

Entrepreneurship and Sport: Let the Partnership Begin

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Abstract

Sport entrepreneurship involves taking the knowledge, skills, and processes found in entrepreneurship courses and applying them to the sport setting. A limited number of sport management curriculums currently include courses in sport entrepreneurship. This is despite the huge presence of entrepreneurship courses in Business School curricular offerings. In this theoretical paper, it is argued that sport at all levels is continuing to expand and grow in the United States as well as globally and the need for sport entrepreneurship courses in sport management professional preparation curriculums is needed. Thousands of sport related spin-off businesses have been created due to the multi-billion dollar impact of the sport industry on the economy and society in general. It is further argued that sport entrepreneurship courses will help educate and prepare future sport management students with the knowledge and skills needed to start sport related business and to pursue emerging career opportunities in sport. A future partnership between entrepreneurship and sport management is proposed in the form of sport entrepreneurship coursework.

Keywords: Entrepreneurship, Sport Entrepreneurship, Sport Management, Curriculum

1. Introduction

Barringer and Ireland (2016) define entrepreneurship “as the process by which individuals pursue opportunities without regard to resources they currently control for the purpose of exploiting future goods and services” (p. 6). They continue by stating that entrepreneurship is basically “the art of turning an idea into a business” (p. 6). Hundreds of books on entrepreneurship have been written. Colleges and universities throughout the world offer courses in entrepreneurship at the undergraduate and graduate levels. Many colleges and universities have developed academic majors in entrepreneurship where students study how to identify and create business ideas and learn the steps and process involved in starting a new business. Most colleges and universities that offer courses, majors, and degrees in entrepreneurship are housed in departments or colleges of business within the university.

Sport entrepreneurship involves taking the knowledge, skills, and processes found in entrepreneurship and applying them to the sport setting. When a sport management student learns how to brainstorm ideas, plan feasibility studies, conduct market research, examine legal structures for a sport business, prepare financial documents, assemble an organizational team, solicit investors and funding, and write a sport business plan – then, the student is doing sport entrepreneurship. If a student eventually develops a sport business plan using the steps involved in the entrepreneurial process and creates or starts a sport business, then the student has become a “sport entrepreneur.” The sport setting is the key factor that differentiates or separates basic entrepreneurship from sport entrepreneurship.

In many countries located around the globe, sport has become big business. International sporting events like the Summer and Winter Olympic Games attract the attention of the entire world. Millions of dollars are spent by companies to sponsor the Summer and Winter Olympic Games. In the United States, sport is a multi-billion dollar industry that exists at various levels including professional sport, college and amateur sport, organized high school and middle school athletics, and youth sport. Sport has become so expansive and financially lucrative that many colleges and universities in the United States and around the world have developed academic majors in sport management or sport business to professionally educate, train, and prepare students to work in the sport industry as a career. These sport career paths range from sport marketing positions to sport event and facility management positions to sport administrators who lead and oversee the entire sport organization. There are literally hundreds of sport spin-off positions and careers that have been created in and through sport.

The purpose of this theoretical paper is to examine and explore the linkages between entrepreneurship and sport as well as the need for college and university professional preparation programs in sport management to offer courses and/or emphasis areas in sport entrepreneurship.

Fifty years ago there were very few college and university sport management programs throughout the world. The first sport administration professional preparation program in the United States was started in 1966 at Ohio University in Athens, Ohio. Today there are more than 700 undergraduate and graduate sport management programs in the United States (Pedersen and Thibault, 2019). A review of the North American Society for Sport Management web site at www.nassm.com reveals that there are also over 100 college and university sport management programs in countries located outside the United States. In Europe, for instance, there are 44 sport management programs and in Asia there are 28 programs (Pedersen and Thibault, 2019). In addition, colleges and universities worldwide have experienced tremendous growth in the development of entrepreneurship courses and curricula primarily in Business Schools. Barringer (2015) writes that about two-thirds of the over 2,000 colleges and universities in the United States offer courses in entrepreneurship.

