provides one or more tasks to help assess understanding of the tool application.

Guides to further resources, useful web links and guideline answers to all the self-test questions featured in this book are available on a companion website at www.routledge.com/9780415491594.

Each chapter will additionally include either an applied sport management example or a case study. In some cases this is essential and covered within the process section; otherwise the procedures would be difficult to engage

with. In other instances, separate case studies are provided to view real-world outputs of the technique.

Text is often kept to a minimum in order to put over management tool principles in a concise way for time-precious practitioners. To additionally ensure personal and meaningful engagement, case studies are drawn from both work and non-work sources, as organizations in the future must meet personal aspirations as well as task-oriented goals.

Furthermore, to reflect the broad remit of the global sport industry, diverse examples are selected from contexts that cover private, public and non-profit sector organizations and from destinations as far spread as America, Australia, China, Europe and India. Popular sports will be alluded to and reference made to services and goods that are produced and delivered by small local enterprises through to multinational conglomerates. Similarly the self-test tasks reflect contrasting demands, ranging across short-answer, essay, mathematical and even theoretical critique questions.

CHAPTER CONTENT

Integrating these personal and organization perspectives, chapters are logically organized as a ‘developmental journey through life’. For example, Chapter 2 introduces the SWOT analysis tool as the first stage of this journey, as if addressing the question ‘Where are you now?’ If you do not know where you are, how do you know the route to your desired destination? This analytical technique is used to develop a situational audit establishing where you are as well as identifying the most influential factors currently affecting you. This is achieved through applying the SWOT tool principles and process to the instantly recognizable brand of Nike Inc., as well as to you as an individual commodity.

Once you know where you are, you can determine where you wish to go. Setting a measurable course or direction is the purpose of Chapter 3. This entails establishing clear targets or ends by constructively aligning aims, objectives and performance indicators. This process of detailing realistic outcomes is initially demonstrated through a personal non-work scenario of New Year resolution setting, before applying it to the Tennis Victoria (Australia) case study.

Having decided where you want to go, you need to be aware of what could go wrong along the journey. This is covered by Chapter 4, where risk management tools are examined. Being a legal requirement, a risk management