

PLANNING IN THE CROATIAN NATIONAL SPORT FEDERATIONS

Sanela Škorić¹ and Mato Bartoluci²

¹*Faculty of Kinesiology, University of Zagreb, Croatia*

²*Faculty of Economics and Business, University of Zagreb, Croatia*

Original scientific paper

Abstract:

Management is a process conducted through various functions, and planning seems to be truly one of the most important ones. Process of planning should tell us where an organisation is now, where it wants to be, and how to get there. Although mostly researched within the context of profit organisations, its importance is being stressed ever more in non-profit organisations as well. National sport federations are non-profit organisations responsible for the organisation and development of sport throughout all the layers of a single discipline (from grassroots to the elite one) at national level. As governing bodies they should set an example on how to conduct their business for all other sport organisations in their discipline, i.e. clubs. In addition, since their customer base is quite large and different, in order to satisfy all needs, a proper process of planning is a prerequisite for achieving organisational goals. The research has shown that the level of satisfaction with the process of planning is above expected, but there is still space for improvement.

Key words: *non-profit organisations, sport, planning, satisfaction level*

Introduction

Management is a process conducted through various functions. Majority of authors agree that the basic management functions are planning, organising, leading and control (Sikavica, Bahtijarević-Šiber, & Pološki Vokić, 2008:19; Šugman, Bednarik, & Kolarič, 2002:149). Although models of sport management “vary slightly from one scholar to another, there is general agreement about the nature of the management process: typically, the process starts with planning and ends with controlling or evaluating” (Parks, Zanger, & Quarterman, 1998:107).

One of the truly most important functions of management is planning. Planning encompasses “defining of what an organisation wants to accomplish (its goals and objectives) and how to achieve that (strategy and plans). It starts with determining the current position of an organisation.” (Sikavica, et al., 2008:139). It represents the basis for all the other activities in business organisations, and it should give answers to at least three questions: where are we now, where we want to be, and how to get there. The process of planning is a rather complex activity since it refers to the future, which is always uncertain, and one cannot foresee every possible situation that will affect the organisation in the future. Regardless a high level of uncertainty,

there are numerous reasons as to why companies should involve in the process of planning their business activities. Besides the obvious reason that planning helps organisations to achieve their goals and objectives, some of other reasons are: it helps managers to better guide their organisations; makes organisations more flexible; improves the coordination of work; minimizes the risk and uncertainty; leads to better understanding of the future and changes ahead; enables better control; forces managers and others to develop professionally by obtaining new knowledge and skills; and helps with time management (Sikavica, et al., 2008:141-143). It is quite clear that organisations cannot ignore this function. This goes for all organisations, small or big, public or private, profit or non-profit alike.

Planning in sport organisations

Before focusing on planning in sport organisations, a few points on how the system of sport is organised. Sport is a very complex activity that consists of many different segments. It encompasses activities of professional and amateur sport, as well as “Sport for All”, physical education at schools, sport for the disabled, and kinesytherapy programmes (see Bartoluci & Škorić, 2009). Each segment is quite different when it comes to practiced activities and characteristics of participants. In addition, many

different types of organisations are involved in sport. They can be presented through “three-sector model of sport” that comprises public sector, non-profit sector and professional sport (Hoye, Smith, Westerbeek, Stewart, & Nicholson, 2006:7-8). Therefore, it seems quite “unrealistic to try to define a unified model of organisation of sport in Europe” (European Commission, 2007:12). Nevertheless, sport has some common specific characteristics that affect the way it is being governed. These characteristics are identified as follows (European Commission, 2007:13):

- the specificity of the sport structure, including notably the autonomy and diversity of sport organisations,
- a pyramid structure of competitions from grassroots to elite level and organised solidarity mechanisms between the different levels and operators,
- the organisation of sport on a national basis, and the principle of a single federation per sport.

