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## Sports Management. From Institutionalism to Research

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**Abstract.** Throughout the entire period of the 20<sup>th</sup> century, management has developed both as a concept and as a general spread in all fields of activity. In the present, regardless of the area of activity, we cannot speak about forecasting, development and institutional research without including the science of management. It penetrated also sports in all its forms of manifestation. In the literature, sports management implies, in addition to many other areas, also the concept of institutional theory. This theory is an integral part of both organizational and management theory. Institutional theory and institutionalism are focused mainly on research related to internal institutional changes, activities within organizations, but also related to the way in which institutions are managed. Research in sports field adds value to institutional theory, offering explanations to certain issues in the area and interesting approaches regarding the link between institutionalism and research.

**Keywords:** sports management, institutionalism, institutional theory

### Introduction

In the early 19<sup>th</sup> century, in the United States of America are being outlined the first ideas of institutionalism doctrine. The founder of American institutionalism is Thorstein Veblen (1857-1929). Meanwhile, the institutionalism has become a commonplace, not only in literature but also in public discourse (Aligică, 2002). In practice, we cannot synthesize the concept of institutionalism without the idea of institution. The main object of institutional research is to analyze different institutional types. We must highlight the differences between institutional theories and theories of institutions, specifying that they cannot exist in their singularity. They can only exist together. "To know why a certain institution exists, there must be known not only the results of the central institution, but also the consequences of alternative institutional arrangements that could be made instead" (Diermeir & Krehbiel, 2001).

For a long time, we can identify the idea of institutional theory in the literature related to organizational and management theory. At the same time, institutional theory has become an important theory in the literature regarding sports management (Kikulis, 2000). "The connection between institutions (regarding contextual constraints) and results (as consequences of collective choice) is behavior. Institutions differ because they can encourage different types of behavior, but at the same time, they may impose constraints

on that behavior. In this respect, the behavior within an institution determines whether institutions are oriented towards results or if they matter "(Kikulis, 2000)."Institutions' analysis is realized in the literature by institutional theory-the theory that seeks to understand the relationship between institutions, behavior and results" (Kikulis, 2000).

Institution - "is the term which evolutionary economists (institutionalists) use to describe ordinary, common behaviors of people in society and to describe the ideas and values that are associated to these regularities" (Hodgson et al., 1994).

The modern approaches of institutional theory focus on institutional transformations (Dacin et al., 2002). Walton Hamilton stated that people "see with ideas as well as they see with their eyes ... (and) they meet events with a wisdom that they already possess, and this wisdom belongs to the past and is the product of a past experience" (Hamilton, 1932).

Within this entire context, the most important activity of institutional theory is "why and with what consequences do organizations present specific arrangements that defy rational traditional explanations" (Greenwood et al., 2008).

Research on institutional theory has highlighted a number of systemic components: education system, government agencies and departments and urban reforms. Lately, institutional theory overlaps more and more and begins to be applied also in sports."Sports, through its organization and manifestation forms, through its built specific infrastructure, has become an inseparable part of society in general, the differences being of quantitative and qualitative nature and whose value is generated by the involvement degree of each actor as part of society (of the whole)" (Ilieş et al., 2014). It offers a lot of expertise elements that can result in the development of fundamental rules regarding institutional theory. Sports field may be used in order to widen the area of focus for institutional theory, so it can offer solutions to specific sports` problems. "Under such circumstances, the sport movement, diversified as type and form, generates local, regional or worldwide activities which through the manifestation manner and location produce benefits and development for the human society" (Ilieş et al., 2014).

### **Conceptual approaches**

In the broad sense of the term, institutional theory develops, within it, the concept of *institution*. This, in Hughes` theory, represents "an establishment of relative permanence" (Hughes, 1936). Meanwhile, the concept of institution has been highly debated, being shaped in different definitions and explanations. Selznick captured very well the idea, stressing out that the institution is "an organization inoculated with value" (Selznick, 1957). We cannot always associate institutions with an organizational form. Sometimes they manifest in the form of ideas, practices and ways of activity, prevailing ideology and not organizational structures (e.g. the institution of marriage). These methods of institutional organization are supported by generally accepted social mechanisms. These aspects must not lead us to believe that anything can represent an institution. It can be described as "a social repetitive behavior supported by normative systems and cognitive processes that give value to social exchange and allow the generation of self-repetitive social order (or self-reproductive)" (Greenwood et al., 2008).

