

Aus dem Institut für Sportökonomie und Sportmanagement
der Deutschen Sporthochschule Köln
unter der Leitung von Univ.-Prof. Dr. Christoph Breuer

**The role of organizational capacity
in explaining individual behavior
in nonprofit sports clubs**

von der Deutschen Sporthochschule Köln
zur Erlangung des akademischen Grades
Doktor der Philosophie (Dr. phil.)

angenommene Dissertation

vorgelegt von
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aus Berlin

Köln 2019

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Datum der Disputation: 23. August 2019

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Ana Philipp Swierzy

Acknowledgments

First of all, thanks to my advisor Pamela Wicker. Without doubt, she was the key person in making me conduct this work. Her knowledge in contemporary sports economics research and her supervision were decisive. My gratitude is above all her. Further, I would like to thank Christoph Breuer for giving me the opportunity to join the Institute of Sport Economics and Sport Management, with all its kind and clever colleagues that I enjoyed spending good times with.

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List of abbreviations

AME	Average marginal effect
CVM	Contingent valuation method
DBDC	Double-bounded dichotomous choice
ICC	Intra-class correlation
LL	Log likelihood
LR	Likelihood ratio
MLM	Multi-level modeling
OLS	Ordinary least squares
WFLV	West-German Football and Track and Field Association
WTP	Willingness-to-pay

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1 Introduction

1.1 Research problem and overall contribution

Nonprofit sports clubs produce socially desirable goods or services, such as sporting activity, civic engagement, and social integration. These organizations are attributed with several beneficial functions as they foster inclusion, health, welfare within democratic structures or political socialization, for instance (Heinemann & Horch, 1981). Consequently, nonprofit sports clubs are valuable to societies. In almost all European countries, these clubs are the main providers of sports participation opportunities (European Commission, 2014). Their unique value, particularly as sports for all providers and contributors to social welfare are recognized by most European governments, which is one reason why sports clubs are subsidized directly and indirectly (Hoekman, van der Werff, Nagel, & Breuer, 2015).

Individual behavior in terms of voluntary engagement builds the foundation for the functioning of nonprofit sports clubs in countries worldwide and consequently, for the sports systems in which nonprofit sports clubs operate (Andreff, 2006). Due to the role identity of nonprofit sports club members – they concurrently are producers (volunteers) and consumers of a club's goods or services – individual behavior in terms of a membership fee payment is also crucial for the functioning of nonprofit sports clubs. In Germany, membership fees represent the largest income source of nonprofit sports clubs (Breuer & Feiler, 2017).

Threatening their existence, nonprofit sports clubs increasingly report about organizational problems concerning voluntary engagement and club finances. First, the recruitment and retention of volunteers is a serious concern amongst sports clubs in numerous countries, such as Germany (e.g., Wicker & Breuer, 2013), Australia (Cuskelly, 2004; Cuskelly & O'Brien, 2013), and Canada (Lasby & Sperling, 2007; Misener & Doherty, 2009). Additionally, trends of decreasing voluntary engagement are observed (Ringuet-Riot, Cuskelly, Auld, & Zakus, 2014). Second, the financial situation threatens the ability of nonprofit sports clubs to fulfill their purposes (Breuer & Feiler, 2017). In 2014, 24% of German sports clubs did not achieve a balanced budget and 12% had either serious or very serious financial problems (Breuer & Feiler, 2017). Similar financial problems can be observed in other European countries (Breuer et al., 2017).

Therefore, club management should be aware of organizational characteristics that influence individual behavior such as voluntary engagement and the willingness-to-pay (WTP) for memberships. This is because individual behavior is not only relevant for the functioning of sports clubs. It is rather that organizational factors also determine

the individual behavior of an organization's members (e.g., Liao & Chuang, 2004; Nohria, Groysberg, & Lee, 2008).

According to ecological systems theory (Bronfenbrenner, 1979), individual behavior is affected by individual and organizational factors. Although the organizational context is central for explaining individual behavior, the role organizational characteristics of nonprofit sports clubs play in determining individual behavior in terms of voluntary engagement and WTP for club memberships has either not been investigated or has with little theoretical reasoning (e.g., Schlesinger & Nagel, 2013). However, it is critical for club management to understand the role of organizational capacity in individual behavior in order to ultimately enable these organizations to meet their objectives and reduce organizational problems.

The major purposes of this dissertation are to examine the impact of organizational characteristics on the individual decision to volunteer and on the extent of voluntary engagement. Furthermore, it aims to investigate the relationship between organizational factors and the individual WTP for memberships. The present work provides a comprehensive overview and discussion of organizational capacity of nonprofit sports clubs and how this affects individual behavior. In addition, it demonstrates the usefulness of multi-level modeling (MLM) to sport management research dealing with data on two levels of the same framework, in the present case organizational and individual data.

This work attempts to answer the following main research questions: First, how does organizational capacity influence an individual's decision to volunteer and the amount of time devoted to voluntary engagement? Second, how does organizational capacity of nonprofit sports clubs influence the individual decision to volunteer in different voluntary roles? And third, how does organizational capacity affect the WTP for a sports club membership?

This work contributes to the current body of research both theoretically and empirically. Ecological systems theory and the concept of organizational capacity are used to investigate how nonprofit sports clubs affect individual behavior in terms of voluntary engagement and WTP for memberships. Another theoretical contribution of the current research is made by conceptualizing the relationship between organizational capacity and individual behavior for specific subgroups of volunteers, i.e., adult club members and parents of underage members, formal and informal volunteers, as well as for volunteers in different roles in terms of administrative staff, coaches, and referees.

The empirical contribution to the body of literature on volunteers and financing nonprofit sports clubs is twofold. First, large-scale individual- and organizational-level data are linked with each other. Second, since individual-level units (members) are nested within organizational-level units (nonprofit sports clubs), multi-level analysis

is used to estimate how volunteering and WTP for memberships are related to organizational capacity. This treatment avoids drawing misleading implications as it considers that individual-level units from the same organizational-level unit are not independent.

Overall, findings show that the organizational context is relevant to individual behavior in terms of volunteering and financial decisions. The identified relationships between organizational capacity and individual behavior could be used for capacity building in nonprofit sports clubs (Millar & Doherty, 2016).

This dissertation is structured as follows: The upcoming subchapter is a round-up of theoretical foundations relevant to investigating the relationship between individual behavior and organizational characteristics. Further, this introduction summarizes the conceptual model of organizational capacity, defines the research context and statistical treatment applied to the research questions attempted to be answered in this thesis. The present introduction concludes with a brief summary of the three research articles included in this thesis.

