SPORT GOVERNANCE AND POLICY DEVELOPMENT

An Ethical Approach to Managing Sport in the 21st Century

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Dedication

This book is dedicated to Dr. Sawyer's grandchildren,
Grayson James Rosselli (2004) and Findlay Elise Sawyer (2005)
and Alexandra Alsip (1995).

This book is also dedicated to Dr. Bodey's father,
Christopher F. Bodey.

Dr Judge dedicates this book to his father, Dr. Ira Lee Judge. He was inspiring, encouraging, and motivating to all of the lives he touched. He showed many aspiring young students how to achieve their full potential through his feedback, insight, guidance and countless number of hours he dedicated. It was through his inspiration with the help of his assistant coach, my mother Joan that I embarked on my journey into education.

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Preface

SPORT GOVERNANCE AND POLICY DEVELOPMENT: *An Ethical Approach to Managing Sport in the 21st Century* is designed for use in sport governance and policy development courses with upper-level undergraduate students or graduate students. It focuses on two NASPE/NASSM curriculum standards that are applicable to both the undergraduate and graduate level curriculum. These standards are as follows: Standard 5 (a) moral and ethical developmental theories, (b) teleological and deontological theories of ethics, (c) models of ethical analysis, (d) code of professional ethics, personal and management values, and (e) situational analysis; and Standard 11 includes (a) identification of governing bodies in amateur and professional sport, (b) organizational structure of a variety of governing bodies, (c) authority and functions of various governing bodies, (d) requirements for membership in governing bodies, sanctions and appeal processes utilized by governing bodies, and (e) influence of governmental bodies and sports commissions on sport governing bodies.

The premise behind this book, is as follows: After studying from this book the student should be familiar with (a) organization theory, leadership, and policy development, (b) sport organizations, their authority, organizational structure, and functions, and impact issues, and (c) ethical and moral issues related to sport governance in intrinsic and extrinsic dimensions, as well as developing a personal philosophy regarding social responsibility in sport governance settings.

This book focuses primarily on American sport organizations. It challenges students to integrate organization theory and behavior with leadership and governance to ensure sound policy development practices. It outlines where the power rests in an organization and how individual sport organizations fit into the greater sport industry.

This book is organized into three major sections including 17 chapters. The purpose of having these three sections is to establish a theoretical knowledge base related to governance, leadership, and policy development that future sport managers need to function within sport organizations, to explain how ethical and moral issues impart sport organizations and managers, and to present information relating to how sport organizations are organized and the impact issues sport managers struggle with on a regular basis.

Part I introduces the student to organizational governance and policy development in the world in general and specifically to the sport industry. Chapter 1 develops the foundation for organizational structure, theory, and behavior, management theory, and leadership. It is followed by a discussion of the planning function within organizations in Chapter 2. The section ends with Chapter 3, which reviews the policy-development process within an organization.

Part II opens the door to ethical decision making and professional ethics. Chapter 4 lays the foundation for ethical decision making. It is followed by Chapter 5, which describes a variety of professional ethics and codes of conduct.

Part III provides the student with a picture how sport is governed at various levels of amateur and professional organizations. Chapter 6 describes the influences of governmental bodies and sports commissions on sport governing bodies in the United States. The discussion is followed by a description of youth sport governance in Chapter 7. The authors, shed some light on how interscholastic sports are managed in Chapter 8. Chapter 9 contains a discussion relating the recreational sports in America from community programs to military and collegiate programs. Chapter 10 opens the doors on how intercollegiate sports are governed from the junior colleges to the largest senior institutions of higher education. Following the intercollegiate discussion, the authors provide a description of governance in professional sports in Chapter 11. Then the authors describe the governance of motorsports in Chapter 12. Chapter 13 discussions highlight amateur sport involvement in the United States by outlining the governance of Olympic sports. This discussion is followed by a detailed description of Paralympic Sports in Chapter 14. The authors then describe the Special Olympic movement in America in Chapter 15. Chapter 16 sheds light on the Senior Olympic programs nationwide. Finally, Chapter 17 provides a discussion relating to community sport support structures, engaging the student in learning about and understanding what these not-for-profit entities do within a community to support and promote sport.

We hope that instructors and students will find this book to be useful and interesting in learning about governance, policy development, and ethical issues in sport organizations. It is a book designed to open the door to the big picture regarding sport governance. It should assist future sport managers to better understand their roles.

Foreword

In *Sport Governance and Policy Development*, Thomas H. Sawyer, Kimberly J. Bodey and Lawrence W. Judge successfully take on the challenge of analyzing the complexity of organizational governance and policy development across a broad spectrum of sport organizations and settings. The journey takes you full circle from topics of structure and leadership to the more detailed nuances of the sport industry. Not only do the authors develop these concepts for you, but they explore how leadership and policy development are impacted by ethical decision-making within an organization.

The book covers the entire continuum of sport from youth leagues to the professional. Sections are provided that differentiate amateur sport from professional leagues and tournaments.

Sport governance is examined from not only the United States (U.S.) perspective, but from an international point of view as well. Too many U.S. students know only of the National College Athletic Association (NCAA) and the U.S. professional leagues. There is a lot more to understand about sport governance and it is succinctly provided in this book. In addition, the authors discuss the impact of U.S. legislation and case law and delve into the intricacies of the international law and the Court of Arbitration for Sport.

Of particular significance given the globalization of sport is how well the authors cover the Olympic Movement. Their accurate and concise portrayal of this highly complex governance structure is spot-on. All tiers of international sport are presented from national governing bodies in individual sports, to the international federations and the International Olympic Committee itself.

Clearly the authors have engaged in the depth of research needed to facilitate an understanding of these important topics for today's sport manager. The book can serve as an excellent textbook for the novice sport management student as well as a seasoned veteran in the profession. Nowhere else in a single source will you find the information you need to navigate sport governance and policy. This work represents a must read for every sport management professional.

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Acknowledgments

This book would not have been possible without the assistance of three professionals: Dr. Kimerly J. Bodey, Dr. Lawrence W. Judge, and Dr. Nathan A. Schaumleffel. These young professionals provided not only a number of key chapters in the book but provided very useful guidance in the development of the book. Further, Dr. Ronald Davis (Texas Christian University) for his valuable insight in the development of the chapters related to Special Olympics and Paralympics.

My partner in life as well as my love in my life (Kathleen) was of tremendous assistance in making the chapters read smoothly. She also is the resident English professional who made sure we were consistent in our use of the English language.

No book is complete without the hard work and dedication of the developmental editor, Dr. Robert "Bob" Barcelona, University of New Hampshire, Department of Recreation Management and Policy. Bob is a graduate of Indiana University. Dr. Barcelona spent many long hours reviewing each chapter. He made very good comments and challenged each author to consider other perceptions. Dr. Barcelona's work made this book more complete and very readable.

Further, I would be remiss for not acknowledging the excellent work done by the cover artist, layout editor, copy editor, and indexer. Finally, there would be no book without Dr. Joe Bannon, Sr., Acquisitions Editor, who decided to make this book possible when he recognized the value of such a book in the sport management field.

Dr. Bodey wishes to thank my mom, Susan M. Bodey, for loving and supporting me all these years. I appreciate her patience in my all-too-slow responses to telephone calls and emails and her willingness to take the "kids" for any length of time.

I would like to express my appreciation to Thomas H. Sawyer for his willingness to mentor young faculty. I aspire to be the professional he has envisioned.

I would also like to acknowledge my "Oak Lawn" friends. Though times do change, they, thankfully, do not!

