

Contributing factors toward an understanding of local sport club partnerships: A study of partnership forming behaviour in Australia, Canada and New Zealand

Vancouver Rowing Club



Phoenix Gymnastic Club



Suggested factors/contributors

. . . to relationship forming

- lowering the cost of administration (assumed)
- buffering our external environment
- Lessening dependence on others (resource dependence)
- Increasing reach/access (resource dependence)
- Increasing our status (social connections)
- Avoiding compliance/regulation hassles
- Others want us to

Assumptions

Complex external environment of sport, means that many sports clubs at the local level will struggle to meet the variety of demands placed on them e.g. (compliance, customer and member expectations, professional management, coaching, equipment and facilities).

To mitigate/alleviate these pressures they will (like companies in the business world) buffer this complexity by building partnerships and by forming alliances, relationships or mergers with each other.

Research Question

- Why do sporting organisations form relationships?
- Of all reasons which ones are key, significant?

What the research looked for

- Examples of boundary spanning
- Relationship imbalance
- Evidence of social connections
- Evidence of resource scarcity
- External environmental factors that pushed clubs toward partnerships
- Internal club dynamics that pushed clubs toward partnerships

Research Method

- Research in three Commonwealth Countries. Similar sized cities: Vancouver, Brisbane and Auckland.
- 13 local sports clubs that had formed partnerships in the last 15 years.
- Survey of driver clubs (13) and partners (8) total of 21 surveys.
- 13 semi-formal interviews with primary clubs.
- Data analysis of club strategic plans, annual reports and promotional material.

Participant Clubs

Brisbane

Wynnum Manly Leagues Club
Redlands Sports Club
Shawsportz
Southside Sport and Community Club Inc

Vancouver

Phoenix Gymnastic Club
Mixed Adult Recreational Slo-Pitch
Metro Ford Soccer Club
Vancouver Rowing Club

Auckland

Waitakere Bears Softball Club Inc
Te Atatu Peninsula Bowling Club
Millennium Institute
Sharks Sports Trust
Glenfield Rovers AFC and Sports Club

Interviewed Partners

The Northern Eagles / North Star Soccer
Mt Gravett Bowls Club

Pacific Indoor Bowls Club

Coquitlam City Soccer Association
Jokers Field Hockey Club

Ranui Swanson Association Football Club
Te Atatu Women's Bowling Club

Sharks Touch

Research Method

- A range of questions were asked to determine:
 1. Resource Dependency Variables
 2. Social Connection

Table 1 Self Completion Survey and Semi-Structured Interview Questions

Question Outline	Question Numbers	Question Type Resource Dependency	Question Type Social Connection
<i>Self Completion Survey</i>			
Cost of administration, compliance, fixed assets, coaching, non-fixed assets	Q 10.1 - Q 10.5	X	
Difficulty in obtaining grants, sponsors, volunteers	Q11.1 - 2, Q 12	X	
Difficulty in completing compliance, retaining expertise	Q13, Q14	X	
Identification of type of working relationship/partnership	Q 5	X	
Dependency on other organisations	Q 9.1-9.2	X	
Club interaction with other clubs, club knowledge, geographical proximity.	Q 6.1 -6.3		X
Involvement with National and Regional Sport organisations, Corporates and Sponsors, Regulatory Bodies	Q 8.1- 8.3		X
Identified nature of the relationship	Q 5	X	X
<i>Semi Structured Interview Survey</i>			
What was the 'Primary Impetus' for clubs to consider collaboration?	Q 2	X	
What resources were in short-supply if any?	Q 4	X	X

Results

The results identify the significance of various factors on the perceived 'before' and 'after' ratings for the 21 local sports clubs

Table 2 Self Completion Survey Results - Resource Dependency Questions

Dependency Variables	Mean Estimate	Std Error Estimate	t score	Signif.
<i>1.1 Dependency on costs</i>				
Cost of administration services (phone, computer, staffing, office set-up and supplies)	-0.61	0.84	0.72	0.76
Cost of compliance, insurance and legal fees	-1.19	0.61	1.95	0.97
Fixed assets, cost of mortgage, repayments, building maintenance, depreciation	-2.22	1.94	1.15	0.87
Cost of coaching expertise	-1.44	0.69	2.1	0.98
Non-fixed assets cost of equipment, vehicles, maintenance and depreciation	-1.33	0.94	1.41	0.92
<i>1.2 Dependency on other organizations</i>				
Dependency on other organizations	-1.57	0.93	1.69	0.95
<i>1.3 Degree of difficulty in obtaining</i>				
Government grants	1.19	0.55	-2.14	0.98
Sponsorship	0.72	0.33	-2.2	0.99
Volunteer help	-0.44	0.82	0.53	0.7
<i>1.4 Degree of difficulty in</i>				
Completing compliance requirements	-0.56	0.97	0.58	0.72
Recruiting and retaining expertise to run club	0.94	0.79	-1.19	0.88

Findings Resource Dependency

- It became easier to obtain grants and sponsorship after forming a relationship
- Results showed a perceived increase in costs of compliance, insurance and legal fees and cost of coaching expertise after forming a relationship
- Difficulty in finding volunteers/expertise to run the club showed no change
- Club administration costs actually increased as a result of relationship forming
- No evidence of increased perception of costs of fixed/non-fixed assets

Findings Cont.