The three sections after this introductory chapter present the main body of the work. Chapter two establishes the notion that the organizational context is relevant to individual behavior in terms of voluntary engagement in nonprofit sports clubs. Chapter three addresses the research gap identified in the previous section and demonstrates that organizational characteristics affect volunteers in different roles. Section four builds on the former ones by extending the framework from volunteering to financial decisions of individuals. Chapter five concludes by showing the contribution of this work and by presenting avenues for future research.

1.2 Theories applicable to contextual effects on individual behavior

As shown by research, the individual decision to volunteer in nonprofit sports clubs is influenced by personal attributes such as age (e.g. Nichols & Shepherd, 2006), income (e.g., Burgham & Downward, 2005) or education (e.g., Taylor, Panagouleas, & Nichols, 2012). The decision to commit a certain amount of time to volunteering is also influenced by these and other individual characteristics (e.g., Harvey, Lévesque, & Donnelly, 2007). Furthermore, WTP for a sports club membership is determined by individual factors such as age, gender, income or voluntary engagement (Johnson, Mondello, & Whitehead, 2007; Kiefer, 2015; Wicker, 2011).

From a theoretical perspective, individual behavior such as volunteering or the WTP for a sports club membership is not only affected by individual factors, but also by organizational characteristics. This is because people volunteer within a specific environment and because they pay their fee to a specific organization, in these cases

to nonprofit sports clubs (Penner, 2002; Schlesinger & Nagel, 2013; Studer & von Schnurbein, 2013; Wicker & Hallmann, 2013).

That the respective environment is related to individual behavior is addressed in or could be deduced from the following theories: ecological systems theory (cf. Bronfenbrenner, 1979); institutional theory (cf. Powell & DiMaggio, 1987, 1991; Scott, 2004); economic theory of behavior and rational choice theory (cf. Becker, 1976). These theoretical approaches are introduced subsequently in order to reflect on the theoretical foundation for studying the relationship between individual behavior and its context.

1.2.1 Ecological systems theory

According to ecological systems theory (Bronfenbrenner, 1979), individual behavior is a function of individual features and their social ecologies to which the individual is in constant interaction with. The individual at the center of the model – characterized by its individual features such as gender, age, voluntary engagement, and financial behavior – is nested within a specific social context consisting of different systems: micro-, meso-, exo- and macrosystem. These systems are connected to the respective personal development, and thus, part of the explanation why people behave in a certain way. Interaction between systems emerges from individual experiences, interpersonal relations, and roles (Deal et al., 2018).

Figure 1.1 visualizes the systems of Bronfenbrenner's ecological systems theory. The microsystem in ecological systems theory is the one closest to the individual. It refers to groups and settings that surround individual behavior directly and immediately, just like nonprofit sports clubs. Apart from sports clubs, other examples for microsystems are families, peers, religious institutions, neighborhoods, and schools. Peoples or groups of people interacting with the individual firsthand or face-to-face represent microsystems (Bronfenbrenner, 1979).

The second closest ecological system to the individual, the mesosystem, denotes the interaction between two different microsystems. For instance, the interaction between the sports club member's parent and the member's sports club coach. The exosystem represents the link between a social setting in which the individual has no active role and an individual's immediate context. For example, a member's experience at his or her sports club is impacted by the experiences made by his or her peer group (immediate context) in other contexts (other sports clubs). Comparing meso- and exosystem to each other, the former one describes the relation between settings in which an individual actually participates, whereas the latter one refers to such in which the individual never has entered or never will enter but "in which events occur that affect what happens in the person's immediate environment" (Bronfenbrenner, 1979, p. 7).

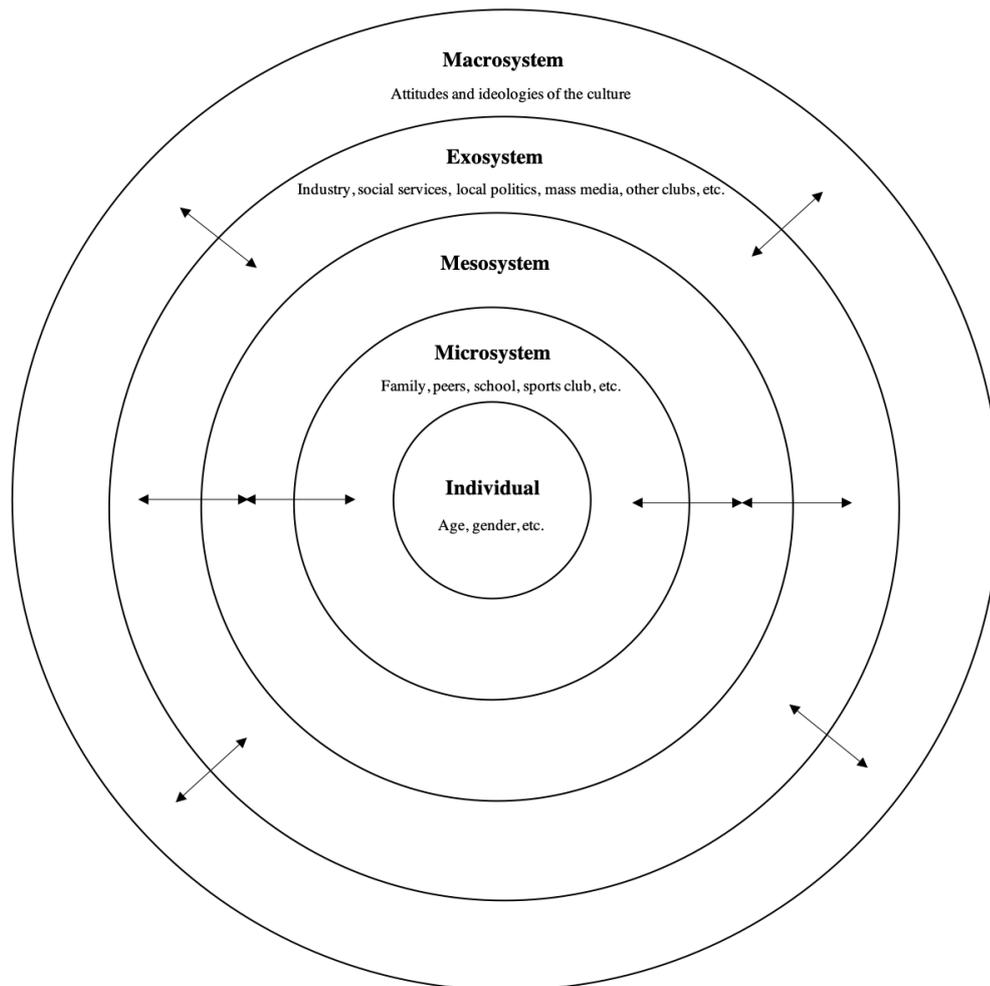


Figure 1.1 The systems of Bronfenbrenner's ecological systems theory (based on Murnane, Walker, Tench, Volda, & Snyder, 2018, p. 127:6)

