Grey Is the New Black: Advancing Understanding of New Organizational Forms and Blurring Sector Boundaries in Sport Management

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Scholarly literature in organizational studies suggests that new organizational forms emerge from adaptations and innovative reconfigurations (Smith, Gonin, & Besharov, 2013) in response to changing environments and external uncertainties (Heydebrand, 1989; Minkoff, 2002). The erosion of traditional sector boundaries has drawn considerable attention from scholars in many social science disciplines based on its complexity and the possible benefits that may accrue including more effective and appropriate resource allocation, more sustainable solutions, increased accountability, and greater organizational capacity (e.g., Dees & Anderson, 2003; Roper & Cheney, 2005). This phenomenon can be defined as sector-bending and refers to “a wide variety of approaches, activities, and relationships that are blurring the distinctions between nonprofit and for-profit organizations, either because they are behaving more similarly, operating in the same realms, or both” (Dees & Anderson, 2003, p. 16). From our perspective and for the papers included in this special issue, we extend this definition to include the public sector as there is a growing body of research in this domain as well (e.g., Battilana & Lee, 2014; Bromley & Meyer, 2014). In many cases, it may be difficult to discern which domain or sector a particular provider is operating within (and perhaps this question is less relevant than it used to be).

Sport organizations are also facing constantly changing funding regimes, increasing pressures to compete, and an increasingly globalized multifarious marketplace (e.g., Thibault, 2009). Given these trends and the growing area of inquiry in organizational studies, we felt it was timely for the Journal of Sport Management to explicitly bring together scholarly perspectives addressing these developments and draw a collection of research papers centered on the new organizational forms and blurred sector boundaries in sport management. This special issue was prompted by our own reflections and discussions on the changing nature of organizations and boundaries in the field and the need to find ways to theoretically and methodologically unpack the diversity of these forms to celebrate their innovation and recognize the unique challenges they may present. Our purpose from the outset was to spark interest and discourse that might push the field forward (even in uncomfortable ways), rather than provide merely a summary of what is going on in the field. We heard from many authors, including several outside of those whose work is represented in the pages which follow, who took up the challenge to examine and position organizational boundaries in new and different ways. We believe this is an encouraging sign of innovation in sport management—both in practice and scholarship.

As a field, our research and teaching in the area of organizational theory has remained relatively static, drawing on traditional theories (e.g., institutional theory, resource dependence, stakeholder theory) rather than embracing the creative potential of new theory building within our field (cf. Chalip, 2006; Fink, 2013; Kitchin & Howe, 2013; Thibault, 2014). In many cases, these traditional theories continue to be highly relevant (cf. Washington & Patterson, 2011); however, the industry, broadly defined, is advancing in inventive ways (often faster than we keep pace with in academia), and we must recognize that classic structures and forms are being
shaken and/or dissolved every day in favor of more flexible, responsive applications that perhaps do not fit more positivistic “black and white” theoretical understandings. We find these “disruptions” of the status quo compelling and hope that this special issue will excite greater passion within organizational theory and other subfields of sport management to embrace the “grey” by exploring and theorizing around the structural complexities layered within the contextual nuances of sport studies. We are not suggesting, however, that new forms are always needed or effective. In many cases, traditional sector-based management will prevail and research should continue to examine these contexts.

Looking Back and Looking Forward

The notion of structural adaptation within organizations is not new. Meyer and Rowan (1977) wrote about how “professions, policies, and programs are created along with the products and services that they are understood to produce rationally. This permits many new organizations to spring up and forces existing ones to incorporate new practices and procedures” (p. 340). Meyer and Rowan have argued that the formal structure of an organization is often highly disconnected from the day-to-day operations and conditions which should give rise to new structural features and means of coordination. This perspective challenged conventional theories such as Weber’s concept of rational bureaucracy that was assumed to be effective in coordinating complex networks and work activities (Weber, 1930, 1946, 1947). Meyer and Rowan (1977) recognized that formally coordinated work often has competitive advantages, and thus, structure tends to develop. They further argue that it is actually the institutional rules which function as myths embedded within the institutional environment that define new domains and structures. As these myths arise, other organizations alter their structures, becoming isomorphic with the new myths (Meyer & Rowan, 1977). Similarly, DiMaggio and Powell’s (1983) foundational article on institutional isomorphism has also been highly influential in guiding theory around standardized, so-called rational processes that guide organizations. In essence, “once a set of organizations emerge as a field, a paradox arises: rational actors make their organizations increasingly similar as they try to change them” (p. 147). Their central argument was that organizations were becoming more homogeneous and that bureaucracy, despite being driven by causes different than in Weber’s day, still remains the most common organizational form.

Relatedly, organizational forms and management practices are guided by and legitimized by institutional logics or “assumptions and values, usually implicit, about how to interpret organizational reality, what constitutes appropriate behaviour, and how to succeed” (Thornton, 2004, p. 70). It has been well established that there are often multiple or competing logics within a given domain and that less prevalent logics will have a weak or localized influence (Greenwood, Díaz, Li, & Lorente, 2010). Sport management has a long history of wrestling with multiple, often conflicting institutional logics (e.g., Cousens & Slack, 2005; O’Brien & Slack, 2004; Skirstad & Chelladurai, 2011; Washington, 2004). This stems from the various sectors in which sport inhabits (e.g., public vs. private; nonprofit vs. commercial) and the ways in which organizations in these sectors are managed. For example, in Canada, national sport governing bodies were long governed by smaller nonprofit “kitchen table” style boards made up of volunteers. However, political and economic changes forced these organizations to adopt more professionalized models of governance focusing largely on commercial endeavors for survival. Yet at the same time, these organizations remain largely beholden to voluntary boards of directors, often disconnected from the political and social spheres in which these organizations inhabit (Thibault & Harvey, 2013). Understanding organizational change via institutional logics enables scholars to challenge taken-for-granted assumptions about the nature of organizations and be more critical of power dynamics, pressures, and dominant voices.

Our purpose is not to argue for the dismissal of timeless concepts such as rationality, bureaucracy, isomorphism, and institutional logics. Indeed, these remain highly relevant in many domains of contemporary society, including sport. Rather, in recognizing these formative concepts that have shaped the way we understand organizational fields, sectors, and forms, we seek to expose some of the reasons for new organizational forms in sport as a complement to the evolution of these concepts. We have identified three conceptual areas that we believe contribute to the evolution of organizational forms in sport management, including sector-based pressure and failure, the complexity of “wicked problems” in sport, and the tensions resulting from consensus definitions. These ideas will be explored in the following sections.

Blurring as a Result of Pressure and Failure

Sport has historically been delivered through a variety of commercial, public, and voluntary sector organizations, each with a relatively discrete role in the provision of services and products. Similar to other social services, ideologically based questions regarding who should, and who can, take responsibility for particular services have guided our models and structures of organizing (Roper & Cheney, 2005). Since the early 1980s, there has been evidence of contextual pressures influencing traditional sector lines and causing these to blur (Slack, 1999). Public sector providers of sport opportunities have been increasingly pressured to adopt market mechanisms as a means of service delivery and forge stronger partnerships with corporate allies. Nonprofit and voluntary organizations, which have traditionally been the basis of amateur sport systems, are now expected to operate in a more “business-like” manner and replace their loosely coupled structures with a more professional and bureaucratic organizational design (see, e.g., Kikulis, Slack, & Hinings, 2011).