- Overall the findings suggest that sporting clubs at the local level will form relationships with other clubs on the basis of their need for greater access to sponsorship and grant dollars. By forming partnerships they report achievement of this aim. Further the clubs did this even if they perceived that some costs would actually increase as a result of forming a partnership.

Table 3 Self Completion Survey results - Social Connections Questions

Social Connections Variable	Mean Estimate	Std Error Estimate	t score	Sig
<i>1.5 Interaction with other clubs</i>				
Knowledge of clubs	-4.20	3.94	1.07	0.86
Geographical proximity to each other	-4.55	5.06	0.90	0.82
<i>1.6 Involvement with significant organisations</i>				
National sport governing bodies	-1.75	2.51	0.70	0.76
Regional sport governing bodies	-1.90	2.01	0.94	0.83
Corporations and sponsors	-3.70	3.23	1.15	0.87
Regulatory bodies (e.g. Licensing and Local Government)	-3.20	1.83	1.75	0.96

Findings Social Connection

- Knowledge of other clubs and proximity has increased post-relationship forming. This perception supports a view that the social capital of these clubs has increased. Not only in relation to the clubs who joined, whom would be expected to indicate a closer knowledge of each other but in respect to new partnerships with organisations in the sport delivery system.

Table 4 Study sample club partnership types

Clubs Surveyed	Type of Relationship	Detailed Description
Co Whitlam Metro Ford Sports club	Merger	Two clubs combine to form a new club
Glenfield Rovers Soccer Club	Merger	Absorbed Northcote Soccer Club
Millennium Institute Health/Fitness	Clusters and Strategic Alliance	4 original sports, formed Mish but have autonomy, others have joined by agreement
Phoenix Gymnastic Club	Strategic Alliance (plus entity)	Clubs separate with an entity to manage building development
Redlands Sports Club	Merger	Merging/incorporating some existing clubs and creating new ones as well
Sharks Sports Trust	Merger	Initially Touch but new clubs joining into Sharks and operating under sharks constitution
ShawSportz	Cluster (plus entity)	Have identity but have transferred some/much control to entity created around gaming trust
Southside Community Sports Club	Cluster (with respect to Bowls Club)	At least three entities and the original club and its founding sports
Te Atatu Peninsula Bowling Club	Merger	Men's and Ladies joined under one new constitution
Vancouver M.A.R. Slo-Pitch	Merger	This club is taking over Glazers and Glazers will go out of existence
Vancouver Rowing Club	Strategic Alliance	They have independence in entity but they are subject to a chief exec and scrutiny by the Board of VRC by agreement
Waitakere Bears Softball Club	Partnership (plus entity)	Forming a new entity that governs them
Wynnum Manly Leagues Club	Strategic Alliance	At least three sports clubs supported financially by Wynnum Manly Leagues club

Relationship Imbalance

- It was apparent that those clubs who had the greatest imbalance at the outset were often likely to be taken over/merged or amalgamated.
- Those clubs who were similar in power or resources at the outset were more likely to end up in strategic alliances, partnerships and joint ventures.

Primary Impetus for Partnership

The Role of Local Government

- There were strong associations between Local Authorities and clubs dependence on them for park space. Clubs self reported this as a key reason for forming relationships in half the clubs studied.

Conclusion

- Resource dependency theory does provide useful insights into the primary drives of sports clubs and why they seek to develop linkages and partnerships, and this is clearly evident in the current study where clubs demonstrate a lack of scarce resources.
- We can further conclude that there is evidence that clubs who form partnerships report increases in social connection and involvement with the partnering club and influential organizations in their sport delivery system.
- We see clear evidence of the key role for Local Government in this process, where the visibility of Local Government is high for almost all local clubs and their role is instrumental.

Limitations

- It is likely that there are many reasons for clubs to form partnerships, and we must acknowledge that still greater numbers of clubs did not consider partnerships as a solution to supply problems within a known resource pool but as they were not subject to study it is difficult to tell if this disadvantaged them.
- The paper does not consider in enough detail the role of social connections at the micro club level as a primary impetus for relationships, nor because of the small sample size can the results of this study be generalized.
- There was little attempt to determine the effectiveness of clubs pre and post relationship forming and this is an area where future research would be valuable.