This however, is just a model, and there are “significant variations” in that model (Nafziger, 2008). Still, one can argue that “sport in Europe is traditionally organised along a pyramid structure” (Eurostrategies, 2011:23). This means that all subjects in sport (mainly sport clubs) join regional, then national, European and finally international sport federations (associations). “It is a democratic model that serves to ensure sport remains open to everyone” (Arnaut, 2006:17). At the top of the pyramid are European federations whose members can only be national federations – one from each country. On a larger level, continental federations (including European continental federations) join world federations, which enjoy exclusive freedom of “setting up unique set of rules in a certain sport.” (Čustonja, 2011:55).

Focus of this paper is on sports governing bodies called national sport federations. They are usually set up as non-profit organisations and represent “bodies responsible for the organisation of sport throughout all the layers of a single discipline (from grassroots to elite) at national level” (XG GG, 2013:4). The non-profit, or public, voluntary, third sector organisations differ from the profit ones in several points. As stated by Hoye et al. (2006:34), the non-profit organisations are those institutionally separated from the State, they do not return profits to owners, are self-governing, have a significant element of voluntary contribution, and are formally incorporated. Consequently, there are differences in managing (and planning) in public and private companies, i.e. non-profit and profit organisations (see Gedvilaite-Moan & Laskiene, 2010; Thibault, Slack, & Hinings, 1994). However, the importance of planning cannot be limited to private companies alone especially because sport organisations are faced with quite a few challenges that literally

“force” them to conduct their business more and more like profit companies. These challenges include “globalisation, increased cross-border activity, the need to comply with international federations’ regulations and operating within an uncertain legal framework” (XG GG, 2013:2). Consequently, “there is now a greater interest (and expectation) across the stakeholders of sport to participate in the future direction and policy making activities of sports governing bodies” (XG GG, 2013:3). These facts alone imply the need for sports governing bodies, as well as sport clubs, to engage in (better) planning of their activities. Without clear vision of the future and better understanding of their current position and market, some of subjects in sport (namely private clubs) might be faced with failure. Let us explain. Majority of sport organisations are non-profit organisations, which means that they do not operate in order to generate profit but rather to achieve some other (community-oriented) goals. A primary goal of sport organisations throughout the world is to ensure that everyone get an opportunity to take part in sport and physical recreation (Council of Europe, 1992). This can be ensured only by the public sector support (Europa, 2010), i.e. part of their funds comes from the public sector. However, a part of their funds comes from the private sources – households and companies, as well. Households and companies spend their money on sport clothes, footwear, equipment, services (memberships, sponsorship, media, etc.). This implies that sport organisations need to know their market, characteristics of their consumers, how to best attract consumers to their organisations, etc. In order to do that, clear understanding of the process of planning, as explained earlier in the text, is an imperative.

As mentioned previously, of interest for this paper are national sport federations. Their customer base is quite large and diverse in characteristics. National sport federations are trying to satisfy needs of both recreational users and athletes – the two rather different categories of customers. They are “under increasing pressure to deliver more and more services with less and less resources” (Berrett & Slack, 2001:22), which means that there is “likely to be competition among all manner of non-profit organisations in their attempts to secure limited resources from a finite group of prospective corporate patrons.” (Berret, & Slack, 2001:22). Of course, their aim should be to ensure that everyone has the opportunity to take part in sport and physical recreation, but when faced with the lack of resources, they have to prioritise as to which customers they will serve (Gedvilaite-Moan & Laskiene, 2010:90-91). Again, in order to try to avoid this situation, planning, as well as strategic and a systematic approach to planning of all activities, which is already employed by their counterparts profit organisations, will be of

great value. For example, Sam (2009:505) reports that there have been three primary reasons for encouraging modernisation and professionalization of national sport organisations:

- professional sport organisations are likely to have greater capacities to develop their participant / membership bases and their elite programmes, teams and athletes;
- it will enhance their ability to attract corporate sponsorship and by this expansion, to decrease their reliance on government grants;
- it is assumed that better managed and professionalised sport organisations “will assist in building the social capital of both national and regional sport communities”.