Last, macrosystems refer to the culture in which the individual at the center of the model lives or the society to which it belongs. "The complex of nested, interconnected systems is viewed as a manifestation of overarching patterns of ideology and organization of the social institutions common to a particular culture or subculture" (Bronfenbrenner, 1979, p. 8). Members from the same cultural background or political environment likely share a common identity and certain values, because micro-, meso- and exosystems tend to be similar. On the other hand, the constituent system may vary between different social groups. This pattern of different societies, social classes or religious groups the individual at the center of the model belongs to, systematically describes the respective person. It becomes possible "to distinguish the ecological properties of these larger social contexts as environments for human development" (Bronfenbrenner, 1979, p. 8).

Ultimately, ecological systems theory describes environmental interconnections and their impact on the forces directly affecting a person's development. Originally, Bronfenbrenner developed his theory to explain individual development. A fifth dimension called chronosystem was added to the model later on. This additional system

stands for incisive events and circumstances in the respective person's life. Examples are school entry, the death of close relatives, or the birth of one's child.

Ecological systems theory has been employed as a theoretical foundation in sport economic research before. Wicker and Downward (2017) studied the relation between government quality and individual health production through sport and physical activity by arguing that an investigation of sport and physical activity behavior requires a socio-ecological approach. Individual- and country-level data were employed to analyze behavior that could enhance sport, physical activity and ultimately health. Further research on the correlates and determinants of physical activity also used ecological models (Baumann et al., 2012; Derom & Van Wylsberghe, 2015; Spence & Lee, 2003).

Deal et al. (2018) used Bronfenbrenner's theory as foundation to study disciplinary incidents in football. The authors argue that a football match is not an isolated system and that officials are part of a wider system consisting of connected social ecological factors (Deal et al., 2018). Furthermore, Dell, Gervis and Rhind (2014) use ecological systems theory to investigate the factors influencing football referee's intentions to quit a match.

Additionally, youth development through sports has been investigated from a social ecological perspective (e.g., Holt, Deal, & Smyth, 2016). Also, as an analytical framework, Bronfenbrenner's work has been used to explain a child's independent active free play (Lee, Tamminen, Clark, Slater, Spence, & Holt, 2015). Moreover, parents' involvement in competitive youth sports settings were examined based on ecological systems theory (Holt, Tamminen, Black, Sehn, & Wall, 2008).

1.2.2 Institutional theory

Similar to ecological systems theory, institutional theory (e.g., DiMaggio & Powell, 1983; Meyer & Rowan, 1977) suggests that individual behavior like volunteering is related to and also determined by the settings and groups and therefore by the socio-ecological factors that an individual is surrounded by or part of – social institutions such as governments, administrative bodies, organizations like nonprofit sports clubs, and the rules that enable these entities to function (Rotolo & Wilson, 2012). In sport management, institutional theory is a theory “borrowed” from other disciplines, such as management (e.g., marketing, organizational behavior) and its parent disciplines (e.g., economics, sociology, psychology) (Doherty, 2013).

Institutional theory argues that the specific institutional laws, tax incentives, policies, rules, schemas, norms, routines, and so on, regulate human behavior. The institutions set the structures where individual behavior occurs. For instance, the supply of volunteer labor in a specific region is determined by the organizational and institutional environment of the people living in this area (Healy, 2004). Hence, if social

policies stimulate the formation of nonprofit sports clubs, voluntary engagement will grow as the infrastructure for training and recruitment will grow. “The greater the social and organizational capacity to mobilize volunteering, the greater the scale of volunteering” (Salamon & Sokolowski, 2003, p. 79). According to institutional theory, “volunteerism will be more common where there is an infrastructure of support for it” (Wilson, 2012, p. 192).

Institutions, which could be defined as beliefs, rules, roles and symbolic elements effecting organizational forms, independent of technical requirements and resources, are either regulative, normative, or cognitive (Scott, 2013). Whereas regulative beliefs, rules, roles and symbolic elements are required or enforced by law, normative ones are enforced by a shared sense of what is appropriate and cognitive ones by mental models on how work should be done.

Institutional theory has been employed for examinations of micro interpersonal relations as well as macro global frameworks (Scott, 2005). “It is not a fly-by-night theory” (Scott, 2005, p. 480). Instead, institutional theory “is broadly positioned to help us confront important and enduring questions, including the bases of organizational similarity and differentiation, the relation between structure and behavior [...] and the tensions between freedom and order” (Scott, 2005, p. 480).

Similar to individuals that are part of the same institutions, organizations become more homogenous forced by states or other regulatory bodies (e.g., Slack & Hinings, 1994; Vos et al., 2011). Institutional theory has been used to explain how sports organizations respond to external, institutional pressures (Wicker & Hallmann, 2013).

Institutional theory has also been applied to investigate individual behavior. In studies of the nonprofit sector, the relative share of volunteer labor to paid labor across different nations has been studied using regime type (Anheier & Salamon, 1999). In order to explore the link between human resource management practices and organizational-level outcomes, the explanatory approach of institutional theory has been used more than forty years ago already (e.g., Meyer & Rowan, 1977).

1.2.3 Economic theory of behavior and rational choice theory

Some scientists (e.g., Schlesinger & Nagel, 2013) investigating the relationship between individual behavior in nonprofit sports clubs and structural factors based their studies on the economic theory of behavior (Becker, 1976) by expanding it to the non-market domain. Accordingly, limited resources in terms of money and time lead to a confrontation for people to decide on how to use their resources in order to maximize their utility.

As a consequence of this constraint between money and time, people with lower opportunity cost due to lower income levels (Erlinghagen, 2000; Freeman, 1997) are more likely to volunteer in sports clubs (Schlesinger & Nagel, 2013). However,

Downward, Dawson and Dejonghe (2009) argue that in case of volunteering in a non-profit sports club, volunteers donate time and money to the club in order to increase well-being and social appreciation. Volunteers invest their resources as self-organized sports clubs create an incentive for social appreciation (Emrich, Pitsch, & Flatau, 2010; Flatau, 2009). Since volunteers in sports clubs carry out voluntary work for the community, they produce collective goods (Weisbrod, 1975). Arguably, the incentive scheme in volunteering depends on more than just the constraint between income and time.

