

# **Exploring impacts of COVID-19 from sport business manager's perspective**

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Abstract  <p>The unexpected outburst of COVID-19 has challenged the global sports economy in mass scale. Sport business and sport organisations have been affected tremendously from many perspectives. Sport business managers have been forced to take unforeseen actions due the rapid disruption of business models, cancelled events and lack of spectators in order to protect the businesses, athletes and even the public image.</p> <p>The aim of this research was to examine the level of strategic preparedness during the outbreak of global pandemic disease. The actual research problem was to clarify the managerial implications of this black swan event in sport business not only from financial perspective.</p> <p>The research was designed using qualitative approach and methods. Eight representatives from various types of sport organisations and countries were selected and primary data was collected using semi-structured interview. The data was analysed using content analysis method. Despite of the relatively small sample size, the findings indicated that sport business managers have been able to react with the reduction of costs and increased use of digital communication as managerial measures.</p> <p>An assumption of new ways of operating with digital technology towards more sustainable business models was recognized. Experiences of managers have been similar for private, non-profit and public sector organisations. New trends in customer behavior of sport fans were recorded. However there is a need for a long-term analysis in order to clarify the changes in business environment and managerial implications.</p>		
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# 1 Introduction

And suddenly, the sport industry, which differs from other industries mainly because of the 'unexpected', was forced to face an invisible opponent whose greatest strength lies precisely in unpredictability. The world is facing a widespread challenge in the areas of health, education, finance, politics, entertainment, and the sport industry is not exempt from this battle.

The effects of the black swan event known as COVID-19 on the sport industry are unprecedented, numerous and are still being accounted for. The global outbreak is still a reality and, in this sense, some perspectives and observations in this study can quickly become outdated, however they are able to provide a general idea of the phenomenon.

This research project was divided into five chapters to facilitate the readers' understanding. The second chapter will present the theoretical framework with definitions, concepts, theories and explanations about the analyzed phenomenon. In sequence, chapter three will explain the methodology used by the author to conduct the study. Chapter four will show readers the findings obtained through the interviews conducted in the study, and finally, chapter five will summarize the findings and seek to answer the research problem.

It is worth mentioning that, at the end of the study, the author will be able to establish a link between the theoretical framework, data collection and data analysis. Additionally, the research problem and research questions will be answered, thus meeting the purpose of the study and evidencing to the readers that the author gave the best of oneself to conclude this master's thesis.

“In this period when many sporting events have been suspended, the best fruits of Sports are coming out: resistance, team spirit, fraternity, giving the best of oneself” (Pope Francis, 6<sup>th</sup> April 2020)

## 1.1 The background of thesis

In the end of 2019, China announced a disease that it was gradually scattered in several parts of the world. Also named COVID-19, the infectious disease is caused by a newly discovered coronavirus. According to the World Health Organisation through droplets generated by coughing, sneezing or exhaling from an infected person, the virus is transmitted. Which means that if you are in a distance of less than two meters to someone infected, you can be infected also. Since these droplets are too heavy to stay in the air, they fall quickly onto surfaces or floors. So, if you touch a contaminated surface and then touch your eyes, nose or mouth, you also could be infected. To sum up, in the first months of 2020, the world came across a global pandemic.

Because it is a new type of coronavirus, a vaccine or medicine capable of combating it has not yet been discovered. And, considering that mass gathering of people contributes potentially to the spread of the virus, global political authorities have been obliged to stipulate social isolation in order to avoid exacerbated contagion and a collapse in the national health systems.

The World Health Organisation (WHO) stipulated some strategies to prevent the spread of COVID-19, including cancellation of events, travel restrictions, voluntary home quarantine, changes in funeral services, global and clear communication to avoid panic, establishment of social distances between people and, other recommendations to be implemented urgently by all nations.

These strategies are extremely necessary to prevent as many deaths as possible. However, such measures have a huge impact on the world economy, human behavior and social relations that were directly affected by the restrictions on the right to come and go.

Sport is considered essential for the modern world. From a sociological point of view, sport is a social, economic and political fact that seeks and gives meaning to the development of human beings. In the context of sport business, sport is suffering one of the biggest blows of the professional era and knowing how to manage the impacts of COVID-19 is essential to keep sport organisations sustainable for years to come.

Saunders, Lewis and Thornhill (2009, 5) claimed that, focused on increasing their knowledge, people undertake in order to find out things in a systematic way, defining therefore, research.