Along my journey through life, I have learned from so many individuals. Dr. Judge would like to say thanks to each and every one of them, but this is an impossible task due to the countless number; I could fill this whole page with names. Special thanks to Dr. Tom Sawyer for not only being a great mentor, colleague and friend, but also for directing me into my new career as a college professor.

Author Biographies

Thomas H. Sawyer, Ed.D.

Thomas H. Sawyer is a 40-year veteran of higher education. He began as an instructor of health and physical education, has been a director of recreational sports, department head, department chair, associate athletic director, director of articulation and transfer, director of a college prison education program, executive director of regional education centers, and an interim dean of continuing education and is ending his career, by choice, as a full professor teaching sport management theory to undergraduate and graduate students.

He has written over 175 peer-reviewed articles for notable professional journals, made over 250 state, regional, national, and international presentations, and written 10 professional books and over 20 chapters in other publications.

Further, he has served as a state AHPERD president (Indiana), district vice president (Midwest), association president (AAALF), chaired numerous district and national committees, editor of the Indiana AHPERD journal and newsletter, chaired the JOPERD Editorial and Policy Boards, and is a member of the AAHPERD BOG.

Dr. Sawyer has also been active in the community serving as a volunteer for the American Red Cross in four communities in four different states since 1964. He has been a first aid, CPR, and water safety instructor (over 30 years), a chapter board member (off and on for 30 years), chapter chairperson (off and on for eight years), chair of a state consortium (three years), chair of numerous regional committees, and currently serves as chair of the Great Lakes Region, Service Area 5, Resource Council.

Finally, Dr. Sawyer has received numerous awards for his leadership and service to the American Red Cross, YMCA, a regional alcohol and drug consortium, Council on Facilities and Equipment, Indiana AHPERD, American Association for Active Lifestyles and Fitness, American Alliance for Health, Physical Education, Recreation, and Dance, and Indiana State University. Further, he has received Caleb Mills Outstanding Teaching Award from Indiana State University and the Howard Richardson's Outstanding Teacher/Scholar Award from the School of Health and Human Performance at Indiana State University.

Kimberly J. Bodey, Ed.D.

Kimberly J. Bodey is an assistant professor and sport management concentration coordinator in the Department of Recreation and Sport Management at Indiana State University. She earned an Ed.D. in Recreation with an emphasis in public policy and a MEd in Sport Management from the University of Arkansas. She holds a BS in Kinesiology from the University of Illinois. While on faculty at Indiana State, Dr. Bodey has taught graduate and undergraduate courses in administrative theory and management practice, organizational leadership and ethics, governance and policy development, research and evaluation, and sport law. She is also a member of the University Athletics Committee.

During the last five years, Dr. Bodey has worked closely with sport administrators and educators in Morocco and Cyprus. Funded by the U.S. State Department, the *Sport Management & Leadership Capacity Project* was a partnership between Indiana State University, La Federation Royale Marocaine de Football, Hassan II University-Mohammedia, and E'cole des Lioceaux de l'Atlas de Football. This training program intended to strengthen the administrative and managerial capacity of sport leaders in Morocco. Working in conjunction with the Global Center for Independent Studies (Limassol, Cyprus), Dr. Bodey has presented workshops on the Organization and Function of Sport Leagues and Research Methods in Sport Management. She has also taught graduate courses in Governance and Compliance, Evaluative Research, and Legal Aspects of International Sport Management.

Dr. Bodey has given more than 20 presentations in the United States and abroad. Her research interests include how governance structure impacts ethical decision making and practice in sport organizations. She has a particular interest in how policies are created and the way rules encourage and discourage fair play in intercollegiate and professional sport. Dr. Bodey has several publications in scholarly journals and academic textbooks related to risk management, organizational justice and legal authority, and jurisdiction in sport management.

Dr. Bodey is a member of the American Alliance of Health, Physical Education, Recreation and Dance, North American Society of Sport Management, National Recreation and Parks Association, Sport and Recreation Law Association, and the Indiana Association for Health, Physical Education, Recreation and Dance. Dr. Bodey also serves on the editorial board of the *International Journal of Sport Management* and *LARNet: The Cyber Journal of Applied Leisure & Recreation Research*.

Lawrence W. Judge, Ph.D.
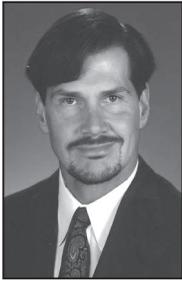
Lawrence W. Judge is currently an assistant professor of Physical Education at Ball State University in Muncie, Indiana. Besides his teaching and research responsibilities, he serves as the undergraduate adviser for the Sports Administration program.

As both an associate head coach and head coach, Larry has a total of 18 years work experience coaching Division I track and field/cross country. In addition to field experience (training eight Olympians and 10 NCAA Champions and coaching over 100 All-Americans), Judge has firsthand knowledge of NCAA rules and current issues in amateur, intercollegiate, and professional athletics.

Widely recognized as the premiere throws coach in the USA, Larry Judge completed his collegiate coaching career with the University of Florida in 2005. Under Judge's direction, the Florida throws group has reached the pinnacle of the sport amassing unparalleled honors. In just four years at UF, Judge has tutored eight All-Americans, five Southeastern Conference Champions, two NCAA champions and three Olympians adding to an already impressive resume. Gator throwers have collected an astounding 34 All-American honors and 16 individual SEC titles, and six individual NCAA titles since Judge's arrival in Gainesville prior to the 2000-01 season. In 2005, Judge capped off a stellar career at the University of Florida with three athletes competing in the world championships in Helsinki. Judge served as an assistant coach for Trinidad and Tobago.

Dr. Judge has guided eight athletes in the last three Olympic Games. Judge served as the personal coach for Brad Snyder and Lisa Misipeka at the Olympic Games in Atlanta and guided Dawn Ellerbe to the 1996 U.S. Olympic Trials title in the hammer. Snyder put the shot for Canada and Misipeka competed in the same event for American Samoa. In 2000, five of his former athletes competed in the 2000 Olympic Games in Sydney. Judge served as the personal coach for Jesseca Cross and Dawn Ellerbe of the U.S. and Jason Gervais of Canada. Ellerbe was Judge's top finisher in the games, finishing seventh in the hammer throw with a distance of 219-1. In 2004 Judge served as an assistant coach for Trinidad and Tobago in Athens and watched as three of his Gators competed, Candice Scott for Trinidad and Tobago, Kim Barrett for Jamaica, and Erin Gilreath for the United States.

Larry's research area of emphasis over the last 15 years is the use of technology in coaching. He has worked on numerous research projects involving elite athletes with the United States Track and Field elite athlete program. In area of scholarship, Judge is a well-respected author and clinician. He has published approximately 30 articles on track and field technique, nutrition, and resistance training.

Judge is the USA Track & Field National Chairman for Coaches Education in the Throws and lectures throughout the USA at various camps and clinics, including USA Track & Field level II and Level III Coaching Education Schools. Aside from being a lead instructor for the USATF coaching programs, he is also a level II instructor for the International governing body of track and field coach's education program. In 2003, Larry conducted an IAAF level II throws school in San Juan, Puerto Rico and he recently conducted another school in December 2006. He helped develop, revise and update curriculum for the level I and level II USATF certification programs and wrote the complete throws manual for the level II course in 2006. In 1997, he administered an Olympic Solidarity Clinic in Pago Pago, American Samoa and in 1999, conducted a NCAA Y.E.S. clinic at the Indoor National Championships in Indianapolis.