The economic theory of behavior is closely related to rational choice theory. Rational choice theory says that all human action is rational, meaning that people calculate the costs and benefits of an action before they decide what to do – assuming that people are motivated by money and the possibility to make profit (Scott, 2000). The basic premise of rational choice theory is that aggregate social behavior results from the behavior of individual actors, each of whom is making their individual decisions. Accordingly, individual behavior such as the decision to volunteer, the extent of voluntary engagement, or the specific volunteer role is bounded to the rational considerations of an individual. This rationally acting homo oeconomicus is including psychological and sociocultural factors in the decision-making process (Emrich, Pitsch, Flatau, & Pierdzioch, 2012).

Structural and individual factors affect individual decision-making. A bounded rational choice framework adjusted to the context of volunteering (Flatau, 2009) suggests that each individual weighs the benefits of individual behavior like volunteering, such as the investment in human capital, against its costs, for instance, time and effort. According to the logic of selection, rationally acting individuals decide in favor of volunteering if the perceived benefits exceed the costs. Tangible and intangible incentives like social recognition are incorporated in the individual decision-making process (Erlingshagen, 2003).

The framing of acts is an anomaly of rational choice theory. Differences in information transformation or variations of the environment of decisions could lead to changes in decision-making. For the context of this dissertation, this means that the decision to volunteer in a nonprofit sports clubs or to become a member of a club varies depending on the environment such as the club itself or the state or country in which the club operates.

Rational choice theory, however, distinguishes itself from other forms of theory on decision-making. “It denies the existence of any kinds of action other than the purely rational and calculative” (Scott, 2000, pp. 126). In contrast to economists, most sociologists see human action as being involved in rational and non-rational elements. Rational types of action are seen alongside traditional or habitual, emotional or affectual, or value-oriented action (Scott, 2000). In 1961, Homans established rational choice

theory in sociology, by setting a basic framework of exchange theory grounded in behaviorist psychology. According to Homans, human behavior is determined, shaped by rewards and punishment, and therefore conditioned, not free.

Acting within specific, given constraints, individuals are motivated by wants or goals expressing their preferences. In the end, rational individuals select the alternative which likely gives them the greatest satisfaction (Coleman, 1973; Health, 1976). Rational choice theorists see social phenomena reducible to these individual actions. "The elementary unit of social life is the individual human action. To explain social institutions and social change is to show how they arise as the result of the action and interaction of individuals" (Elster, 1989, p. 13).

To Homans (1961), approval is the most fundamental human goal. Therefore, money and approval are exchanged by people, one in economic exchange, the other in social exchange. Hence, actions are motivated by a profitable balance of rewards over costs. A combination of monetary and non-monetary rewards and costs will lead human behavior (Scott, 2000). Social exchange of rewards in terms of money or approval only occurs, if both parties gain a profit measured by rewards minus costs (Homans, 1961).

Concerning volunteerism in sports clubs, if people want to help others, the argument by rational choice theorists is that they do so, because they get a sense of satisfaction. Thus, it is an act of rational self-interest. Another argument for altruistic behavior being rational comes from the existence of reciprocity. Recurrent social exchange makes cooperation becoming a rational strategy (Scott, 2000). Research on individual decision-making in sports has referred to this rational choice framework modeling the attempt to maximize individual utility subject to constraints (e.g., Burgham & Downward, 2005).

However, rational economic actions occur in institutional frameworks of norms which cannot be explained as a result of rational action alone (Durkheim, 1983). Norms of trust and justice are not purely rational but have a moral force, countering rationality (Cook & Emerson, 1978). Instead of rewards and punishment, norms operate through shame and guilt (Elster, 1989). And as rational choice approaches explain what people do, they are unable to explain why they should change their values. A problem of rational choice theory therefore is that social norms such as altruism, reciprocity and trust cannot purely be explained by it. Furthermore, rational choice theory faces difficulties in explaining why individuals join groups and associations (Scott, 2000).

1.3 The conceptual model of organizational capacity

Hall et al.'s (2003) conceptual model of organizational capacity of nonprofit and voluntary organizations is used to investigate the contextual factors in this work. As Figure 1.2 shows, the center of this model is the capacity of an organization, which is influenced by environmental constraints and facilitators, access to resources, and historical factors. Organizational capacity is the ability of organizations to fulfill their missions and mandates (Hall et al., 2003). For sports clubs, this is to serve the needs and interests of their members, such as the provision of opportunities to practice sport for the population, to offer competitive sports opportunities, or to increase sociability (Nagel, 2008).

The conceptual model by Hall et al. (2003) is multi-dimensional and distinguishes between human resources, financial, and structural capacities. Human resources capacity is at the core of organizational capacity and shapes the other two capacity dimensions – financial and structural capacity. Organizational capacity determines an organization's outputs or outcomes, including any goods produced or services provided, populations served, policies influenced, or changes in behavior elicited (Hall et al., 2003).

The first dimension reflects human resources capacity and refers to “the ability to deploy human capital [...] within the organization” (Hall et al., 2003, p. 5). The dimension includes members, volunteers, and paid staff, and their competencies, knowledge, attitudes, and motivation (Doherty, Misener, & Cuskelly, 2014; Misener & Doherty, 2009). Financial capacity refers to “the ability to develop and deploy financial capital” (Hall et al., 2003, p. 5), such as revenues, expenses, assets, and liabilities. Structural capacity is “the ability to deploy the non-financial capital that remains when the people from an organization have gone home” (Hall et al., 2003, p. 5). This dimension is sub-divided into three dimensions: relationship and network capacity, infrastructure and process capacity, and planning and development capacity. The sub-dimension relationship and network capacity includes an organization's network of partners. Inter-organizational relationships support clubs to acquire resources (Misener & Doherty, 2013). Infrastructure and process capacity dimension reflects the physical infrastructure, organizational processes and culture (Hall et al., 2003). The planning and development capacity represents an organization's “ability to develop and draw on organizational strategic plans” (Hall et al., 2003, p. 6).