The topic of this thesis, therefore, was chosen in view of its great relevance to the sport industry, a sector in which the author works and intends to work in the coming years. Besides the author's personal motivation, the topic in question is pertinent for countless organisations bearing in mind that the global pandemic COVID-19 has impacted and is still impacting globally, several sectors of the economy.

"Routine makes us dependent, the search for the new or unknown makes us self-sufficient" (Barbosa, T. R.)

## 1.2 Research objectives

This research aims to explore how managers in sport industry are administering the unpredictable situation of COVID-19 in their sport organisations around the world.

In the last decade, the growth of the sport industry has been exacerbated, as evidenced by Trenberth and Hassan (2012, xxi). However, it is known that many sport organisations in the world are still incipient in the daily application of strategic and managerial tools, especially if we consider the crisis management. Based on this, the organisations that were the focus of this research were sport organisations that already had a certain degree of management and that conducted sport as a real business.

Keeping the focus of seeking answers in different sectors of the sport industry, based on the Contemporary Sport Management (CSM) Sport Industry Sectors Model proposed by Pedersen and Thibault (2019), that will be demonstrated in chapter 2, the interviews were targeted for the representatives of sport organisations with different sizes, activities and nationalities. In order to achieve answers to the research objective, two questions were developed, namely:

- 1) What have been the main challenges face to sport managers during COVID-19?
- 2) Which strategies are being used to minimize the impacts of this black swan event?

## 2 Theoretical Framework

In order to support the research objective, with the description of theories that explain the logic of the problem and incorporate all the knowledge components necessary for the author to be successful in the pursuit of his objective, a theoretical framework is necessary in a business research. Google Scholar, Social Sciences Research Network, ProQuest, Janet Finna and several websites specializing in the sport industry were the main source of information for the development of this chapter.

### 2.1 Black Swan Theory

Describing the unthinkable or extremely improbable for many people seems complex, as it can go against rationality. Higgins (2014) states that a surprising event (for the observer) and that has a great impact, is considered a 'black swan' event. The term originated in the 17th century, when Dutch sailors in Western Australia discovered black swans, when at that time, only white swans were known to Europeans. From that perspective, the discovery was a shock, something that contradicted all known observations.

Still according to that author (ibid., 243), Taleb (2009) in his bestseller *The Black Swan: The Impact of the Highly Improbable*, argues about the importance of random events that form part of our lives. The key attributes that constitute random events refer to being outside the scope of regular expectations, carry an extreme impact in themselves, and the explanations for the occurrence are invented after the fact, making them explainable and predictable.

The so-called large-scale shocks can be challenging for economic, political and social stability. In addition, the different risk patterns can cascade and spread globally. In order to better understand the concept of the theory, catastrophic events can be grouped into two groups, one related to natural disasters and the other caused by the action of man.

Higgins (ibid., 244-245) refers to several studies and writes that:



*“local natural events can be devastating, with extensive loss of life and physical destruction (e.g. Hurricane Katrina and the Japanese tsunami had limited impact beyond New Orleans and Japanese Fukushima region, respectively). In contrast man-made events have the potential to disrupt complex, interconnected systems and cause major international impact over a considerable time period”.*

Additionally, the ‘black swan’ events can be classified into three basic types: 1) events that are completely unknown in the scientific milieu, termed **unknown-unknown**, as a reference to the fact that they are unknown to risk analysts and science; 2) events that are not on the list of risk analysts, but are on the list of experts and/or science, termed **unknown-known**; 3) events known to risk analysts, but judged to have negligible probability of occurrence and therefore are not amenable to analysis because they are judged as ‘**not believed to occur**’. (Flage and Aven, 2015).

In order to exemplify the events caused by the action of man and their economic impacts in the last decades, Ross (2020) cited the oil embargo in the Israel Arab war in 1973 that impacted in a downturn of 17.1% in the stock market and the recovery dured 1.475 days. Other example was the black monday in 1987 that impacted in a downturn of 28.5% in the stock market and the recovery dured 398 days. Also, the global financial crisis in 2007 that had a downturn effect of 56.8% in the stock market and the recovery of it, dured 1.022 days. Until March 2020, the COVID-19 had a downturn effect of 29.5% in the stock market and the difficulty is predict how long this black swan event will affect investment markets, once it is unprecedent social and financial disruption and still current.