2. Evolving Definition of Sport

Coakley (1998) provides a definition of sport as “institutionalized competitive activities that involve vigorous physical exertion or the use of relatively complex physical skills by individuals whose participation is motivated by a combination of personal enjoyment and external rewards” (p. 10). This view of sport as “institutionalized competitive activities” was common 25-50 years ago. Sport management programs founded in the 1970s, 1980s, and 1990s were often focused on preparing students for careers in professional sport, college athletics, and organized school sport settings such as high school athletics. These early sport management professional preparation programs were often called “sport administration” or “athletic administration” programs. The career focus areas and job settings for graduates of these programs tended to be very narrow. Back then very few sport management programs looked at offering entrepreneurship type courses that would eventually prepare students to start their own sport businesses.

Sport management program graduates generally went into jobs where there was an established work force in an existing business with a set job description, specific duties, and pre-determined salary (e.g., sport marketing position in a college athletic program). These sport management graduates did not have to develop their own business concept or business plan or solicit funding to start a new business. Many sport management graduates accepted positions in sport marketing, sport event management, sport facility management, and/or athletic administration where the jobs and organizations had existed for years.

Over the years, the view of sport and the types of careers available in sport for sport management majors has changed significantly. Coakley (2017) describes a broader view of sport to “include a wide range of physical activities that are played for pleasure and integrated into local expressions of social life...” (p.8). He states that “sport” now focuses on “physical culture, which includes all forms of movement and physical activities that people in particular social worlds create, sustain, and regularly include in their collective lives” (p. 7).

This expanded view of “sport” has implications for sport entrepreneurship in that career options traditionally associated with sport management professional preparation programs (e.g., sport event management position in a college athletic program) have been expanded to include a wide array of activities, settings, and spin-off careers in a broad view or perspective of “sport” that heretofore was not fully considered by sport management program personnel or graduates.

Furthermore, jobs in college athletics and professional sports are becoming more difficult to find when compared to previous years. Part of the reason for this is linked to unpredictable national and state economies, a virus pandemic, and a surplus of sport management graduates looking for sport jobs after completing one of the hundreds of college sport management academic programs. One area that has been overlooked by sport management college programs is the area of entrepreneurship. Although some graduates of college sport management programs have started their own sport related start-up businesses, oftentimes it was done with little or no start-up business knowledge or skills. Instead, the graduates learned through trial and error and the school of hard knocks.

Positions in professional sport and college athletics still exist but with each passing year the competition for these positions is increasing and landing a good paying job in professional sport is becoming more difficult. As a result, it is suggested that sport management graduates expand their horizons and become more versatile. They should be flexible and able to move in different directions with a wide variety of skills and a broad knowledge base in areas like sport entrepreneurship.

Business Schools have realized the need for versatility and flexibility for several years. This is why many college business programs placed emphasis on developing majors, minors, coursework, and degrees in entrepreneurship. The University of North Carolina Kenan-Flagler Center for Entrepreneurial Studies, for instance, has a motto which is “learn, launch, lead”. Their innovative entrepreneurship program is designed to help students find success beyond the start-up phase and eventually transition into a lifelong entrepreneurial career. MBA and undergraduate concentrations in entrepreneurship have been established at UNC. At Old Dominion University in Norfolk, Virginia, the Strome Entrepreneurship Center was established to encourage and support entrepreneurial initiatives, activities, courses, and programs on campus. A certificate in entrepreneurship has been established for undergraduate students. An annual “Shark Tank” competition that awards prize money and scholarships has been created.

3. Sport Entrepreneurship Body of Knowledge

According to Zimmerer and Scarborough (2008), “Every year, American entrepreneurs launch more than 850,000 new businesses, and the level of interest in pursuing entrepreneurship as a career remains high in people of all age groups” (p. 2). However, in the areas of sport and entrepreneurship, a study by Case (2017) found that of the 407 undergraduate sport management programs in the United States, only 32 (7.9%) require an entrepreneurship course. Only 5 of these programs require a specific “sport entrepreneurship” course. At the master’s degree level, 2% (5 of 235) of the programs require a course in entrepreneurship or sport entrepreneurship.

According to Barringer (2015), a body of knowledge does exist in entrepreneurship. This entrepreneurship body of knowledge can be applied to sport settings and includes the following:

- How to generate and identify sport business ideas;
- How to assess whether the sport business idea is worthwhile;
- How to conduct feasibility studies and market/industry analyses;
- How to recognize legal issues involving intellectual property and selection of an appropriate business legal structure;
- How to seek funding and investors;
- How to organize a business and hire an effective management team;
- How to write a comprehensive and dynamic business plan that includes an executive summary, marketing plan, and financial projections.