A black belt in karate, Judge has impressive educational credentials, including a Master's Degree In Sport Management and Exercise Science, a Master's Degree in Public Administration, and a Ph.D. in Higher Education Administration.

PART I

Organizational Goverance and Policy Development

Introduction to Sport Organizations and Governance

Governing bodies are an important part of the sport industry. Any given governing body is structured in a way to achieve its stated mission within the environment in which it works. There is inherent challenge in this process because the governing body must maintain a level of consistency and stability over time as well as be responsive to changes in the marketplace. Knowledge about how a governing body is organized will help the sport manager understand why the governing body operates in a particular manner and why some bodies are more effective than others.

Organizational theory is an area of study that seeks to understand the structure and design of organizations. Scholars analyze the "patterns" and "regularities" that emerge in order to better understand both their causes and consequences (Slack & Parent, 2006). The process of organizing is essentially the same for all types of organizations. Once the mission and goals have been formulated, sport managers must develop a systematic plan to bring together the necessary human and physical resources (Montana & Charnov, 2000). To a large extent, a sport governing body's ability to govern effectively is determined by its

structure, which in turn is impacted by the marketplace.

From the beginning, humankind has sought ways to make decisions for the group. That is, it looks for better ways to govern in order to resolve disputes, control disruptive behaviors, and achieve goals that advance the welfare of group and society as a whole. In this sense, sport governing bodies exist to make group decisions within a particular segment of the sport industry. When analyzing governance systems, the sport manager can study a governing body from two perspectives. From the micro approach, a governing body is itself an organization and is set up in a particular way to achieve goals. For instance, the internal workings of the Boys and Girls Clubs of America "home office" can be analyzed. From the macro approach, the governing body may be thought of as the tip of the iceberg. The governing body oversees all the individual organizations within its jurisdiction. In this case, how the home office interacts with all the community Boys and Girls clubs can be studied. The aim of this chapter is to introduce the sport industry and outline the component parts of a sport organization. Next, an overview of how governing bod-

ies acquire legal authority and jurisdiction is presented. Finally, governance is defined and contrasted with management and leadership in sport management.

Learning Objectives

Upon completion of this chapter, the reader should be able to:

- Describe the sport industry.
- Define key terms, including organization, organizing, organizational context, organizational design, organizational structure, organizational chart, organizational behavior, and organizational culture.
- List and explain the structural elements of organizational design, including complexity, formalization, centralization, specialization, standardization, departmentalization, and size.
- Explain the relationship between mission, strategy, and structure.
- Discuss how governing bodies acquire legal authority and jurisdiction.
- Define governance and explain the component parts of good governance.
- Distinguish between governance, management, and leadership in sport organizations.
- Discuss why management is needed in an organization.
- Describe the differences between leaders and managers.
- Discuss the various types of leaders and outline the various types of leadership theories.

What is the Sport Industry?

An *industry* is any grouping of businesses that share a common method of generating revenue such as the "automobile industry", "cattle industry", or "fashion in-dustry". Similarly, a "sport industry" exists that can be divided into a multitude of segments: youth sport, interscholastic sport, intercollegiate sport, Olympic sport, professional sport, sport manufacturing, sport retailing, sport consulting, sport marketing, sport merchandising, facility management, and others. Each segment is composed of a variety of individual organizations. For instance, consider participation in a single sport, such as track and field. There are a number of organizations to provide governance and input, including high schools, state high school athletic and activity associations, multisport (i.e., AAU), and single sport (i.e., USATF) governing bodies, collegiate athletic associations, collegiate recruiting services, sporting goods manufacturers and retailers, and sport media outlets (i.e., *Track & Field News*) to name only a few. Now, include all kinds of sports and all types of sport products and services across the various segments, and you can see the expansive nature of the sport industry.

Though difficult to measure, scholars agree the sport industry is growing at an exponential rate. Within the United States alone, the gross national sport product is projected to increase from $157 billion in 2005 to $236 billion by 2015. This tremendous growth is attributed to increased discretionary income, heightened awareness of the relationship between an active lifestyle and good health, and a greater number of opportunities for all to participate in sport. Some scholars have argued sport is an integral part of the entertainment industry. Whether sport is a freestanding industry or segment of the entertainment industry, it continues to expand as a global multibillion-dollar industry.

What is an Organization?

An *organization* is the entity that allows for a group of two or more people to work

together more effectively than they might work alone in order to achieve goals. A governing body is an organization with five essential elements: social identity, involvement in sport industry, goal-directed focus, consciously structured activity system, and identifiable boundaries (Slack & Parent, 2006). In other words, a governing body is a discernable entity apart from its individual members that is set up in a way to achieve identified goals within a specific jurisdiction in the sport industry. The third section of this book will describe the governance system of various sport organizations (see Figure 1.1) and discusses present challenges and those that may be faced in the future.

Fundamentally, organizing involves analyzing, identifying, and defining the work to be performed. If this process is done properly, it will result in some logical ordering of work and a manner for individuals to cooperate efficiently and effectively to achieve objectives (Montana & Charnov, 2000). When thinking about organizing in relation to governing bodies, a sport manager should consider several factors. Unity of purpose is an agreement about the work to be performed. Division of labor entails how tasks are partitioned and what authority will be given to responsible individuals. Staffing requires decisions about the type, number, and experience of individuals who will complete the work. Finally, organizational framework is the structure that will allow for effective cooperation among individuals (e.g., chain of command, flow of information, etc.).

The organizational context refers to the "setting which influences the (governing body's) structural dimensions" (Daft, 2003, p. 17). Determinants, also known in the literature as contingencies or imperatives, which influence the organizational structure, include age, size, strategy, technology, and sociopolitical and economic factors found in the external environment. Organizational design is the pattern of structural elements in a governing body (i.e., complexity, formalization, etc.). The preferred design will depend largely on the stated mission as well as the organizational context. The organizational structure refers to how jobs are broken down and assigned to members, communication and reporting relationships among individuals, and the coordination and control mechanisms used within the governing body. According to Miller (1987), organizational structure is important to study because it "influences the flow of interaction and the context and nature of human interactions. It channels collaboration, specific modes of coordination, allocated power and responsibility, and prescribes levels of formality and complexity" (p. 7). In other words, the organizational structure shapes how sport managers interact with one another, how decisions are made and tasks completed, and whether the atmosphere feels casual and friendly or formal and reserved.

The visual representation of how a governing body is structured is referred to as the organization chart (see Figure 1.2). The organization chart may reflect many aspects, such as the levels of management, supervisory relationships, major subunits, division of work, and communication channels (Montana & Charnov, 2000). It should be noted the formal chart might not accurately reflect the important relationships that exist in governing bodies. In fact, these "informal" relationships may significantly influence what and how tasks are performed to achieve stated goals.