As we saw in the previous paragraphs, Taleb (2009) defines a black swan incident as one that falls outside the realm of regular expectations, has a high impact, and defies predictions. In this sense, and considering the context of the sport industry, Spaaij (2016) argues that, since the Munich Olympics in 1972, popular awareness of terrorism and the fragility of the Olympics has been driving the development of the US government's anti-terrorism effort and of Olympic security operations as a whole. In other words, this black swan event enabled a semiotic change in security and risk governance. To anticipate and minimize the likelihood of terrorism, security

governance at the Olympics and other major sporting events has put more effective risk management in a special perspective. This topic has received significant academic attention in recent years.

Based on this assumption, it is believed that due to recent events in the world sporting context, especially with regard to the massive cancellations of sporting events in order to prevent the spread of COVID-19, the strategies used to manage the situation may serve as a model 'good practices' for future situations and will also receive considerable attention from academia.

At the time this thesis is being written, few researchers, theorists or scholars on the subject hesitate to classify the current pandemic **COVID-19 as a black swan event**. This is because, in addition to the damage caused to global health, the damage caused to the world economy is already evident in several sectors, as well in the sport industry.

## 2.2 Impacts of COVID-19 for sport industry

According to the World Health Organisation (WHO), on December 31, 2019, they were alerted to several cases of pneumonia in the city of Wuhan, Hubei province, in the People's Republic of China. It was a new strain (type) of coronavirus that had not been identified in humans before. A week later, on January 7, 2020, Chinese authorities confirmed that they had identified a new type of coronavirus. Since then, the WHO is being working with Chinese authorities and global experts to learn more about the virus, how it affects people who are sick and how they can be treated. On January 30, 2020, WHO declared that the outbreak of the new coronavirus constitutes a Public Health Emergency of International Importance (ESPII) - the Organisation's highest level of alert, as provided for in the International Health Regulations. The last ESPII registered it was the Ebola outbreak in the Democratic Republic of Congo.

Also according to the WHO, on March 11, 2020, COVID-19 was characterized as a pandemic. The term refers to the geographical distribution of a disease and not its severity. There were outbreaks of COVID-19 in several countries and regions of the world and to manage the situation, the WHO created a global strategic plan for the

international community to prepare and respond to COVID-19. On April 2020, the confirmed cases exceeded three million and as the pandemic is current, the numbers can increase even more.

Walker and Whittaker (2020, 2) argues that world is facing a serious and critical public health emergency due to the ongoing global pandemic, COVID-19. And, the way in which countries are facing the pandemic, directly reflects on the trajectory of contamination. The study, that did not take into account social and economic costs, are based on data from China and high-income countries and makes a comparison of what can be achieved with policies designed to mitigate or suppress transmission and the expected impacts of mortality in the absence of interventions or spontaneous social detachment.

To have an idea of the severity of the pandemic, the study estimated that, in the absence of interventions, COVID-19 would have resulted in 7.0 billion infections and 40 million deaths globally in 2020. The analysis showed that many countries are adopting public health measures such as testing, case isolation and broader social detachment actions to suppress transmission, as manageable levels of demand for medical care can only be maintained if such actions are taken.

Also according to the authors, if a suppression strategy is implemented early (with 0.2 deaths per 100,000 inhabitants per week) and maintained, 38.7 million lives could be saved. If it starts when the number of deaths is greater (1.6 deaths per 100,000 inhabitants per week), 30.7 million lives can be saved. And delays in implementing strategies to suppress transmission could lead to worse results and fewer lives saved.

From the point of view of the social impact of COVID-19, the United Nations (UN), through the Inclusive Social Development Division (ISDD), stated that the global health crisis being faced is unlike any other in the history of the 75 years of the United Nations United - is killing people and spreading human suffering. The outbreak of COVID-19 affected all segments of the population and is particularly damaging to members of social groups in the most vulnerable situations. Early evidence indicated that economic and health impacts are being disproportionately borne by poor people and that, if the pandemic is not adequately addressed through

policies, the social crisis could increase inequality, exclusion, discrimination and global unemployment in the medium and long term.

Globally, several measures were adopted in order to minimize the impacts of the outbreak, such as: effective use of personal protective equipment (PPE), physical distance, travel restrictions, tests and tracking, among others. In first April's fortnight, 46% of new confirmed cases were reported in Europe and 39% in the United States. To some extent, this is because countries are at different stages of the pandemic. While some countries are at the height of the outbreak, extending the national blockade, others are already seeing a decline in the number of cases of the disease and are beginning to devise strategies to reopen their economies.