A positive feature of offering a sport entrepreneurship emphasis within the existing sport management curriculum is that a number of complimentary courses are already being taught in the typical sport management undergraduate curriculum. For example, sport marketing is an important asset to a sport entrepreneurship emphasis because a key component of the typical sport business plan includes a marketing plan section. Courses in sport finance and accounting compliment the budgeting and financial projection parts of the business plan. Sport law (including business legal structures, contract law, and intellectual property law), and sport administrative theory and leadership courses can supplement the business plan as well (Pinson, 2014; Steingold, 2015).

4. Types of Sport Businesses

The types of sport business ideas seem almost endless. For example, in Hampton, Virginia, there is a multi-sport complex called the Boo Williams Sportsplex. It hosts a number of sporting events including AAU regional basketball tournaments. In Virginia Beach, Virginia, there is a new golf driving range and restaurant/lounge facility called Topgolf. In Fredericksburg, Virginia, there is a facility called the Field House where local club soccer teams conduct their sport practices and adult leagues are offered in sports like soccer, flag football, and volleyball. J&A Racing is a private race and event management business that plans and organizes running events such as the Shamrock Marathon in Virginia Beach and the Crawlin' Crab Half-Marathon in Hampton, Virginia. Virginia Rush and Beach FC are large soccer clubs that cater to the development of young soccer players and they are located in Virginia Beach. The Virginia Baseball Academy is a privately owned business that provides specialized baseball skill training and camps to youth in the Hamptons Roads area. Planet Fitness is a health club franchise that is located in many communities throughout Virginia. Elite Sport Marketing is a Virginia Beach based business that specializes in economic impact studies for sporting events. From a national and international perspective, Team Unlimited is a Hawaii based sport marketing firm that conducts XTERRA off-road triathlon events worldwide. Twenty-five years ago the founders had a dream to develop a small water and land sporting event for tourism in Hawaii. The event has grown to the point that it is now the largest off-road triathlon event in the world with races held in several countries. The list of sport and fitness related businesses and success stories can go on and on...

Some colleges with majors in exercise science, fitness management, recreation management, and/or tourism have developed courses in entrepreneurship. If a student majoring in exercise science decides to open a health and fitness club someday, it would be a good idea to have basic entrepreneurial knowledge and skills so that he or she can start a new business.

Some have suggested that taking a course in sport entrepreneurship is more than learning about how to write a business plan. It is developing an "I can do it" proactive mindset where anything is possible. This entrepreneurial spirit and mindset can prove to be invaluable for college graduates who are seeking employment as they can always turn to their own ideas and initiative to help start a sport or fitness related business or create a new sport product.

Many entrepreneurs invent new sport products or develop new techniques that benefit others. The Big Bertha driver or the Ping Putter in golf are just two of many examples.

5. Conclusion

Half a century ago people questioned why sport management college programs were needed and why coursework should be offered in sport marketing, sport finance, sport law, sport event management, sport facility management, etc. The test of time has confirmed that the establishment of college sport management programs and curricula to educate and train students to enter sport related business careers was an excellent idea. In a similar way, some tough curricular decisions will need to be made in the future for sport entrepreneurship courses. Initially, societal interests, trends, and changes resulted in the development of college sport management programs as individuals were needed to plan, organize, market, and administer the growing number of sport programs in the United States and abroad. Additional changes are taking place today and they relate to the types and number of jobs available for sport management graduates including a re-imagined definition of sport. The traditional preconceived view of sport as including only highly organized professional and college sports is expanding to include all types of activities that have direct and indirect connections to a much broader view of sport and physical activity. Under the broader view of sport, an NFL Super Bowl football game fits under the umbrella of sport just as a community owned off-road triathlon event fits under the umbrella of sport just as a privately owned basketball skills training camp fits under the umbrella of sport. Combining entrepreneurship knowledge and skills with sport management knowledge and skills can help meet these challenges and changes by providing students with the necessary skill sets that will help them in starting their own sport related businesses. Let the partnership begin!

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