On a wider level, the recommendations of the European Expert Group “Good Governance” go in the same direction. The XG GG produced a set of recommendations for good governance that seek to “outline top-level principles covering the whole sport movement (as opposed to only major governing bodies or event owners), address professional and amateur sport, embrace team sports and individual disciplines, assist large and small sports bodies and not deter volunteers from taking part in sport” (XG GG, 2013:3). A list of 10 recommendations was created. The first recommendation refers to the clarity of purpose/objectives. According to this recommendation, sport bodies should clearly determine their role, function and objectives; goals and principles; vision and strategic plan; consensual strategy; and monitoring and oversight (XG GG, 2013:6-7). The recommendation further states that “absolute clarity on the proper role, function, responsibilities and objectives of sports bodies is a critical first step to good governance. It is not possible to establish the appropriate governance arrangements for a sport body if there is no clarity of purpose.” Also, adopting a vision and strategic plan is found to aid “planning and may assist in removing short term and reactive sports governance practise”. Therefore, the process of planning at all organisational levels seems to be inevitable for the sport (governing) bodies as well.

Methodology and results

There are numerous ways to approach planning and by using different models (see Sikavica, et al., 2008:176-182). However, some of them are found to be better suited for non-profit sport organisations than the others (see Kremadis & Theakou, 2007). No matter which method is used, the process of planning requires analysing the environment, defining the vision, mission, goals and strategies of an organisation, as well as their implementation and evaluation. The Croatian national sports federations have already been found not to apply some strategic management principles such as conducting SWOT analysis, defining mission and vision. “We are 95%

confident that out of all federations in Croatia, those that do not have mission statement will account to almost 58%, those that do not have vision statement will account to more than 51%, and finally, those not using SWOT analysis will account to more than 84%.” (Škorić, 2011:586) The purpose of this paper was to show the level of satisfaction with the process of planning in the Croatian national sport federations. The tested hypothesis was that satisfaction with the process of planning in the Croatian national sport federations was low (below the average grade of 3).

A questionnaire developed by the *Association Management, Consulting & Evaluation Services*, aiming at establishing how well an organisation engages in strategic management (AMCES, 2011), was adopted to suit the needs of this research. The questionnaire was sent to the national sport federations as organisations in charge of the development of various sports. The population consisted of 80 sport federations which are members of the Croatian Olympic Committee (see HOO, 2011) and it encompassed 38 organisations from Olympic sports, 32 organisations of non-Olympic sports, as well as 10 organisations with a status of temporary or associated members. In total, 76 questionnaires were sent (4 organisations could not be reached either because of the wrong contact information, or because of the legal issues concerning the representation of sport in question), and 33 answers were received (43.4% response rate). The structure of the respondents can be seen in Table 1.

Table 1. The structure of the respondents regarding their position in the federation

Position	Valid N	Percentage
President	2	6.06
Director	1	3.03
General secretary	18	54.54
Member of the Executive Board	6	18.18
Administrative worker	3	9.09
Other	3	9.09

The majority of respondents hold the position of a general secretary or a member of the Executive Board. Boards are the major decision making bodies within non-profit organisations (Ferkins & Shilbury, 2012; Hoye & Cuskelly, 2003) and they comprise “elected, appointed, invited, or self-selected members who are ultimately responsible for the well-being of the organisation” (Doherty, Patterson, & Van Bussel, 2004:110). General secretaries are, as a rule, parts of various boards, mostly Executive Boards. Their roles range from fund raising, through community relations, delivering programmes, as well as planning (see Inglis, 1997).

This implies that they are familiar with all aspects of managing an organisation, and their opinion regarding various management functions is of importance. Interviewees were asked to grade various aspects of doing business in their federations. Table 2 shows the level of satisfaction with various management functions. The scale from 1 to 5 was used, 1 representing the lowest and 5 the highest level of satisfaction.