Greenwood states that institutional theory presents several determinant elements (Greenwood et al., 2008). The first element highlights the fact that over the organizations is being exerted an influence directly by the activity of own organization. Domain connoisseurs justly say that organizations are an open system, being directly influenced by the external environment. Institutional theory assimilated this idea, trying to determine the way in which the organizational environment has an impact on the organization's activities. The activity within the organization is centered towards maximizing the profit,

but one can note that some organizations are moving in directions that do not lead always to maximized profits. This points out the second element, namely the fact that any type of organization (especially those with unclear technologies) is affected by institutional pressure. Using the concept of unclear technology, Greenwood explains by invoking Scott (Greenwood et al., 2008) that certain institutional environments speculate and use better technologies (banks), and others are directly influenced in their activity by dominant institutions (public education system). However, if we take into account the current economic crisis, we can see that the activity of all organizations is directly determined and influenced by dominant institutions (Greenwood et al., 2008).

The existence of institutions in organizational field highlights another element, which is that organizations become isomorphic with their own domain, thus justifying their existence, which ensures their survival. Often, organizations practice policies through which they can justify their activity and legitimacy, in full convergence with own environment and institutional framework (Tolbert & Zucker, 1983). The assimilation of indicative practices does not generate internal changes within the organization. This approach highlights another element: "where the institutional environment is buffered with the core technology, practices adopted in order to maintain legitimacy may not be in accordance with those for achieving efficiency and the environmental conformity may be lost" (Meyer & Roean, 1977). The last element emphasizes that a practice is seen as crucial for justifying institutional activity, being strengthened by a dominant institution. In this context, the practice turns itself into an institution. Institutional practices generally have a wide range of assimilation and are resistant to various forms of change.

Institutional theory, as we have shown before, develops some concepts and ideas: institutional policies, legitimacy, institutional change and organizational fields.

Organizations and institutional theories have and should be applicative also in sports. The fact that organizations are determined by their own institutional functioning opened the research towards the field of sports management (Greenwood et al., 2008).

### **Institutional policies in sport organizations**

Organizational activity is determined by a system of values, being different because of the content's structure and in terms of approached institutional policies. In what regards the content, the organization can be addressed by its component sub-systems: administrative or infrastructure (sports facilities). "A sport facility will be understood as a facility that, in the given period, either played an important role in the competitive sports scene of the city, making it possible for the local sports clubs to join regional and national championships, or provided a venue for the practice of several branches of sports" (Kozma, 2014). There are various sources that determine a particular interest in institutional policies, which will be the basis for future actions. These policies have the ability to distribute organizational resources, namely by their diversity (Fligstein, 1996). "Institutional inadequacies are sources which generate the most important political conflicts in our society; through these policies the institutional structure of society is transformed" (Friedland & Alford, 1991).

To explain seizures, changes and activity within an organization, most specialists use the concept of institutional policy. They argue that managers and leaders tend to lead an organization based on their own policy (pre-established), thereby changing the old management policy (Kraatz & Moore, 2002). These issues are to be found also in the management of sports organizations, noting an increase in specialists' interest, reflected in the literature. "Leaders who are able to help employees to achieve their own goals will never have trouble motivating them. The achievement of own objectives is how they are

constantly motivated. All the things managers must do are to find connections between employees' personal goals and the needs of the organization" (Dragoş, 2014).

To assess institutional policies, O'Brien and Slack studied how they are manifested in the British Rugby Association (O'Brien & Scott, 2003). Authors analyzed how institutional logic is changing. Slack and O'Brien identified different ways of approaching institutional policies compared to the initial model (O'Brien & Slack, 2004).

Institutional policies are volatile and determined by many factors, most often not being reflected as they have been designed, when they reach consumers. It is well known the research done by Southall and collaborators on American Basketball Championship, which reflects a big difference between the trade policy presented by media and the original institutional policy (Southall et al., 2008).

### **Sports' organizations institutional legitimacy**

Institutionalization represents the activity through which "social processes, obligations and duties usually assume the status of rule within social thought and action" (Meyer & Rowan, 1977, 341). To build an institution, everyone involved should provide a consensus (Porac et al., 1995), but the consensus is given by mutual agreement on well-defined policies that they will operate with (DiMaggio & Powel, 1983; Suchman, 1995).