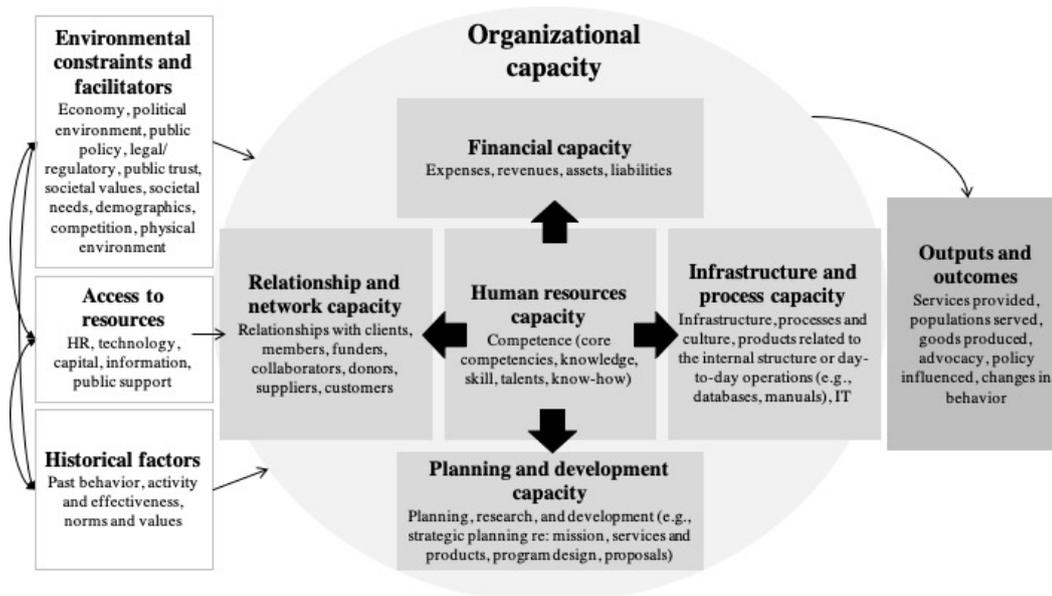


Figure 1.2 Conceptual model of organizational capacity (Hall et al., 2003, p. 7)

Past scholars have already drawn from the model of organizational capacity in their research on volunteers in sports clubs (Doherty et al., 2014; Millar & Doherty, 2016; Misener & Doherty, 2009, 2013; Sharpe, 2006; Wicker & Breuer, 2011, 2013). The selection of factors within each capacity dimension was based on conceptual (Wicker & Hallmann, 2013) and empirical research (Wicker & Breuer, 2011, 2013).

1.4 Research context

With the intention to investigate the relationship between a sports club's organizational capacity and individual behavior in terms of voluntary engagement and WTP for memberships, data on both the organizational and individual level are required. Primary data were collected via online surveys in the context of a research project funded by the WFLV (university ethics committee's approval number: 037/2016).

The WFLV consists of 5,260 sports clubs that offer football and/or track in field. These clubs are located in the geographical area of the federal state North-Rhine Westphalia, Germany. In order to invite the club representatives to the organizational-level online survey, which was created via the online software SoSci Survey, e-mail addresses of 4,788 clubs were made available by the WFLV. Due to duplicate and erroneous e-mail addresses, 3,569 clubs were invited to the organizational-level survey. The survey period was from March 15, 2016 to April 29, 2016. Altogether, 871 clubs participated in the survey and finally, 615 clubs remained in the sample after excluding incomplete cases based on listwise deletion (response rate: 17.2%). Two e-mail reminders accompanied by an official motivation letter from the WFLV managing director were sent in a time interval of approximately two weeks. Wave analyses were conducted to investigate the likelihood of nonresponse bias. ANOVAs revealed that

only 1 of 14 organizational-level variables differ significantly between first (treated as respondents) and latter wave respondent (quasi non-respondents), suggesting that non-response bias is unlikely.

Individual-level data were gathered via online surveys for club members and parents of underage members who were invited via e-mail by the respective clubs. The survey period was from March 15, 2016 to May 11, 2016. Altogether, 3,883 individuals clicked on the survey link. After excluding incomplete and inconsistent cases, 2,102 cases remained in the individual-level sample. For multi-level analysis, only individuals whose clubs have responded to the organizational-level survey could be used. The two datasets were merged by a club ID variable that was automatically assigned to clubs and their members at the time a member clicked on the survey link within the e-mail forwarded by the respective club. Overall, 636 adult members from 228 clubs and 585 parents of underage members from 166 clubs could be included to the final analyses. For the first article, both data on adult members and parents of underage members were used. For the second and third article, data on adult members were used exclusively. In the third study, the sample size of individuals is a bit larger since twelve individuals perform both football and track and field and therefore, received two WTP scenarios, one for each sports performed.

1.5 Statistical treatment

The hierarchical structure of the data used for this dissertation yields the application of multi-level modeling. Members are nested within sports clubs, which is statistically relevant as individual-level observations are not independent from each other (Dixon & Cunningham, 2006; Todd, Crook, & Barilla, 2005). Independence of observations is one of the assumptions in conventional regression. A consequence of using conventional regression would be biased parameter estimates and incorrect rejections of true null hypotheses falsely inferring the existence of a relationship between two variables that does not actually exist (Type 1 error). MLM considers that individuals from the same club share similar organizational-level features that could possibly be related to their individual behavior (Gaudreau, Fecteau, & Perreault, 2010; Myers, Brincks, & Beauchamp, 2010). Figure 1.3 visualizes the idea of the multi-level framework: the decision to volunteer or other individual behavior in a specific environment is a result of factors on different levels of analysis.