It is clear from the Table 2 that the interviewees are most satisfied with the communication function, and least satisfied with various aspects of human resources management. The level of satisfaction with all functions seems rather low, because none of the grades is higher than 4 (implies that interviewees are satisfied with the way that function is being carried out). Similarly, in the research conducted by Inglis (1997) on the importance and performance of the various roles of boards in non-profit sport organisations, the highest mean value regarding the performance of different board roles is 3.87 (scale from 1 to 5 was also used). The mentioned research is interesting because it included the rating of a various roles clustered in four factors, and planning was one of them. The importance of planning was rated with 4.23 and its performance with 3.62 (Inglis, 1997:168). It should be emphasized here that volunteers (presidents and board members) gave higher ratings in comparison to executive directors. This was explained, at least in part, by the position they hold in organisations (Inglis, 1997:169). In this paper we did not research into the status of the respondents, but Table 2 clearly shows that the employment of professionals seems to be the most troublesome activity. This is not surprising since majority of non-profit (sport) organisations

rely on the volunteers' work. A significant number of federations do not employ any professionals (5 federations or 15%) and engage on average 2.5 volunteers. Due to a great importance of volunteers for federations' operations, one would expect a better satisfaction level concerning their management.

Planning was graded with an average grade of 3.4. Table 3 shows a more detailed analysis of the process of planning.

The starting hypothesis was that the average grade of satisfaction with the process of planning will be lower than average, i.e. below 3. Therefore, the p-value as well as the analysis of the confidence intervals was conducted. As can be seen from Table 3, the hypothesis is rejected since it can be concluded that we are 95% confident that the average grade of satisfaction with the process of planning will be at least 3.04.

However, one cannot ignore the fact that the difference seems rather low. The authors of this paper already emphasized the importance of the process of planning for non-profit (sport) organisations. Further, the Sports Act of the Republic of Croatia introduces the possibility, and for some sport clubs the obligation, to transform their business into the so called Sport Joint-Stock Companies. This system is to "enable the sports clubs to open themselves to the capital markets and will introduce more transparent business practices in sports clubs, as required by international umbrella sports organisations." (Ministry of Science, Education and Sports RC, 2007) Although this paper does not deal with sport clubs but national sport federations, the importance of planning for profit and non-profit organisations was already stressed earlier in the text.

Table 2. Satisfaction with various management functions

Management functions	Valid N	Mean	Minimum	Maximum	St.Dev.
Communication within the association	33	3.81	2.00	5.00	0.88
Communication with stakeholders outside the association	33	3.72	1.00	5.00	0.94
Organizing	32	3.65	2.00	5.00	1.00
Planning	32	3.40	1.00	5.00	1.01
Control	33	3.39	2.00	5.00	1.08
Managing volunteers	30	3.30	1.00	5.00	1.05
Employment of professionals	26	2.92	1.00	5.00	1.41

Table 3. Satisfaction with the process of planning

	Valid N	$\bar{x} \pm s$	95% CI [†]	p [†]
Process of planning	32	3.40 ± 1.01	3.04 – 3.77	0.03

^{*} 95% confidence interval

[†] p-value for the significance of the difference between the observed mean of the sample and the hypothetical mean of the population from which the sample has been randomly drawn

Therefore, non-profit organisations, such as national sport federations, should be inclined to introduce various aspects of planning in their everyday activities, as profit organisations do. However, a certain level of caution has to be expressed because a simple "copy-paste" method cannot be used. Planning (method) has to be tailored to specific users (in this case non-profit organisations), as well as to their specific situations and environment.

The ever-changing environment makes it virtually impossible for managers to neglect the function of planning regardless of the type of organisation. A research into the Croatian national sport federations was conducted in order to see the level of satisfaction with various management functions, and special attention was given to the function of planning. Although the starting hypothesis was rejected and the average grade of satisfaction with the process

of planning was at least 3.04, and not 3.00 or below, one cannot ignore the fact that the difference seems rather low. The purpose of this paper was to stress the importance of planning for all types of organisations, especially non-profit ones like sport federations. It is clear that the recommendation to the national sport federations in Croatia goes towards the improvement of their planning function.