Organizational behavior and organizational culture

Daft (2007) defines organizational behavior as the study of how individuals and small groups function within the organization and the characteristics of the environment in which people work. Researchers who study organizational behavior are concerned with such issues as leadership traits

Sports Industry

Amateur Sports

Youth Sports
Basketball
Baseball
Bowling
Cheerleading
Field Hockey
Football
Golf
Gymnastics
LaCrosse
Soccer
Softball
Swimming
Wrestling
Interscholastic Sports
High School Associations
Intercollegiate Sports
Collegiate Conferences
United States Olympic Committee
National Governing Bodies for Olympic Sports
Special Olympics
Paralympics
Senior Olympics
State Games
Military Sports
Recreational Sports
Campus Recreation
Community Recreation

Professional Sports

National Basketball Association
Women's National Basketball Association
Continental Basketball Association
United States Basketball League
Major League Baseball
Minor League Baseball
National Hockey League
National Football League - European
Arena Football League
Major League Soccer
Major Indoor Soccer League
National Hot Rod Association

Motor Sports:

NASCAR
IRL
F1
NSRA
Track and Field
Beach Volleyball
Bench Tennis

Golf:

PGA
LPGA

Tennis:

APT
WTA
Professional Bowling Association
Professional Figure Skating
Professional Rodeo

Sport Services

Athletic Foundations
Arena and Stadium Operators
Cable Sports
Network Sports
Race Tracks - Auto and Trucks
Race Tracks - Horses
Race Tracks - Greyhounds
Sport Agency/Player/Coach Representations
Sport Media
Sport Sponsorship Agencies
Sport Event Agencies
Sport Marketing Agencies
Sport Facility Management
Sport Commissions
Sport Fundraisers
Sport Museums
Sport Libraries
Sport Hall of Fame
Sport Architects
Sports Facility Development Consultants
Sports Facility Concessions and Food
Sports Ticket Services

Figure 1.1
Categories of Sport Organizations

Member State Associations

National Council

General Committee Appeal

Board of Directors

All Related Subcommittees

Executive Director

NIAAA Certified Athletic Administrators Program

Support Staff

17 Sports Rules and Activity Committees
Baseball
Basketball
Field Hockey
Football
Gymnastics
Ice Hockey
Lacrosse G/B
Music
Soccer
Softball
Speech
Spirit
Swimming/Diving
Track and Field
Volleyball
Water Polo
Wrestling

Interpreters Mtg

Advertising
NFHS Website
Rules Interpret

General Committeees
Annual Mtg
AD Advisory
Citizenship
Equity
HOF Screening
National Records
NFHS Coach Ed
Sports Med Adv

Special Committees
Hall of Fame
Selection

Staff Committee
Sports Rules
Review

Ath Sanctions
Particip. Survey
Rules Interp Mtg

Special Mtgs/Events
Debate Topic
HOF Induction
Legal Mtg
Nat. HS Act. Wk
Conf. AD
NFHS Sum Mtg
NFHS Win Mtg
NFHS Summit
Prof. Dev.
Conferences
State Music Conf
Stud. Leadership

Videos
Misc. Videos
Music Videos
Speech/Deb Vid
Sports Videos

Other Sevices
Off. Equip. Ctr.
Cor. Partner Pro.
Teleconf. Critical
Auth. Mark Pro

Publications
Ct/Fld Diagram
Forensic Quart.
HS Sports Reebk
IAA Magazine
Line-Doug Debate
NFHS Annual Rpt
NFHS Brochure
NFHS Coaches Q
NFHS Handbook
NFHS New
NFHS Official Q
NFHS State Manual
NFHS Catalog
Rules Pub 17 Sports
Speech/Debate Bks
Sports Med Handbk

Rules Exams
Resource Ctr
Rules/Question

Educational Services
NFHS Coach Ed
Citizenship Curr
Rules Exams/Int
Rules Posters
Sports Trans/PP
Sportsmanship
Materials

Professional Organizations
NFCA
NFMA
NFOA
NFSA
NFSDA

Legal
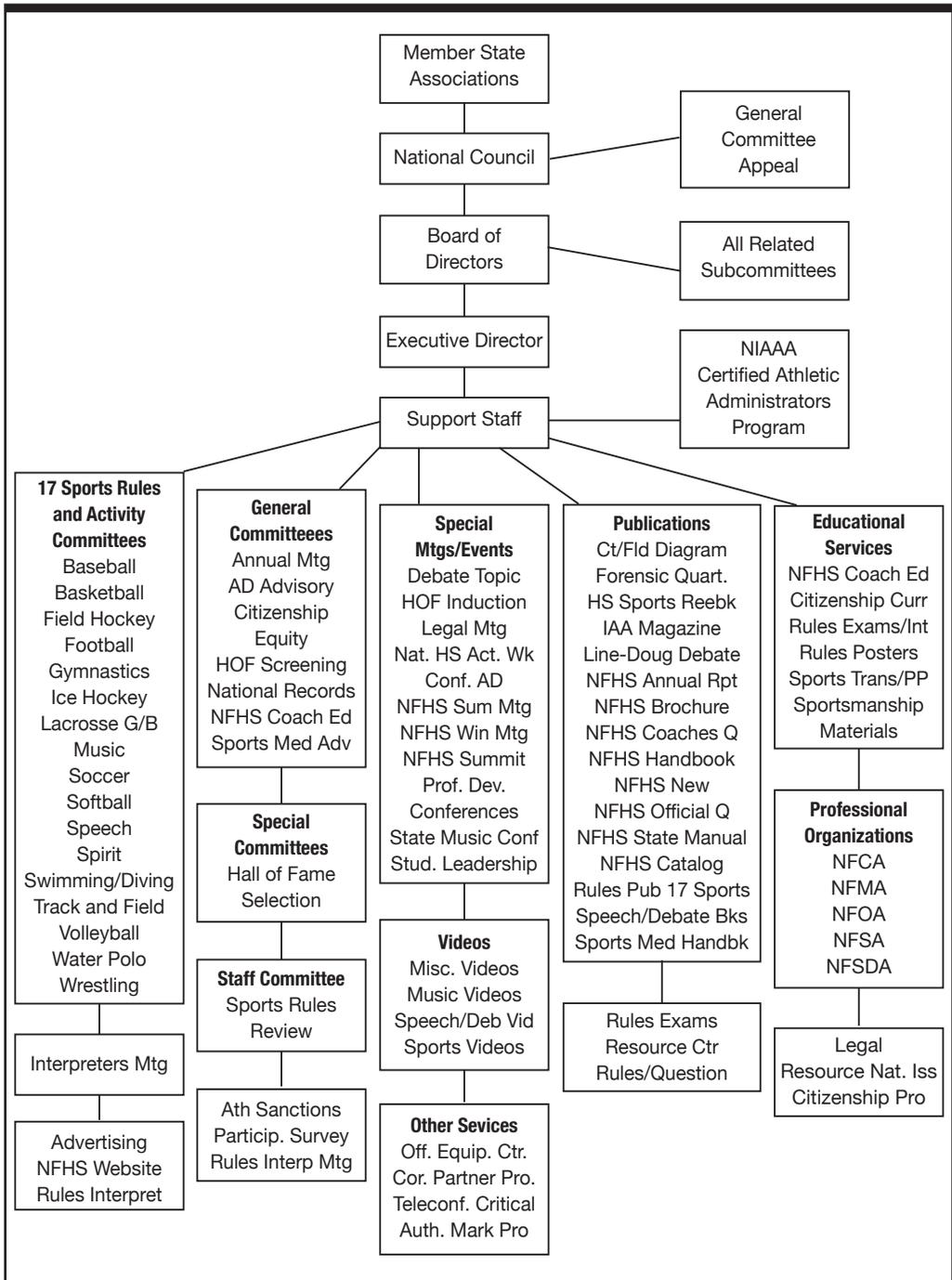Resource Nat. Iss
Citizenship Pro

Figure 1.2
National Federation of State High School Associations (NFHS)

and styles, team building, job satisfaction, communication, and motivation. In the sport management literature, scholars have focused primarily on topics such as leadership traits and approaches, level of job satisfaction, and workplace motivations (Slack & Parent, 2006).