In this way, institutionalization is achieved through a proper process of construction, at the same time with the attainment of legitimacy. At the same time, there will be assumed legitimacy and policies which will strengthen the institutionalization process. Therefore, it is also made a structure of certain practices that will materialize the way of action for the organization. We can say that institutional legitimacy, by establishing homogeneity and a generally accepted structure by consumers and society in general, strengthens the institutional process. "Legitimacy is a problem within the construction of social reality. It implies the building of a social object according to cultural beliefs, norms and values that are supposed to be shared by others in a given situation, and perhaps, more widely, by social actors in a wider community. Through this process of construction is done the right thing ... is a collective process... is possible and depends on the presence of an implicit social public, which is supposed to accept comprehensive frame work of beliefs, norms and values, and therefore accepts the construction of legitimacy" (Johnson et al., 2006). The legitimacy of an organization refers to the level of support that is given to an organization, justifying its existence, operation and jurisdiction, eliminating non-viable alternatives (Meyer & Scott, 1983). Unfortunately, studies regarding institutionalization and legitimacy of sports organizations are very few.

### **Institutional change**

In the institutional domain, specialists addresses also issues related to institutional strategies (Lawrence, 1999), or institutional changes (Haveman & Rao, 1997). In theory, the activity is organized according to the way in which organizations manage to obtain legitimacy. Lawrence (1999) defines this mechanism institutional strategy, which includes strategic actions as a very important component. Those who control and implement institutional policies are the managers.

"Managers have indirect contact with athletes, engaging less in the training process, but being responsible for the entire management sector that involves performance" (Dragoş, 2014). They have sufficient resources to establish common strategies and organize the institution in order to be functional. Institutional activity also focuses on its impact on the competitor environment (Lawrence & Suddaby, 2006). In the theory of

institutional change there are few literary approaches which can complement the science of sports management. Kikulis (2000) is among the few authors who address institutional changes within sport organizations.

### **Organizational fields**

Authors such as DiMaggio and Powell (1983) express in their works considerations regarding the fact that organizational area is an important component to be analyzed, helping us to understand why organizations react differently to institutional expectations (Greenwood&Meyer, 2008). In this context, it is important to investigate the organizational environment. DiMaggio and Powell (1983) present organizational area as being "those organizations that jointly form a recognizable area of institutional life: key suppliers, resource and product consumers, regulatory agencies and other organizations that produce similar services or products." This approach expands the limits of analysis, including a number of variables that productively interact between them. All variables must follow the rules and laws of institutional functioning. In this theoretical framework, O'Brien and Slack (2004) analyzed the organizational field of the English Federation of Rugby, being along with other authors, exponents for studies and research in the field.

### **Conclusions**

Specialists use, in an argued way, the institutional theory to explain and emphasize the sports phenomena. A synthesis of the facts presented regarding the link between institutional theory and sport highlights the idea that sport is directly influenced by institutional pressure.

Various directions can be outlined with reference to the link between institutional theory and sport. One of them assumes that research in the field of sport would not need studies regarding inter-organizational bound. A large number of researches in the field of sport do not contribute in a fundamental way to the development of institutional theory, nor bring revolutionary ideas other than those of specialized theory. This does not imply giving up a study into how organizations interact in sport. This does not imply that we must give up investigating the way how organizations interact in sports. Another direction is generated by institutional practice search. Thus, studies and research in the field of sport should consider, besides organizational activity and changing actions, also the source that generates these changes. Specialists, in their research in the field of sports, should focus more on the quantitative aspect of their studies. The quantitative approach complements and completes the qualitative component which is mainly used in sports. Because of the lack of research, an important direction is the field of institutional change. Works in the field should generate issues regarding changes within the system, and also regarding causes that produce these changes. There are also other ways to use organizational theory, which facilitate research in sports and could explain unsolved issues in the field.

Sport is an area of science that can complement institutional theory as it implies the existence of enough data that can be used in research.

Lately, institutionalism and its theory became representative within organizational sciences (Greenwood et al., 2008). Research results in the field of sports related to institutional theory can generate a set of rules. Sports organizations and sports management activity operate on the basis of a generally accepted logic. Sport cannot be discordant in relation with current activities of the company, being a part of it. Sports area implies both an institutional component and a technical one, which leads to increase in performance. Institutional theory is a science that complements and enriches the knowledge about sport activity and sports organizations. Sport is part of that field within

which influences are generated by the own institutional environment and less by the technical one (Scott, 1991). Sport is an area with an accelerated dynamics, where researchers can study in a deepened way sports activity, as always some branches of sports or sports activities come to the forefront, while others diminish their importance.

Sports management is an area that greatly benefits from the research. Most numerous studies in sports related to institutional theory are based on the idea that investigated organizations are legitimate and stable. This approach may be the starting point to create the link between institutionalism and research.

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