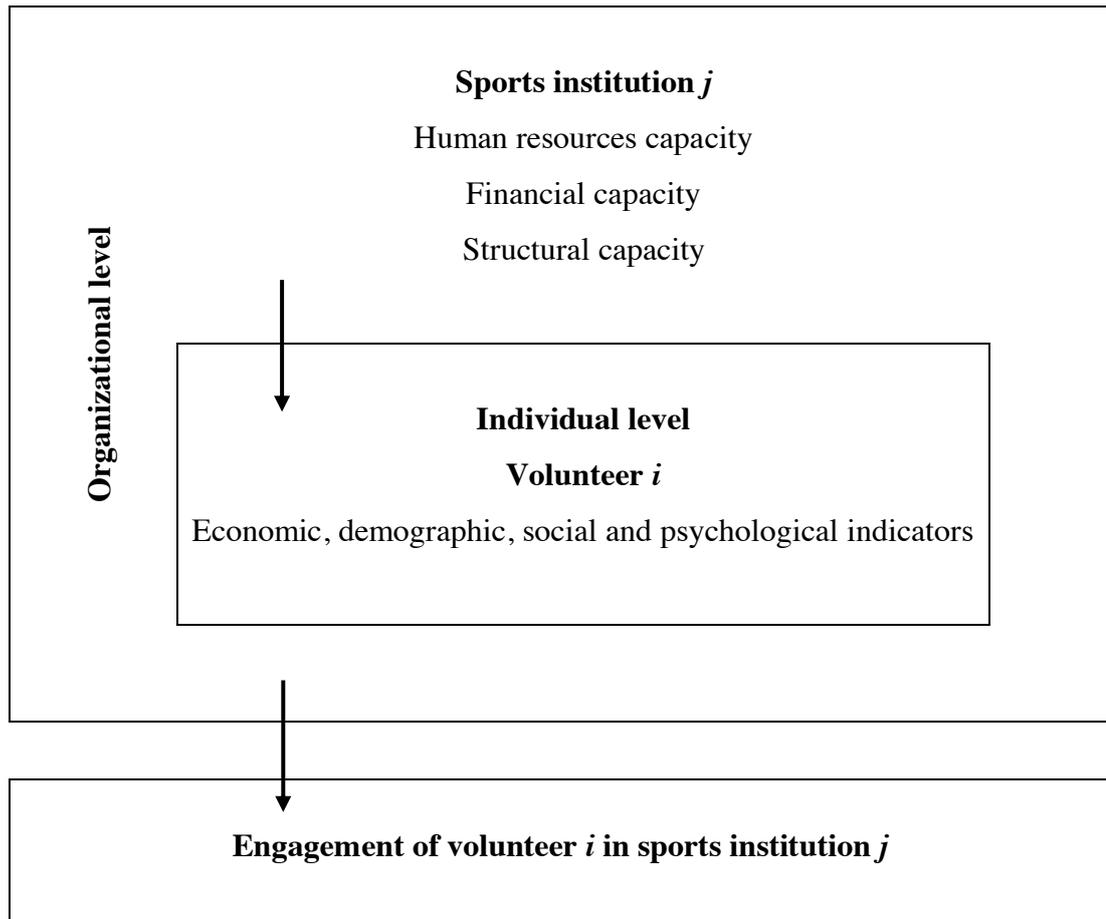


Figure 1.3 Multi-level framework for explaining the engagement of volunteers in sport (Wicker & Hallmann, 2013, p. 128)

Depending on the respective outcome variables, multi-level linear (continuous) and multi-level probit regressions (binary) are run for the studies conducted in this dissertation. All models were composed of the same set of organizational-level variables whose inclusion was based on previous research (e.g., Wicker & Breuer, 2011, 2013; Wicker & Hallmann, 2013). Control variables on the individual-level differ between the three studies as guided by existing research.

The third chapter of this dissertation goes into more detail regarding the need for MLM and compares results from MLM to those from conventional regressions with and without clustered standard errors at the organizational-level, of which the former is a commonly used alternative to MLM (Downward, Lera-López, & Rasciute, 2014). Whether MLM is required can be assessed by test statistics (i.e., ICC coefficient and LR value). Estimations from the second study show that conventional regressions using clustered standard errors produce similar results to those from conventional regressions without clustering, but significance levels are lower. In comparison to results from MLM, inconsistencies in terms of significance levels and effect size of coefficients are observable in clustered standard error regressions.

1.6 Outline and contribution of each chapter

1.6.1 Organizational capacity and voluntary engagement

The first study of this dissertation is one of the first scientific attempts in the field of sports volunteerism to apply MLM including both individual and organizational data based on theoretical reasoning. Schlesinger and Nagel (2013) employed a multi-level approach but included organizational factors with little theoretical reasoning. Consequently, the models were only able to explain a relatively small share of the organizational-level variance. Other studies have also used holistic approaches to determine the relationship between organizational characteristics and individual voluntary engagement, but these studies were of qualitative nature (Doherty et al., 2014; Misener & Doherty, 2009). Further research has focused on one capacity dimension (Misener & Doherty, 2013). The purpose of this study is to determine the impact of organizational capacity on voluntary engagement, measured by various organizational factors reflecting different dimensions of organizational capacity.

Three specific contributions to the field are made. First, differentiation between the decision to volunteer and the time allocated to volunteering is undertaken, which is a further extension of previous literature. Second, formal and informal voluntary engagement are distinguished. Whereas formal volunteers hold an official position at a nonprofit sports club, informal volunteers engage sporadically, for instance, by taking care of the catering at sports club events. Third, distinctions between adult members and parents of underage members are made. Whereas adult members have an internal relation to the sports club and the intended beneficiaries of their engagement are themselves, parents of underage members have an external relation to the sports club and the intended beneficiaries are their own children. As the latter form of volunteerism is more purist (Cnaan, Handy, & Wadsworth, 1996), this subdivision is undertaken to identify potential differences in individual volunteer behavior.

Multi-level models show that each organizational capacity dimension significantly shapes the decision to volunteer and the extent of volunteering in nonprofit sports clubs. Concerning human resources capacity, for larger clubs in terms of the number of members, the amount a parent volunteer devotes to voluntary engagement is decreasing. Also, a larger share of volunteers leads to a decreasing likelihood of both adult members and parents of underage members to devote time for volunteering at this club. Regarding financial capacity, there is a negative relationship between balanced club budgets and voluntary engagement of adult members. With regard to structural capacity, strategic planning is positively related to informal volunteer engagement. Altogether, results suggest that amongst adult members the organizational context is more relevant to the extent of volunteering than individual factors. For parents

of underage members, both organizational and individual factors are almost equally relevant to their volunteer behavior.

1.6.2 Organizational capacity and voluntary roles

The second research of this work builds on the first one attempting to explain the relationship between organizational capacity and individual voluntary engagement. Therefore, it picks up a more specific, work content-related perspective on volunteering. Although members of sports clubs can take on different volunteer roles, the decision to volunteer in different roles has not been investigated by previous research (Wicker, 2017). In order to draw appropriate inferences, multi-level analyses are used as both individual- and organizational-level data were examined once again. However, since clustering standard errors at the upper level is also a common way of attempting to account for hierarchical data (e.g., Downward et al., 2014), and because the manuscript for this study has been submitted to a journal's special issue with a focus on measurement in sports management, results of multi-level models were compared to those from probit regressions with and without clustered standard errors. The particular contribution of this article manifests in comparing these methodological approaches. Results of this study also guide practitioners in targeting specific member or volunteer groups in an effort to increase voluntary work levels at nonprofit sports clubs.

Estimations reveal that multi-level models produce partially different results than conventional regressions and regressions with clustered standard errors. Hence, distinct management implications arise from applying different statistical procedures. MLM should be used if suggested by assessment statistics such as ICC coefficient and LR test. The null model, which does not include any predictor variables, should be estimated first in order to identify whether the variance in the outcome variable is explained by both individual and organizational characteristics.