Organizational culture refers to the shared philosophies, values, beliefs, and behavior patterns that form the organization's core identity. As people interact with the governing body, they become familiar with the "manifestations" of the organizational culture. These manifestations may include the organization's formal rules and practices, dress norms, and co-worker stories as well as the informal codes of behavior, rituals, reward and promotion system, tasks, pay system, jargon, and jokes understood only by insiders. Sport managers, by their actions and non-actions, send signals about what they value. Regardless of what may be written in an organization's formal documents, how individuals behave in the workplace is a candid representation of the organizational culture.

Structural elements of organizational design

Organizational design refers to how structural elements are arranged to create the governing body. There are several structural elements to be considered, including complexity, formalization, centralization, specialization, standardization, departmentalization, and size. No two governing bodies are exactly the same, because the organizational design reflects the organization's mission and environment.

Complexity is the extent to which a sport organization is horizontally, vertically, or spatially (geographically) differentiated. Sport organizations are horizontally differentiated when work is broken down into narrowly defined tasks, when professionals or trained specialists are employed, and when the organization is departmen-

talized. Vertical differentiation refers to the number of levels in the organization and is represented by the "hierarchy of authority." A tall structure is characterized by (a) greater levels of hierarchy and (b) relatively narrow span of control. Conversely, a flat structure is characterized by (a) fewer levels of hierarchy and (b) relatively wide span of control. Spatial differentiation may be vertical or horizontal. Vertical spatial differentiation occurs when different levels of the organization are dispersed geographically. Horizontal spatial differentiation is when the different functions (or departments) of the organization take place in different locations (Slack & Parent, 2006).

As differentiation increases in an organization, so does the complexity. In other words, complexity increases when an organization has many departments, multiple levels of authority, and physical separation between members. Poor communication, coordination, and supervision are a few of the problems organizations face when they become too complex.

Formalization is a means to control the amount of discretion individuals or groups have when performing job functions (Slack & Parent, 2006). Written documents, such as job descriptions, codes of conduct, and policies and procedure manuals, direct and control staff member behavior (Daft, 2003). These documents complement the organizational chart by describing the tasks, responsibilities, and decision authority within a governing body. It should be mentioned, however, that formalization may not be the same across all hierarchical levels or departments with an organization.

Centralization is concerned with who makes decisions and at what level. Mitzberg (1979) writes, "When all power for decision making rests at a single point in the organization—ultimately in the hands of a single individual—we shall call the structure centralized; to the extent that the power is dispersed among many individuals we shall

call the structure decentralized" (p. 181). Generally speaking, in a centralized governing body, decisions are made by a relatively small number of people at the top of the hierarchy. In a decentralized governing body, decisions are made by a greater number of people at lower levels in the organization.

Work *specialization* is the extent to which jobs are divided into separate activities. Another term for this is division of labor. For example, the production of one pair of Nike shoes involves 34 operations and approximately 170 workers. Some authors have argued that division of labor maximizes productivity by increasing workers' skills, saving time lost when changing tasks, and by creating laborsaving inventions and machinery (Daft, 2003).

One of the primary methods governing bodies use to coordinate interdependent tasks is *standardization*. As sport organizations have become more complex, new oversight systems that specify roles, plan work, and monitor activities have been introduced. Specifically, standardization refers to the extent to which work activities in different areas are performed in a uniform manner and the extent to which such uniformities are documented. Uniformity may be analyzed in terms of technical procedures, administrative procedures, workplace arrangements, equipment and tools, among others.

Another fundamental characteristic of organizational structure is *departmentalization*. The goal of departmentalization is to group people into manageable work units to achieve their objectives in the most efficient and effective manner possible (Montana & Charnov, 2000). This process involves placing individual positions within departments as well as locating entire departments within the overall organization (Daft, 2003).

According to the management literature, departments may be coordinated based on (a) *function* (i.e., similar skills, expertise, and resources used); (b) *product* (i.e., spe-cialized knowledge about product or services); (c) *market* (i.e., specialized knowledge about clientele; (d) *division* (i.e., organizational outputs such as product or service for single customer); (e) *customer* (i.e., targets for organizational outputs); (f) *geographic area or territories* (i.e., physical location); and (g) *matrix* (i.e., multiple approaches to emphasize cross-functional teams).

Size is another important factor influencing the structure of an organization. There are a number of possible ways to measure size: total assets, market share, number of clients, number of employees, number of members, and net profits. While scholars debate the impact size has on structure, the majority of studies recognize the two concepts are related. As Daft (2003) writes, "The overall size of an organization has been shown in many research surveys to be closely associated with the type of structure adopted" (p. 10).

While not technically a structural element of organizational design, an important aspect of organizational structure is the distinction between line departments and staff departments. A line department performs activities most closely associated with the organization's mission or purpose. In a sport goods company, the line department makes and sells the product. Staff departments include those departments that provide specialized skills to support line departments. These departments have an advisory or auxiliary relationship with line departments. For example, ordinarily facility maintenance is considered a staff function in a sport goods manufacturing company. The organization is not in the business of providing maintenance. However, in an arena or stadium, facility maintenance is a critical operation. Poor maintenance may result in a decrease in attendance; thus, it is considered a line department function.

Structure follows strategy

As previously mentioned, no two governing bodies are exactly the same because the organizational design reflects the organization's mission and environment. To state this in a slightly different way, mission defines strategy and strategy defines structure within a particular environment. Every organization has a set of assumptions about its business type, products, and services offered to customers. It also has a declaration of intent, which is the mission statement, to guide its method of operation. For example, NASCAR aims to organize and promote stock car racing on an international level. Strategy converts the theory of business into performance. Thus, NASCAR has a strategic plan that outlines how it will conduct all business operations during the next three to five years to accomplish the mission. In order for the organization to achieve its strategy in an unpredictable environment, it must be structured in an appropriate way. Therefore, within the NASCAR organization, different departments, such as marketing and promotion, media relations, and technology and development, are set up to be responsible for aspects of the strategic plan. This specialization allows NASCAR to respond to changes in the environment. Since strategy is dynamic, changing in response to marketplace, it may require the sport agency be "reorganized" from time to time so that its structure supports the new strategy.

Decisions about structure come from an analysis of activities, decisions, and relations. Activities analysis considers what work has to be performed, what kinds of work belong together, and the emphasis each task should be given within the overall organization. Decisions analysis determines what decisions are needed to obtain the desired performance to achieve goals and at what level in the organization the decisions should be made. Relations analysis reviews with whom individuals in an organization must work and the nature of contribution to complete specific job tasks (Drucker, 1999). These analyses occur within the context of the larger environment. The general environment includes the legal, political, technological, economic, and social context that affect all organizations. The task environment includes external factors such as customers, competitors, and suppliers that interact directly with a specific organization. The internal environment includes internal factors such as mission statement, policies and procedures, and personnel over which the organization has a large degree of control.

Legal Authority and Jurisdiction

There are many different types of organizations that combine to create the sport industry. Businesses that provide sport products and services may be classified as being in the public, private (for-profit), and nonprofit sectors. These businesses take different legal forms: sole proprietorship, partnership, and corporation. Typically, governing bodies are a corporation. A corporation is any business entity recognized as distinct from the people who own it (i.e., not a sole proprietorship or partnership). To be classified as a corporation, a business must be incorporated according to the laws of a particular state, province or national government. This includes filing the requisite documents (e.g., articles of incorporation) and paying a fee. In some cases, these businesses are called associations, organizations, or limited liability companies. Business law (i.e., taxation, rights, restrictions, etc.) varies from state to state; therefore, the prospective corporation will file documents in a state whose laws are most favorable to its business interests. Once registered, the corporation has artificial "personhood" until such time as the corporation is dissolved. Hence, the corporation may exist beyond the lifetime of any of its agents.

