



Scarcity of resources in German non-profit sport clubs

Pamela Wicker*, Christoph Breuer

Institute of Sport Economics and Sport Management, German Sport University Cologne, Am Sportpark Muengersdorf 6, 50933 Cologne, Germany

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ABSTRACT

Non-profit sport clubs face several challenges including those relating to human resources, financial capabilities, networks and infrastructural elements. In order for clubs to realise their capacity to respond to encountered challenges, it is imperative for club executives and sport federations to have an improved understanding of the clubs' resource structure and ability to deploy resources. Drawing on the concept of organisational capacity as well as Resource Dependency Theory, the objectives of this study are to provide empirical evidence of the resources of non-profit sport clubs and to show that these clubs are characterised by scarce resources. A large sport club survey in Germany ($n = 13,068$) was used as the data set for this study. The results indicate that sport clubs seem to have organisational capacity, as they have many different types of resources at their disposal that which can be ascribed to four capacity dimensions. The analysis of longitudinal data reveals changes in resources that indicate particularly human resources (volunteers) and infrastructure resources become more scarce over the course of time.

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In Germany non-profit sport clubs hold a dominant position in providing sport opportunities for the population. The German Olympic Sports Confederation (GOSC) states there are more than 90,000 sport clubs comprising more than 27 million memberships (GOSC, 2009). This figure implies that almost one out of three German citizens is a member of a sport club. However, in all probability, the genuine number is lower since one person may be a member of more than one club (i.e. the 27 million members may include some who are multiple club members). Regardless, sport clubs form the base of the voluntary sports system in Germany. At present these sport clubs face many challenges such as increasing competition through commercial sport providers, increasing importance of the non-organised sports sector, decreasing public subsidies, increasing energy costs, and demographic change (Wicker, 2009). The identified challenges can have an influence on the structure and the behaviour of sport clubs because they have to meet the challenges in order to survive. Sport clubs require organisational capacity to be able to fulfil their mission (e.g., Misener & Doherty, 2009). According to Hall et al. (2003, p. 4), "the overall capacity of a non-profit and voluntary organization to produce the outputs and outcomes it desires is a function of its ability to draw on or deploy a variety of types of organizational capital". In other words, organisational capacity can be described as dependent on the interplay of various resources, and can hence be described as a function of the resource structure. Consequently, this paper considers that organisational capacity is composed of several interlinked dimensions to the extent that these dimensions exist within the context of sport clubs.

The paper has two main objectives. The first objective is to provide empirical evidence of the resource structure of sport clubs by presenting the resources that can be attributed to each capacity dimension. The analysis is based on data from the

* Corresponding author. Tel.: +49 221 4982 6099; fax: +49 221 4982 8144.

E-mail addresses: wicker@dshs-koeln.de (P. Wicker), breuer@dshs-koeln.de (C. Breuer).

2007 Sport Development Report, which is a panel study of German non-profit sport clubs ($n = 13,068$). As the concept of organisational capacity has been chiefly analysed using qualitative data (e.g., Misener & Doherty, 2009; Sharpe, 2006), this paper purports to contribute to the current research literature using quantitative data. The second objective is to illustrate that German non-profit sport clubs are indeed characterised by scarce resources. For this analysis, subjective and objective scarcity measures will be applied. A subjective scarcity measure will be the perceived severity of a resource problem. The relative changes in resources between 2005 and 2007, which are indicated by indexes, will present an objective scarcity measure. This analysis is carried out using the longitudinal data set from 2005 and 2007 ($n = 1648$).

The paper is structured as follows: first the characteristics of non-profit sport clubs in Germany will be outlined in order to understand non-profit sport clubs as the research context. Then a theoretical framework of the organisational capacity of sport clubs will be presented and resources will be attributed to the capacity dimensions. Subsequently, a literature review about the scarcity of resources will be provided and the method of the sport club survey, the measurement of organisational capacity, and the scarcity measures will be explained. In the results section, the organisational capacity of sport clubs will be illustrated by presenting the resources of each capacity dimension and identifying areas of scarcity. Finally, the results of this study will be discussed and compared with previous studies about the organisational capacity and resources of non-profit sport organisations. The paper concludes with a summary of the results as well as with recommendations for future research directions.