Multi-level models suggest that organizational capacity and administrative volunteering are significantly related to each other. First, club size in terms of the number of members is negatively associated with administrative volunteering. This finding goes hand in hand with the results from the first study of this dissertation in which the existence of the relationship between voluntary engagement and club size was established. Since turnover amongst volunteer sports administrators is a serious concern for the functioning of sports clubs (Cuskelly & Boag, 2001), this finding helps targeting voluntary administrators. Furthermore, voluntary coach positions are difficult to fill (Cuskelly, Taylor, Hoye, & Darcy, 2006), but they are a key resource to nonprofit sports clubs (Orlowski & Wicker, 2016). This study reveals that voluntary coaching is significantly affected by organizational culture. More extensive youth work engagement and less extensive insistence on traditional values are related to increasing

voluntary engagement in coaching positions. Voluntary refereeing is positively connected to the volunteer share, an unbalanced club budget, and the provision of multiple sports.

1.6.3 Organizational capacity and willingness-to-pay for memberships

The third study of this dissertation tackles the research gap existing on the relationship between organizational capacity of nonprofit sports clubs and individual financial behavior and members' WTP, respectively. The purposes of this research were to estimate the WTP for a sports club membership using CVM and to empirically investigate the relationship between organizational characteristics and stated WTP. The study contributes to the body of literature on financing nonprofit sports clubs. Multi-level models show how to mitigate increasing financial problems of sports clubs. This work also contributes to studies applying CVM in sports research by showing that the organizational context is not only relevant to volunteering but also to financial decisions of sports club members.

Multi-level analyses reveal that limited facility availability and relative WTP are positively related with each other, suggesting the use of additional club income from membership fees for an improvement of the facility availability. In addition, club management is advised to ensure the sufficient condition of sporting facilities since WTP decreases if their condition is insufficient. Managers are further advised to make use of inter-organizational partnerships as relative WTP and the number of a club's co-operations are negatively related with each other. Club members likely expect that external financial resources are acquired through co-operations. Consequently, it is not considered necessary to generate additional financial resources internally via raising membership fees. However, this further implies that if a club is not able to acquire necessary resources from partner organizations, an increase in membership fees to a certain extent is a useful way of increasing overall club income.

1.7 References

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2 Organizational capacity and voluntary engagement

This chapter has been published as:

Swierzy, P., Wicker, P., & Breuer, C. (2018). The impact of organizational capacity on voluntary engagement in sports clubs: A multi-level analysis. *Sport Management Review*, 21(3), 307-320.

3 Organizational capacity and voluntary roles

This chapter has been published as:

Swierzy, P., Wicker, P., & Breuer, C. (2018). Usefulness of multilevel modeling in sport management research: The case of voluntary roles in nonprofit sport clubs. *Measurement in Physical Education and Exercise Science* (in press). doi:10.1080/1091367X.2018.1438289

4 Organizational capacity and willingness-to-pay for memberships

This chapter has been published as:

Swierzy, P., Wicker, P., & Breuer, C. (2018). Willingness-to-pay for memberships in nonprofit sports clubs: The role of organizational capacity. *International Journal of Sport Finance*, 13(3), 261-278.

5 Conclusion and outlook

Beginning with the research gap identified for the relationship between organizational- and individual-level attributes of nonprofit sports clubs – an organizational form that produces socially desirable goods or services – this thesis presented different theoretical frameworks suggesting the existence of a multi-level relationship required to be studied empirically. Consequently, two types of individual behavior essential to the functioning of these organizations (voluntary engagement and the payment of a membership fee) were analyzed using multi-level data from individual- and organizational-level surveys.

The main purposes of this dissertation were to determine the relationship between organizational capacity of nonprofit sports clubs and individual behavior in terms of voluntary engagement and WTP for memberships. Empirical results from MLM support ecological systems theory, meaning that organizational factors are significantly related to the individual-level outcome variables investigated in this work. Specifically, the dimensions of organizational capacity (human resources, financial, and structural capacity) are connected to formal and informal volunteering, to volunteering as administrative staff, coach, and referee, as well as to the WTP for membership in a nonprofit sports club.

The contributions of this work are of three types. Technically, this research contributes to the establishment of MLM as an alternative to conventional estimation procedures when analyzing nested data. Compared to traditional regression, parameter estimates of MLM are more conservative avoiding overestimation of statistical significance levels and coefficients. The use of MLM should be preferred if assessment statistics in terms of the LR test, quantifying the variance between upper level units, and the ICC, indicating the correlation between the respective outcome variables within the same contextual group, support their application. By analyzing the relationship between organizational capacity and the likelihood of engaging in specific volunteer roles, this research highlights the need for appropriate analytical methods in order to make adequate inferencing and avoid misguidance of club management.

Theoretically, this work contributes to ecological systems theory by conceptualizing the relationship between a particular microsystem and individual behavior within the nonprofit sports sector. The model of organizational capacity of nonprofit and voluntary organizations was used to conceptualize the organizational factors (microsystem) related to volunteering in nonprofit sports clubs and WTP for membership in these clubs (individual behavior). This conceptualization is unique to the sport volunteering context because employees in other sport microsystems, like for-profit organizations or sport events, may be affected by different organizational factors. A

theoretical contribution is also made to the volunteering literature in the sense that the impact of organizational capacity is not conceptualized for volunteers in general, but for two distinct subgroups of volunteers, i.e., adult club members and parents of underage members. Sport management theory must therefore recognize that the same microsystem (i.e., the same sports club) may have varying effects on different groups of volunteers within this microsystem.

In addition, this thesis contributes to institutional theory by showing evidence on the impact of institutional-level factors such as club culture and club policy on individual behavior. This research supports the argumentation that institutions, which are beliefs and rules affecting organizational forms independent of technical requirements and resources, regulate human behavior in nonprofit sports clubs to an extent. By showing that the decision to volunteer and the WTP for a club membership depend on the environment of the nonprofit sports sector, this work also contributes to rational choice theory. Accordingly, individual decision-making is subject to constraints at the individual and the organizational level. As this thesis finds answers to the question why people join certain organizations, and even why people volunteer in these organizations, it builds on the ideas of rational choice theory. It shows that the relation between costs and benefits impacts individual decision-making not only based on individual-, but on organizational-level factors as well.

Empirically, the present work contributes to the specification of evidence-based implications to guide club management. The body of research on volunteering in sports is extended by linking large-scale individual-level data with organizational-level data and by offering empirical evidence on the role of organizational capacity in individual volunteering decisions. Findings highlight the problem of misleading management implications derived from inappropriate statistical treatment. This work additionally extends the body of research on financing sports clubs by examining the multi-level relationship between clubs and members, which shows possibilities on how to mitigate the increasing financial problems European nonprofit sports clubs are currently facing. It further contributes to the body of literature on CVM in sports by showing that contextual factors are relevant to CVM studies.