The economic challenges of the pandemic are unprecedented and the uncertain times are incredibly for financial markets. In all sectors, companies are being impacted and the challenges must be felt for many more months. According to Oxford Economics, the expectation is that the World Gross Domestic Product (GDP) will fall 2.8%, increasing the number of financial crisis.

Duffin (2020) writes that although it is not known exactly what the economic damage of COVID-19 will be in the global context, there is a broad consensus among economists that the negative impacts will be severe. Since the start of the pandemic, global stock markets have experienced dramatic declines, and, as an example, Dow Jones recorded its biggest daily drop of nearly 3,000 points on March 16, 2020.

The cause of the economic damage is largely due to a drop in demand, which means that there are no consumers to buy the goods and services available in the global economy. Such dynamics can be seen in the travel and tourism sectors, which are strongly affected by the pandemic as countries have imposed travel restrictions to slow the spread of the virus. The same dynamic has been applied to various sectors and as companies begin to cut staff to make up for lost revenue, the concern is that this will create a downward economic spiral when these newly unemployed workers can no longer afford to purchase unaffected goods and services. And it is this dynamic that economists believe can lead to a global recession on the scale of the Great Depression.

Although the danger facing the global economy is clear, it is believed that the worst case scenario can be avoided. Governments have learned from previous crises and yet, some sectors can benefit from the crisis, such as: e-commerce, food retail and the health sector - providing at least some economic growth to compensate for the damage. Duffin further argues that the crisis may end in a declared way if, for example, a vaccine is developed, allowing the global economy to undergo a sharp recovery when the pandemic ends (ibid.).

As it is a current issue and changes daily, economists estimate that three scenarios may unfold in the coming months: a rapid recovery, a global slowdown or a recession driven by COVID-19. From this perspective, it will be up to managers to analyze each scenario and seek the best alternatives to manage this crisis of global scales.

Some scholars and theorists already argue that behavioral, economic and social analyzes, among others, will be made based on the before and after COVID-19. Life will never be the same. Several sectors are suffering the impacts of the pandemic and this study aims to focus on the sport sector.

According to the European Union's study (2018), sport-related GDP was 279.7 billion euro in 2018, this equal to 2.12% of total GDP in the European Union. Sport-related employment in the EU was 5.67 million persons. Because it uses more intermediate goods than a medium sector, sport also generates important revenues in other industries. With a focus on facing the crisis caused by the COVID-19 pandemic, the sport industry, through its economic and social forces, should not be underestimated.

Using Finland as an example, the EU's study showed that the Finnish sport economy is dominated by two sectors: Sport services, that contribute 36% to GDP and 41% to employment of the sport industry; and Education services, that account for 29% of Sport GDP and 27% of Sport employment. Protecting jobs in the sport industry should be of special interest to European governments, as the sector has a strong share in GDP and job creation. Furthermore, the study also argues that health and social benefits that sport provides will contribute to the reconstruction of European societies during and after the COVID-19 crisis.

Sport in its essence, from a recreational and health improvement point of view, depends to a large extent on a small group of associations and clubs that play a fundamental role so that citizens can have access to physical and sport activities on a daily basis. These organisations are the backbone of sport around the world and for the most part, they are non-profit organisations, without reservations, working driven by voluntary service and their passionate employees. In this context, the COVID-19 crisis could result in the bankruptcy of these associations and clubs, as is already being observed in several countries.

The sport industry was severe hit by mobility restrictions and the social isolation recommendations. From the point of view of professional and high-performance sport, as the virus spread, several matches were held without an audience, postponed and even more, canceled.

The overall outlook for the sport industry around the globe due to COVID-19 is daunting. It is worth saying that, in a way, **the world sport stopped.**

According to ESPN, National Basketball Association (NBA) was the first to suspend its season on March 12, after a player tested positive for the virus. Some UEFA Champions League matches came to occur in empty stadiums, but after the virus reached senior management, the matches were also suspended. The National Collegiate Athletic Association (NCAA) canceled all remaining spring and winter championships, including the men's and women's basketball tournaments, hockey, baseball and lacrosse. The National Hockey League (NHL) and Major League Baseball (MLB) also suspended their seasons.

Euro 2020, the European Football Championship, a four-year team championship organized by UEFA has been postponed until 2021. Paris Saint-Germain will be declared Ligue 1 champions after the Professional Football League (LFP) in France confirmed the end of the season, according to ESPN sources. Also in Netherlands the 2019-20 season has been canceled, with leaders Ajax denied the league title. A growing number of Premier League players do not want to play football during the coronavirus crisis which seem a major blow to the league's hopes of resuming the 2019-20 season. In Spain, La Liga's clubs have been told that football matches will be played behind closed doors until 2021, multiple sources have confirmed to ESPN.