Corporations can be either for-profit companies or nonprofit entities. In for-profit companies the "owners" are called stockholders or shareholders. In nonprofit entities, the owners are called members. Revenue generated that exceeds operating expenses is distributed to shareholders in a for-profit corporation. For instance, the NFL and its teams, such as the Indianapolis Colts, are registered as for-profit corporations. This revenue is reinvested in the organization in a nonprofit corporation. For example, Boys and Girls Clubs of America and its local chapters are registered as not-for-profit entities. Tax exempt nonprofit businesses are often called a "501(c)3 corporations" in reference to the section of the IRS Code that outlines tax exemptions. It may be of interest to know that the U.S. Congress is reviewing the NCAA's non-profit status given the revenue the governing body generates and how it is distributed to member institutions.

The board of directors (sometimes called executive committee or management council) is responsible for governing the affairs of a corporation. The board's power is derived from the shareholders (or members) they represent and is articulated in the corporation's governing documents: articles of incorporation, constitution and bylaws, and shareholder (member) agreements. The articles of incorporation specify the nature of the corporation, such as the corporate name, purpose, registered office, authorized capitol, duration, and board of directors. Constitution and bylaws govern the routine internal affairs of the corporation (e.g., core principles and values, committee structure, meeting procedure, financial operations, etc.). Stakeholder (member) agreements can very depending on the history, size, and type of business the corporation seeks to operate. For instance, NCAA Division I institutions (members) elect the executive committee (board). As the governing body of intercollegiate athletics, the NCAA's governing documents (available at www.ncaa.org) specifies its authority and jurisdiction as well as membership requirements, sanctioning, and appeals processes.

Typically, the board delegates, either formally or informally, decision-making authority to elected officers to operate the corporation on a day-to-day basis (Colley, Doyle, Logan, & Stettinius, 2003). The number of officers, also known as senior management, depends on the organization and may include chief executive officer (CEO), chief financial officer (CFO), president, vice-presidents, secretary, and others. For example, Myles Brand is the president of the NCAA. Interestingly, there is a fine line between the board delegating enough and too much decision-making authority to senior management. When senior management develops agendas, collects information, and prepares background information without significant guidance from or reference to the board, there is a shift in control. The board may become a "rubber stamp" for decisions made elsewhere, or the board might fight back by blocking decisions put forth by senior management (Friedman & Phillips, 2004). In any event, the board is the legitimate "leader" in the corporation and must retain its ability to make decisions to guide the organization.

What is Governance?

Governance refers to how governing bodies are directed and controlled. The governance mechanism (e.g., formal documents, organizational structure) specifies how rights, authority, and responsibility are distributed among the participants in order to monitor performance and achieve goals. The test of effective governance is the degree to which any organization is achieving its stated purpose.

On a larger scale, governance describes methods a governing body uses to ensure its

constituents follow established protocol. At the macro level, there is a loosely coupled organizational structure that oversees and maintains accountability. For instance, the International Olympic Committee oversees international sport federations (e.g., International Association of Athletics Federations), national sport governing bodies (e.g., USA Track & Field), national Olympic committees (e.g., United States Olympic Committee), and local Olympic organizing committees (e.g., Chicago 2016). A proper governance strategy implements a system to monitor and record what is happening within the governing body's jurisdiction, take steps to ensure compliance with established policies and procedures, and provides corrective action in the event rules have been misconstrued or ignored.

There is a dichotomy between a governing body's role as an advocate within the sport industry and its requirement to regulate members (Friedman & Phillips, 2004). In other words, the governing body must make decisions to promote sport, but in order to promote sport, the governing body must make decisions about what members can and cannot do. For example, Major League Baseball wants players to hit home runs. This is good for baseball because the result, among other things, is increased attendance, media coverage, and merchandise sales. As such, Major League Baseball allows cities to build ballparks with varying dimensions (within certain limits) to make it easier for ballplayers to hit home runs. Similarly, Major League Baseball does not allow ballplayers to use performance-enhancing substances to increase home run production. Thus, to advocate for a sport in the industry, governing bodies must regulate its members' behavior.

There is no perfect organizational structure associated with good governance. In fact, organizational structure can impede the work of governance as much as it works to promote it. The challenge is to design a governance structure capable of a proactive approach to determining mission, strategy, and policy and be responsive to the external and internal environment as well as the needs and aspirations of members (Friedman & Phillips, 2004).

What is good governance?

Good governance has eight characteristics: participatory, responsive, equitable and inclusive, and consensus oriented. It is also transparent, accountable, effective and efficient, and follows the rule of law (UNESCAP, 2006). To facilitate participation, either direct or through legitimate representatives, members need to be informed and organized. Further, the governing body must be responsive, that is, to serve all members within a reasonable timeframe. To be equitable and inclusive, members must feel they have a stake in the governing body and have the opportunity to maintain, if not improve, their status. Since there are many viewpoints on how sport should be operated, mediation is needed to reach consensus on what is "good" for the sport and how it might be achieved.

Good governance also requires efficiency and effectiveness. This means processes must be developed to produce results that meet member needs in a way that makes good use of human and physical resources. When information is freely available and accessible to affected members, then the governing body is said to be transparent. Following the rule of law involves applying rules in an impartial manner during decision making and enforcement. In general, a governing body is accountable to those affected by its decisions or actions. Accountability cannot be enforced without transparency and rule of law.

Governance and Management: What's the Difference?

A governing body is an organization designed to achieve a specific mission. Governance is the means to coordinate and control the organization's actions and resources. Management involves translating the system of governance into performance. Both governance and management involve four functions: planning, organizing, leading (or directing), and controlling (POLC) human and physical resources to achieve organizational objectives. This is the same regardless of the type of industry, level within the industry, or sort of organization.

Management scholars (Mosley, Pietri, & Megginson, 1996; Rodenz, 2006; Williams, 2007) have defined the four managerial functions as follows:

Planning is the management function of choosing an organization's mission and objectives and then determining the courses of action needed to achieve them.

Organizing is the management function of determining resources and activities required to achieve the organization's objectives, combining these into a formal structure, assigning responsibility for them, and delegating authority to carry out assignments.

Leading (sometimes called directing) is the management function of influencing employees to accomplish objectives, which involves the leader's qualities, styles, and power as well as the leadership activities of communication, motivation, and discipline.

Controlling is the management function of devising ways of ensuring that planned performance is actually achieved.

In governance, the board of directors plan by outlining the mission statement and goals and a strategic plan to achieve them. The board organizes by structuring the organization to implement a specific strategy and delegating the authority and responsibility senior management needs to accomplish tasks. Leading (directing) comes in the form of guidance and support. Since the marketplace is constantly changing, the board must be prepared to provide input or change strategy when needed. Controlling is the means to ensure planned performance is achieved. The authority and jurisdiction to perform these functions come from the formal documents.

Management involves converting the system of governance into day-to-day operations. Senior management, working with the board, develops an operational plan to achieve the identified mission and goals within a specified time period. Using the organizational structure, senior management organizes by delegating specific responsibility and authority to staff members to carry out operations. Leading is the ability to influence others to work toward achieving personal and professional goals. Controlling is the documentation system to ensure tasks are completed according to policy in a timely fashion. The authority and jurisdiction to perform these functions comes from the board. In small organizations, the board and senior management are one and the same. In this case, senior management determines the governance system as well as the system to translate this into day-to-day operations.