1. Research context

Non-profit sport clubs form the base of the voluntary sports system in Germany. These clubs are members of the federal state sports confederation and the national governing bodies of sport. The federal state sports confederation represents the interests of sport clubs in politics and for example, organises the formation of coaches. The national governing bodies of sport also represent the interests of sport clubs and organise competitive sport (e.g., structure of sport leagues, championships). The 16 federal state sports confederations and more than 60 national governing bodies of sport are members of the German Olympic Sports Confederation (GOSC), which is the umbrella organisation of the voluntary sports sector in Germany (GOSC, 2009). Sport clubs are run by their members who want to realise common interests such as sport programmes (Nagel, 2008). This paper focuses on sport clubs and not on national governing bodies of sport.

In Germany, sport clubs have 420 members on average with 84.7% of the clubs having up to 800 members and 15.3% having over 800 members. The clubs offer four sports on average and more than half are multi-sport clubs (Breuer & Wicker, 2009). In other countries sport clubs are smaller with, on average, about 230 members in the United Kingdom (Central Council of Physical Recreation [CCPR], 2009) and 133 members in Scotland (Allison, 2001). Moreover, in other countries most clubs are single sport clubs (e.g., Allison, 2001; CCPR, 2007; Scheerder & Vos, 2009).

Non-profit sport clubs have several features that distinguish them from for-profit organisations. These features can be subdivided into constitutive and economic features (Horch, 1994b). Constitutive features of non-profit sport clubs are voluntariness of membership, democracy, autonomy, volunteer work, and common interests of the members. Economic features are identity of member roles, non-profit orientation, autonomous revenues, and the principle of solidarity (Horch, 1994b). The non-profit orientation signifies that the primary goal is not the maximisation of profits (Hansmann, 1986). Nevertheless, sport clubs can make profit. In contrast to for-profit organizations however and in accordance with the non-distribution constraint (Hansmann, 1986), they are not allowed to distribute the profit among the members. Non-profit organisations “might therefore be expected to be less vigilant in eliminating unnecessary expense than are their for-profit counterparts” (Hansmann, 1986, p. 79). Club members are required to take a variety of potentially conflicting roles. They are decision-makers, producers, consumers, and at the same time, financiers of the club’s sport supply. These features are important for understanding the structure and behaviour of non-profit sport clubs.

Alongside the provision of sport opportunities for the population, sport clubs also have several other desirable functions that are appreciated by the state and the communities. These functions are for example: (1) an integrative function for children, youths, and immigrants, (2) a political function as they are democratic organisations, and (3) a health function as some sport clubs also offer health sports (Breuer & Haase, 2007; Heinemann & Horch, 1981). Thus, sport clubs are not only important to the German sports system but also to the wellbeing of society. They accomplish tasks such as integration, promotion of democracy, sport supply, and health supply for the population that would otherwise be performed by the state. Because sport clubs contribute to these social purposes they are eligible to receive public subsidies, for example from the federal state or the community (Heinemann & Horch, 1981). Access to public subsidies depends on the policies of the federal state and the community. In some communities non-profit sport clubs receive financial subsidies according to the number of members and/or children and youths. On the federal level, sport clubs can apply for public subsidies if they want to build new facilities or to organise sport events, or when they have elite national athletes (Langer, 2006). In many other countries, for example in Canada (Berrett, 1993; Imagine Canada, 2006), in Greece (Papadimitriou, 1999), and in Belgium (Scheerder & Vos, 2009; Taks, Renson, & Vanreusel, 1999), non-profit sport clubs or amateur sport programmes also receive public subsidies. Research shows that public subsidies are an important financial resource to non-profit sport organisations (e.g., Breuer & Haase, 2007; Horch, 1994a; Imagine Canada, 2006). Sport organisations often suffer from inadequate financial resources and public subsidies are one way to

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