And other major leagues in Europe have been suspended as well, Serie A (Italy's Football) and the Bundesliga (Germany's Football).

The biggest blow suffered by the sport industry, in terms of the scope of a sporting event, was the postponement of the Tokyo 2020 Olympic and Paralympic Games to the year 2021. The postponement had a significant impact on more than 90,000 people who were involved with the event. To cover the extra costs for athletes and teams, related to the one-year postponement, The International Olympic Committee is allocating more than \$25 million dollars.

At present, there are many concerns regarding to sport industry. The Share Initiative, from European Commission, stated some of it, as: **lost revenue**, especially related to the organisation of competitions, tournaments, seminars, training camps, races, etc. And also to regular income from different types of fees, like membership, licensing, participation or subscriptions, from the point of view of sport organisations. **Cash flow difficulties**, once regardless of lost revenue, the organisations have fixed costs to pay. **Unemployment** situation with dismissals of employees, athletes, coaches. Worries with freelancers who frequently operate at events and are no longer able to provide services. Significant part of unpaid workforce in sport organisations will not be able to work as they are restricted to their homes or with limited mobility. And at last but not least, the athletes are losing not only a season and, therefore, certain financial benefits, but they may also lose their coaches and their ability to train and compete, with future implications for their income. **Athletes may not receive financial support** (for example, scholarships, internships) due to the drop in revenue from sport organisations.

The Two Circle Sports Marketing Agency states that only 53% of the 48,800 sporting events of the 2020's year that were originally scheduled, will take place, given that the vast majority of events have been canceled or postponed due to COVID-19. In addition, the sport industry will only generate revenue of \$73.7 billion during the calendar year 2020, about \$61.6 billion less than previously thought before the pandemic began.

## 2.3 Definitions of sport business management

Many authors argue about the proper definition of 'Sport'. In a simple and objective way: sport can include all forms of physical activity or competitive games through casual or organized participation, at least in part, with the aim of using, maintaining or improving physical capacity, providing fun to participants and, in some cases, entertainment for viewers (The European Sport Charter, 2001). However, sport, as used in contemporary sport management and in relation to the sport business industry, is a broad concept term to denote all people, activities, businesses, and organisations involved in producing, facilitating, promoting, or organizing any sport business, activity, or experience focused on or related to fitness, recreation, sports, sport tourism, or leisure (Pitts and Stotlar, 2013, 3).

Following the definitions, an industry is:

*"a market in which similar or closely related products are sold to buyers" (Porter, 1985, 233).*

Classically, an industry has a high variety of items and products sold to more than one consumer, that can potentially vary demographically, psychographically or in desire and demand. However, there are also some industries that contain only one product.

In the same line of reasoning, the joining of different segments, such as: sport tourism, sporting goods, sportswear, amateur sport participants, professional sports, recreation, outdoor sports, sports marketing companies, sports sponsorship, government sports bodies, among others, it consists of the 'Sport Business Industry' (Pitts and Stotlar, 2013, 1).

The sport has a controversial history from the management's point of view. As Smith and Stewart (2009) argued, at one extreme, sport is seen as a unique cultural institution, with a series of special characteristics, in which the application of standard business practices produces poor managerial decision-making. At the other extreme, sport is seen as nothing more than just another generic commercial company, subject to normal government regulations, market pressures and customer demands, and is managed by the application of standard commercial tools. With the



emergence of sport management as an academic discipline and, due to the corporatization of sport, these divisions have been obscured over time.

Most authors who write about the social and cultural development of sport argue, implicitly or explicitly, that the special characteristics of sport, its demarcation of business and its implications for effective management, make sport a unique cultural institution that operates in a commercial environment (ibid.). Slack (1996, 1998) argued a decade earlier, that sport management is differentiated from general management due to the belief in the **social value of sport**, and not on the sole basis of its economic value. And, he further emphasized the importance of connecting contemporary management issues and theories to sport management, using it as a testing ground for a broader development of management theory.

Smith and Stewart (2009) wrote that other authors argued that sport is significantly more concerned with beating rivals, winning trophies, sharing revenue and channeling the passions of both players (employees) and fans (customers), than other issues, also important but on a smaller scale, such as: creating value, branding, financing new sources of revenue, product innovation and market expansion.