Management—Why is it Needed by Organizations?

There are three key reasons why organizations need management: to establish objectives, to maintain balance among stakeholders, and to achieve efficiency and effectiveness. The initial task for management is to develop objectives for the organization. The objectives become the organizational energy currency. Once the objectives are established, the organization's human, financial, and physical resources attempt to accomplish them. Generally, top management establishes overall objectives for such

areas as profitability, market share, growth, or new product development. Lower-level objectives are commonly determined by all of the employees.

In working to achieve objectives, managers need to maintain balance among the conflicting objectives of the stakeholders. The stakeholders are all those having a stake in the organization's success, including employees, owners, customers, government authorities, and creditors. Management holds in trust and must balance the interest of many different groups including community leaders, creditors, customers, employees, government needs and demands, public (consumer groups, environmentalists, and civil rights advocates) stockholders, suppliers, trade associations, and union leaders.

Further, management performs the function of stewardship on behalf of the owners who are seeking a satisfactory return on investment (ROI). The ROI may be profits (as in a business) or service (as in local, state, or federal governments). Finally, management must also consider the interests of its employees who seek good pay, safe and comfortable working conditions, fair and equitable treatment, the greatest possible job security, and more time off.

The last reason for management is achieving effectiveness and efficiency. The concept of effectiveness relates to the ability of management to set and achieve proper objectives. The other side of the management performance coin is efficiency. Efficiency is management's ability to get things done, achieving higher outputs relative to inputs. In the case of managing a sport retail store, this would include such resources as employees, food, and time. The store manager, who achieves the same sales volume with another store, while having only 15 percent of the payroll and inventory costs, would be considered more efficient in using resources.

Leadership

Attila the Hun, Napoleon, Marshall, Eisenhower, Patton, and Rommel believed that, under the right circumstances, every soldier in his army had the potential to be a general and lead the army in his absence. Whether you hold that belief or not, the plain fact is that "natural" leaders do not just happen, nor does anyone have a divine right to lead or rule.

You do indeed have a marshal's baton in your own knapsack. Recognizing your leadership potential is the first step toward leading others. The second is being able to manage yourself before trying to manage others. Finally, a third, as noted by Bennis (1989), is self-expression, and the key to self-expression is understanding one's self and the world, and the key to understanding is learning—from one's own life and experience.

Bennis based his bestseller *On Becoming a Leader* (1994) on the assumption that leaders are people who are able to express themselves fully. " . . . they know who they are, what their strengths and weaknesses are, and how to fully deploy their strengths and compensate for their weaknesses." Further, " . . . they know what they want, why they want it, and how to communicate what they want to others, in order to gain their cooperation and support" (p. 37).

Finally, Norman Lear's success was based on four very simple yet complex steps: (a) becoming self-expressive, (b) listening to the inner voice, (c) learning from the right mentors, and (d) giving oneself over to a guiding vision (Bennis, 1994).

Leadership and the Facility and Event Manager

Leadership has been defined by many and many continue to redefine it. For the purposes of this chapter, *leadership* will be

defined as a set of qualities that causes people to follow. Leadership requires at least two parties; a leader and a follower. Many experts have argued over what exactly causes a group to follow one person and not another, but the decision to follow a leader seems to come down to few common traits (See Table 1.1).

Leaders have the ability to inspire people to go beyond what they think they are capable of doing, making it possible for a group to attain a goal that was previously thought unattainable. Leaders carry their followers along by (a) inspiring their trust, (b) acting consistently, and (c) motivating them by words and deeds.

Leadership boils down to a willingness to accept responsibility, and the ability to develop three skills that can be acquired through practice—elicit the cooperation of others, listen well, and place the needs of others above your own needs. When you properly put these skills together, people begin to turn to you when they need direction.

Responsibility and Accountability

Leadership begins with the willingness to embrace responsibility. You cannot be a leader if you are afraid of responsibility and accountability. With responsibility comes the concept of accountability. If you cannot answer yes to the following question, you are not ready to become a leader. Do you have enough confidence in yourself to accept responsibility for failure?

One of the realities about placing the needs of others above your own is that you cannot blame other people. If you are the type of person who looks outward for an excuse instead of inward for a reason, you will have a hard time earning the trust of others. An absence of trust makes eliciting their cooperation more difficult, which, in turn, makes it more difficult for you to lead, even if you have been given the title of leader.

On the other hand, the leader receives most of the accolades and rewards when things go well. No matter how hard your followers worked, no matter how modest you are, no matter how much you attempt to deflect credit to your entire team, yours is the name that people will remember. That is the great benefit of being the leader. Can you handle the limelight of success?

The Basic Ingredients of Leadership

Leaders come in every size, shape, and disposition. Yet they share some of the following ingredients (Bennis, 1994):

- guiding vision,
- passion,
- integrity (i.e., self-knowledge, candor, and maturity),
- trust (i.e., constancy, congruity, reliability, and integrity),
- curiosity, and
- daring.

Key Leadership Abilities

The trick to becoming a leader is to be able to elicit cooperation, to listen to the needs of others, and to put other people's needs ahead of your own with great consistency. After you decide that you can and want to embrace responsibility, leadership requires that you be able to do three things very well (also see Table 1.2):

Table 1.1
Ten Characteristics of a True Leader

The following are the 10 characteristics of a true leader:
- eager
- cheerful
- honest
- resourceful
- persuasive
- cooperative
- altruistic
- courageous
- supportive
- assertive

- Elicit the cooperation of others. You must be able to get others to buy into your vision of the future and the right way to get there.
- Listen well. You have to be able to gather many kinds of information from others in order to lead; doing so requires that you hone your listening skills. The old adage, "listen and *hear* before you speak," is very important when dealing with people.
- Place the needs of others above your own needs. Leadership requires that you be willing to sacrifice for a greater good.

Characteristics of Leaders Coping with Change

There are 10 characteristics for coping with change and creating learning organizations (Bennis, 1994):

- leaders manage the dream,
- leaders embrace error,
- leaders encourage reflective backtalk,
- leaders encourage dissent,
- leaders possess the Nobel Factor (optimism, faith, and hope),
- leaders understand the Pygmalion effect in management (if you expect great things, your colleagues will give them

to you—stretch, don't strain and be realistic about expectations),
- leaders have what I think of as the Gretzky Factor (a certain "touch"),
- leaders see the long view,
- leaders understand stakeholder symmetry, and
- leaders create strategic alliances and partnerships.

Building Leadership Tools

John F. Kennedy once said, "Leadership and learning are indispensable to each other." Learning about the job, the employees, and yourself is very important to a leader and his/her leadership ability. There are a number of leadership traits that need to be developed by the leader. The remainder of this section will discuss these traits:

- Learning to use what you have. Intelligence is critical to leadership because synthesizing information is often necessary in order to create a vision.
- Responding to situations flexibly. Gathering new information and adjusting a response to a particular situation requires intelligence. Instead of responding in a knee-jerk way, an intelligent person responds flexibly based on circumstances and needs.
- Taking advantage of fortuitous circumstances. You not only have to be smart enough to adapt to new information with flexibility, but you also have to have the courage to seize opportunities when they present themselves.
- Making sense of ambiguous or contradictory messages. A good leader listens to all the information and then sorts through it. You test contradictory messages by asking for more information in order to find the truth.
- Ranking the importance of different elements.
- Finding similarities in apparently different situations. One of the normal

Table 1.2
Ten Ways to Master Leadership Skills

The following are the ten ways to master leadership skills:
- prepare
- volunteer
- keep an open mind
- give speeches
- develop discipline
- meet deadlines
- stay in touch
- listen
- cooperate
- do things for others

characteristics of intelligence is a talent for analogies. Analogous intelligence in leaders is the ability to draw on prior experience, no matter how tenuous the connection is, to find a similarity that you can use to solve a problem.