References

- AMCES – Association Management, Consulting & Evaluation Services. (2011). *Tools* /on-line/. Retrieved January 2011 from: <http://www.amces.com/resources.htm>
- Arnaut, J.L. (2006). *Independent European Sport Review: Final version October 2006*. /on-line/. Retrieved February 2014 from: http://www.ethicsandsport.com/public/uploads/files/documentatie/Independent%20European%20Sport%20Review%202006%20Full_Report_EN.pdf
- Bartoluci, M., & Škorić, S. (2009). *Menadžment u sportu*. [Management in sport. In Croatian.] Zagreb: Odjel za izobrazbu trenera, Kineziološki fakulteta.
- Berret, T., & Slack, T. (2001). A framework for the analysis of strategic approaches employed by non-profit sport organisations in seeking corporate sponsorship. *Sport Management Review*, 4, 21-45.
- Council of Europe. (1992). *Recommendation No. R (92) 13 REV of the Committee of Ministers to member states on the revised European Sports Charter* /on-line/. Retrieved March 2011 from: [https://wcd.coe.int/ViewDoc.jsp?Ref=Rec\(92\)13&Sector=secCM&Language=lanEnglish&Ver=rev&BackColorInternet=9999CC&BackColorIntranet=FFBB55&BackColorLogged=FFAC75](https://wcd.coe.int/ViewDoc.jsp?Ref=Rec(92)13&Sector=secCM&Language=lanEnglish&Ver=rev&BackColorInternet=9999CC&BackColorIntranet=FFBB55&BackColorLogged=FFAC75)
- Čustonja, Z. (2011). Ustroj sporta i sportsko zakonodavstvo. [Organisation of sport and sport-related legislative. In Croatian.] In D. Milanović, Z. Čustonja & D. Bilić (Eds.), *Temeljna načela i smjernice razvoja sporta u Republici Hrvatskoj* (pp. 54-67). Retrieved March 2012 from: <http://www.sabor.hr/fgs.axd?id=20365>
- Doherty, A., Patterson, M., & Van Bussel, M. (2014). What do we expect? An examination of perceived committee norms in non-profit sport organisations. *Sport Management Review*, 7, 109-132.
- Europa. (2010). *Public sector support* /on-line/. Retrieved March 2011 from: http://ec.europa.eu/sport/what-we-do/doc41_en.htm
- European Commission. (2007). *White paper on sport* /on-line/. Retrieved February 2014 from: <http://new.eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52007DC0391&from=EN>
- Eurostrategies. (2011). *Study on the funding of grassroots sports in the EU. Final report. Volume I* /on-line/. Retrieved April 2012 from: http://ec.europa.eu/internal_market/top_layer/docs/FinalReportVol1_en.pdf
- Ferkins, L., & Shilbury, D. (2012). Good boards are strategic: What does that mean for sport governance? *Journal of Sport Management*, 26, 67-80.
- Gedvilaitė-Moan, A., & Laskiene, S. (2010). Organizational management peculiarities of the public sector referring to sports as a public sector example. *Inžinerine Ekonomika-Engineering Economics*, 21(1), 90-98.
- HOO – Hrvatski olimpijski odbor. (2011). *Nacionalni sportski savezi* /on-line/. [National sports associations. In Croatian.] Retrieved February 2011 from: <http://www.hoo.hr/1340-v-nacionalni-sportski-savezi.aspx>
- Hoye, R., & Cuskelly, G. (2003). Board-executive relationships within voluntary sport organisations. *Sport Management Review*, 6, 53-74.
- Hoye, R., Smith, A., Westerbeek, H., Stewart, B., & Nicholson, M. (2006). *Sport management. principles and applications*. Oxford: Elsevier.
- Inglis, S. (1997). Roles of the board in amateur sport organizations. *Journal of Sport Management*, 11, 160-176.
- Kremadis, T., & Theakou, E. (2007). Strategic planning models in public and non-profit sport organizations. *Sport Management International Journal*, 3(2), 27-37.
- Ministry of Science, Education and Sports RC. (2007). *Sports Act* /on-line/. Retrieved May 2014 from: <http://public.mzos.hr/Default.aspx?sec=2545>
- Nafziger, J.A.R. (2008). A comparison of the European and North American models of sports organisation, *The International Sports Law Journal*, Jul 1. Retrieved in February 2014 from: http://www.thefreelibrary.com/_/print/PrintArticle.aspx?id=212546233
- Parks, J.B., Zanger, B.R.K., & Quarterman, J. (Eds.) (1998). *Contemporary sport management*. Champaign, IL: Human Kinetics.
- Sam, M.P. (2009). The public management of sport. Wicked problems, challenges and dilemmas. *Public Management Review*, 11(4), 499-514.