The studies conducted in the frame of this dissertation are not free from limitations. First, investigating data on football and track and field clubs within North-Rhine Westphalia and their members (and parents of underage members) limits generalization of results to other sports, organizations, individuals, etc. Second, causal relationships cannot be drawn due to the use of cross-sectional data. Future research should therefore attempt to collect panel data to further enhance knowledge in this research field. Third, restriction on two levels of the multi-level environment that surround individual behavior ignores further ecological systems such as states and countries, which

theoretically influence individual behavior as well. Technically, MLM with more than two levels of factors are possible.

To build on this work, future research is recommended to identify further factors that are relevant to individual behavior in nonprofit sports clubs in terms of volunteering and WTP for memberships theoretically. If doing so, it is further recommended to test the empirical evidence of the additional factors identified by the use of MLM if assessment statistics suggest just that. With the intention to get a deeper understanding of the relationship between individual behavior and organizational factors of nonprofit sports clubs, further studies might want to look at particular factors examined in the present research by conducting qualitative studies. Future research could also consider other types of organizations in the nonprofit or for-profit sports environment as well as other types of individual behavior like participating in competitions – and then compare it to the findings of the present work.

Researchers that want to verify a causal relationship between organizational- and individual-level factors are recommended to collect data at different points in time and conduct a panel study to further enhance knowledge in the present research field. Also, future studies could incorporate further levels into the multi-level structure that individuals and nonprofit sports clubs are part of. This study looked at the relationship between a specific microsystem and specific types of individual behavior exclusively. However, the political or legal environment, the culture within a certain region or the socio-economic conditions likely shape individual behavior and organizations operating in this system. By studying additional levels of the socio-ecological framework of nonprofit sports club members, a more holistic picture of multi-level relationships surrounding and including individual behavior in nonprofit sports clubs could be drawn.

Abstract

Individual behavior depends on individual characteristics. From a theoretical perspective, individual behavior also depends on contextual factors as it occurs within a certain surrounding. To nonprofit sports clubs, this means that individual behavior in terms of voluntary engagement and the payment of a membership fee are connected to organizational factors. As an increasing number of nonprofit sports clubs suffers from a declining number of volunteers and members, understanding the relationship between individual and contextual factors is essential to their existence.

Consequently, it is valuable to nonprofit sports clubs, and eventually to the societies in which they operate, to identify the organizational factors related to volunteering and the willingness to pay for a membership. Empirical research on the relationship between individual behavior of sports club members and attributes of nonprofit sports club is limited. Studies either fail to include organizational factors with theoretical reasoning, to ground their management implications on sufficient data, or to analyze these by taking the dependence between individual- and organizational-level factors into account.

The present work sheds light on the relationship between individual behavior of nonprofit sports club members and its organizational context by including data on both levels. Three studies demonstrate the usefulness of multi-level modeling by merging survey data from German sports clubs and their members. Based on the concept of organizational capacity of nonprofit and voluntary organizations, results suggest that human resources, financial, and structural capacities of nonprofit sports clubs are significantly related to decisions of adult members and parents of underage members: the decision to volunteer, the amount of time devoted to voluntary work, and the specific voluntary role. Also, differences between formal and informal volunteering are identified.

Using contingent valuation method to elicit willingness-to-pay, results further show that the organizational capacity of nonprofit sports clubs is significantly connected to the willingness-to-pay for a club membership. Overall, this work supports the notion that the organizational context is relevant to individual behavior. Multi-level models identify the specific contextual factors related to it and allow the formulation of implications that could guide management in securing the future existence of their sports club.

Kurzfassung

Individuelles Verhalten hängt von individuellen Faktoren ab. Theoretisch betrachtet hängt individuelles Verhalten außerdem von Kontextfaktoren ab, da es in einer bestimmten Umgebung stattfindet. Für gemeinnützige Sportvereine bedeutet dies, dass individuelles Verhalten in Form ehrenamtlichen Engagements oder der Zahlung eines Mitgliedschaftsbeitrages auch von organisationalen Faktoren abhängt. Weil Sportvereine zunehmend unter einer sinkenden Anzahl ehrenamtlicher Mitarbeiter und Mitglieder leiden, ist es essentiell für die künftige Existenz dieser Vereine, den Zusammenhang zwischen individuellen und organisationalen Faktoren zu verstehen.

Es ist von Wert für Sportvereine und die Gesellschaften, in denen diese operieren, die organisationalen Attribute zu identifizieren, die mit dem ehrenamtlichen Engagement und der Zahlungsbereitschaft für Mitgliedschaftsbeiträge zusammenhängen. Empirische Untersuchungen zur Beziehung zwischen individuellem Verhalten und den Eigenschaften von Sportvereinen sind bisher nur bedingt vorhanden. Studien scheitern beispielsweise daran, die organisationalen Faktoren basierend auf theoretischen Begründungen zu modellieren, die Implikationen für das Vereinsmanagement auf adäquaten Daten zu fußen oder bei deren Analyse die Abhängigkeit zwischen individuellen und organisationalen Faktoren zu berücksichtigen.

In der vorliegenden Arbeit wird die Beziehung zwischen individuellem Verhalten von Sportvereinsmitgliedern und organisationalen Faktoren an Hand von Daten auf beiden Ebenen untersucht. Drei Studien, die Daten deutscher Sportvereine und deren Mitgliedern analysieren, bestätigen die Eignung von Mehrebenen-Modellen in diesem Zusammenhang. Basierend auf dem Konzept der Organisationalen Kapazität zeigen die Ergebnisse, dass Humanressourcen, finanzielle und strukturelle Kapazität von Sportvereinen mit den individuellen Entscheidungen erwachsener Mitglieder sowie der Eltern minderjähriger Mitglieder zusammenhängen: Mit der Entscheidung, sich ehrenamtlich im Sportverein zu betätigen sowie mit dem zeitlichen Ausmaß dieses Engagements und der spezifischen ehrenamtlichen Rolle. Zudem bestehen Unterschiede zwischen formellem und informellem Ehrenamt.

Darüber hinaus wurde die Contingent Valuation Method angewendet, um die Zahlungsbereitschaft für eine Sportvereinsmitgliedschaft zu ermitteln und sie anschließend hinsichtlich ihrer Beziehung zu organisationalen Faktoren zu analysieren. Die Ergebnisse zeigen, dass auch die Zahlungsbereitschaft mit der Organisationalen Kapazität zusammenhängt. Insgesamt stützen die Untersuchungen die theoretische Aussage, dass der organisationale Kontext und individuelles Verhalten miteinander verbunden sind. Anhand von Mehrebenen-Modelle konnten spezifische Kontextfaktoren ermittelt werden, die die Ableitung von Managementimplikationen ermöglicht.