- Drawing distinctions between seemingly similar situations. You can find differences among situations just as often as you can find similarities and a good leader learns to recognize when A is not like B and emphasize the differences over what the two have in common.
- Putting concepts together in new ways. Along with analogies, one of the components of intelligence is the ability to synthesize new knowledge by putting together time-tested concepts in new ways.
- Coming up with novel ideas.

Leadership versus Management

Leadership is based on a person's ability to influence others to work toward achieving personal and organizational goals. Leadership is often defined as a process of influencing individual and group activities toward goal setting and achievement. However, management involves much more. While leadership is a part of management, management also includes performing the other functions—planning, organizing, and controlling. Keep in mind that effective managers must be effective leaders and the successful leader is one who succeeds in getting others to follow.

A leader is not a manager and a manager is not a leader. There are enormous differences between leaders and managers including:

Manager ↓	Leader ↓
Administers	Innovates
Copy	Original
Maintains	Develops
Focuses on systems & structure	Focuses on people
Short-range view	Long-range perspective
Relies on control	Inspires trust
Asks how and when	Asks what and why
Eye always on the bottom line	Eye on the horizon
Imitates	Originates
Accepts status quo	Challenges status quo
Classic good soldier	His own person
Does things right	Does the right thing
Wear square hats	Wear sombreros
Learn through training	Learn through education
Deductive	Inductive
Firm	Tentative
Static	Dynamic
Memorizing	Understanding
Facts	Ideas
Narrow	Broad
Surface	Deep
Direction	Initiative
Left brain	Whole brain
Common sense	Imagination
Rules	Risk
Rigid	Flexible
Reactive	Active

Types of Leaders

A leader has to work effectively with many people including superiors, peers, subordinates, and outside groups. However, the qualities of leadership are seen especially in a manger's relationship with subordinates (Mosley, Megginsen, & Pietri, 2005).

Leaders are often classified by their approach (i.e., autocratic, democratic or participative, or laissez-faire) or their orientation toward getting the job done (i.e., task- or production-oriented or people-oriented or employee-centered). These approaches have been defined by a variety of scholars (Mosley et al., 1996; Mosley et al., 2005; Rodenz, 2006; Williams, 2007) as follows:

Autocratic leaders are often called authoritarian leaders who make most decisions themselves instead of allowing their followers to participate in making them. They are also characterized as "pushers" or "drill instructors."

Democratic or participative leaders involve their followers in groups who are heavily involved in the decision process.

Laissez-faire leaders are often called free-rein leaders who are "loose" or permissive and let followers do what they wish.

Task-oriented or production-oriented leaders focus on getting the job done. They emphasize planning, scheduling, and processing work and they exercise close control of quality.

People-oriented or employee-centered leaders focus on the welfare and feelings of followers, have confidence in themselves, and have a strong need to develop and empower their team members.

Leadership Theories

There are six key leadership theories that all future managers need to be aware of as they develop their leadership skills. These theories are behavioral, contingency-situational, servant-leaders, traitist, transactional leaders, and transformational leaders. These theories are defined below:

Behavioral theories are a group of theories of leadership that emphasize favorable treatment of employees rather than their output or performance. The leading theories in this area are McGregor's theory X and Y, Ouchi's theory Z, Likert's four management systems, and Blake and Mouton's management grid.

Theory X suggests that workers dislike work and must be coerced, controlled, and directed in order to achieve company objectives.

Theory Y indicates that workers accept work as natural, seek responsibility, and will exercise self-direction and self-control to achieve company objectives.

Theory Z is a theory of leadership that emphasizes long-range planning, consensus decision making, and strong mutual worker-employer loyalty.

Leadership grid® is a leadership model that focuses on task (production) and employee (people) orientations of managers as well as combinations of concerns between the two extremes.

Contingency-situational theories are leadership theories (i.e., Tannenbaum and Schmidt's leadership continuum, and Hersey and Blanchard's life-cycle theory) prescribing that the style to be used is contingent on such factors as the situation, the people, the tasks, the organization, and other environmental variables.

Leadership continuum is a range of behavior associated with leadership styles from democratic to authoritarian.

Life-cycle theory is a theory that the leader's style should reflect the maturity level of employees and that draws heavily on previous leadership research.

Servant-leaders are leaders who serve the people he leads, which implies that they are an end in themselves rather than a means to an organizational purpose or bottom line. The servant leader **devotes him-/herself to serving the needs of organization members,** focuses on meeting the needs of those they lead, develops employees to bring out the best in them, coaches others and encourages their self-expression, facilitates personal growth in all who work with them, and listens and builds a sense of community. Servant leaders are felt to be effective because the needs of followers are so looked after that they reach their full potential and hence perform at their best.

Traitist theories are theories of leadership that claim leaders possess certain traits or characteristics (i.e., supervisory ability, need for occupational achievement, intelligence, decisiveness, self-assurance, and initiative) that cause them to rise above their followers.

Transactional leaders are leaders who identify desired performance standards, recognize what types of rewards employees want, and take actions that make receiving these rewards contingent upon achieving performance standards.

Transformational leaders are leaders who provide charismatic leadership, individualized consideration, and intellectual stimulation.

Summary

Sport is a global, rapidly growing industry. The sport industry is composed of organizations that are involved in sport. A large number of different types of organizations make up the sport industry, including amateur sports, professional sports, sporting goods manufacturers, sport goods retailers, public assembly facilities, sport management consultants, sport agencies, etc. Whether it is a freestanding industry or segment of the entertainment industry, sport is a multibillion-dollar business.

Governing bodies are an important part of the sport industry. Any given governing body is structured in a way to achieve its stated mission within the environment in which it works. The aim of this chapter was to introduce the sport industry and outline the component parts of a sport organization. An organization is when two or more people interact to achieve a common goal. Every organization is impacted by the general, task, and internal environments. Organization behavior is the study of individuals and small groups within the organization and the characteristics of the environment in which the people work. Organizational culture refers to the shared philosophies, values, beliefs, and behavior patterns that form the organization's core identity. Organizational theory is the study of the design and structure of organizations. The structural elements of organizational design include complexity, formalization, centralization, specialization, standardization, departmentalization, and size. Governing bodies acquire legal authority and jurisdiction through its governing documents.

Management involves four functions: planning, organizing, leading, and controlling. Management is important because it establishes objectives for the organization, maintains a balance among stockholders, and achieves efficiency and effectiveness within the organization. Managers implement the plans and leaders develop and sell the plans. There are three generally accepted approaches to leadership—autocratic, democratic or participative, or laissez-faire. Some would say there is a fourth approach known as orientation toward completing a task—task- or production-oriented, or people-oriented or employee centered. There are six key leadership theories that all managers need to understand including behavioral theories (i.e., theory X, theory Y, theory Z, and leadership grid), contingency-situational theories (i.e., leadership continuum and life-cycle theory), servant-leaders, traitist theories, transactional leaders, and transformational leaders.

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