- Sikavica, P., Bahtijarević-Šiber, F., & Pološki Vokić, N. (2008). *Temelji menadžmenta*. [The principles of management. In Croatian.] Zagreb: Školska knjiga.
- Škorić, S. (2011). Application of strategic management activities in the Croatian national sport federations. In D. Milanović & G. Sporiš (Eds.), *Proceedings Book of the 6th International Scientific Conference on Kinesiology "Integrative Power of Kinesiology", Opatija, 2011* (pp. 584-587). Zagreb: Faculty of Kinesiology, University of Zagreb.
- Šugman, R., Bednarik, J., & Kolarič, B. (2002). *Športni menedžment*. [Sports management. In Slovenian.] Ljubljana: Univerza v Ljubljani, Fakulteta za šport, Inštitut za šport.
- Thibault, L., & Slack, T. (1994). Strategic planning for nonprofit sport organizations: Empirical verification of a framework. *Journal of Sport Management*, 8, 218-233.
- XG GG – Expert Group “Good Governance”. (2013). *Deliverable 2: Principles of good governance in sport /on-line/*. Retrieved in February, 2014 from: http://ec.europa.eu/sport/library/policy_documents/xg-gg-201307-dlvrb12-sept2013.pdf

Correspondence to:
Sanela Škorić, Ph.D.
Research and Teaching Assistant
Faculty of Kinesiology, University of Zagreb
Horvaćanski zavoj 15, 10 000 Zagreb, Croatia
Phone: +385 1 3658 721
Fax: +385 1 3654 146
Mobile: 00 385 91 533 9527
E-mail: sanela.skoric@kif.hr

PLANIRANJE U HRVATSKIM NACIONALNIM SPORTSKIM SAVEZIMA

Menadžment je proces koji se provodi kroz razne funkcije, pri čemu je funkcija planiranja zaista jedna od najvažnijih. Proces planiranja bi trebao ukazati na to gdje se organizacija nalazi u određenom trenutku, gdje želi biti u budućnosti i kako će tamo stići. Iako se uglavnom izučava u kontekstu profitnih organizacija, važnost ove funkcije sve se više naglašava i u neprofitnim organizacijama. Nacionalni sportski savezi su neprofitne organizacije odgovorne za organizaciju i razvoj sporta u jednoj zemlji kroz sve slojeve pojedine sportske discipline (od najniže do najviše razine). Kao rukovo-

deća tijela, nacionalni bi savezi trebali biti primjer drugim sportskim organizacijama, tj. klubovima, u tome kako poslovati. Pored navedenog, budući da je njihova baza korisnika poprilično široka i različita, nužan je dobar proces planiranja kako bi ostvarili organizacijske ciljeve, ali i podmirili sve potrebe korisnika. Istraživanje je pokazalo kako je razina zadovoljstva procesom planiranja iznad očekivanja, no još uvijek ima prostora za poboljšanja.

Ključne riječi: neprofitne organizacije, sport, planiranja, razina zadovoljstva