In a relatively short period, the sport business industry has experienced phenomenal growth. Many reasons can explain this, but Pitts and Stotlar (2013, 5) writes that in short, horizontal growth is due to the insertion of new markets and products such as sports research and marketing companies. The vertical expansion, on the other hand, is the result of the increasing insertion of girls and women in traditional sports such as basketball and volleyball. In addition, this increasing in the industry it was also observed recently in football. The Women's World Cup in 2019 had a record-breaking of 28.1 million people watched the games on television and online, according to the British Broadcasting Corporation – BBC.

As Pedersen and Thibault (2019, 12) commented, for anyone who aims to become a decision maker in the world of sport, it is essential to be aware of the great diversity of sporting opportunities available to consumers. Examining the many types of sports that exist is one way of looking at the sport industry. To examine the many different settings in which sport activities occur is another approach to the sport industry. To create an industry model that shows the relationships among the various segments

and sectors is the third approach to defining the nature and scope of the sport industry. To better illustrate the main sectors that will be covered in this thesis, we will use the Contemporary Sport Management (CSM) Sport Industry Sectors Model, as shown on figure 1, that details in which way three different categories of organisations subsidize the sport industry. (ibid., 14.)

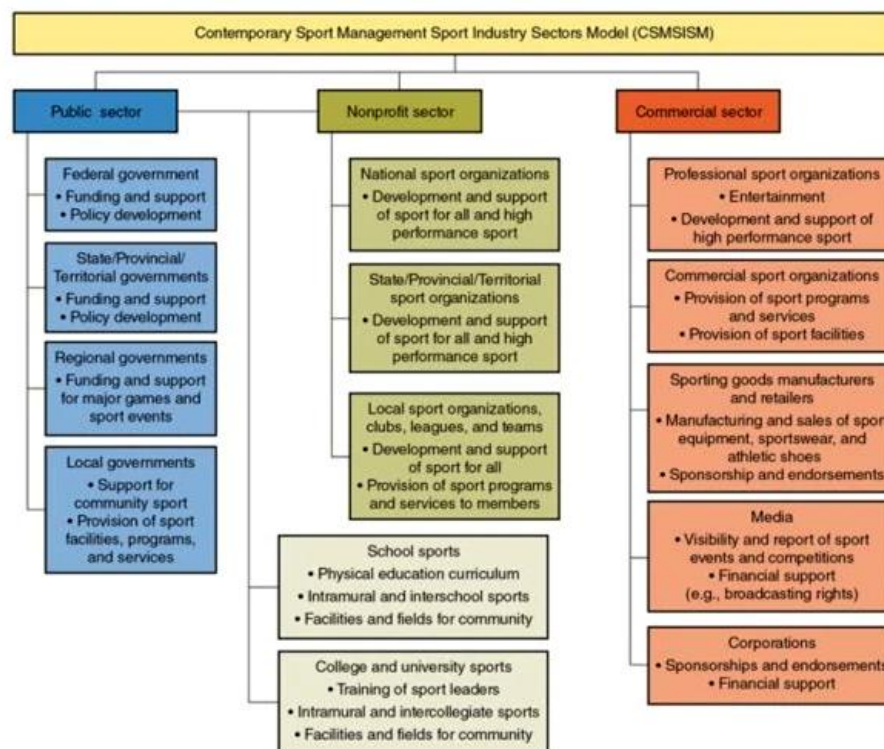


Figure 1. Contemporary Sport Management (CSM) Sport Industry Sectors Model (adapted from Pedersen and Thibault, 2019, 14)

Through the Contemporary Sport Management (CSM) Sport Industry Sectors Model it is possible to identify the several services, products, programs and facilities produced in the different sport and sport-related sectors. Additionally, the model shows that various organisations from diverse sectors can contribute to the development of sport industry, being the collaboration between all organisations is extremely important for the success of this industry.

Chadwick (2009, 202) states that sport has emerged as an industrial sector in its own right, with diverse estimates and studies that contribute to economic and commercial activity, nationally and internationally. Concurrently, sport continues to directly influence the social, cultural, health and psychological spheres and affect individuals and teams that make up a wide range of institutions, organisations, bodies and clubs.

Contextualizing for the present days, sport industry is growing at rapid speeds with high competition and a promising future. To exemplify the size of this industry, a research done by A.T. Kearney's company, showed that global sports market is worth somewhere between \$480 billion to \$620 billion dollars.

Beech and Chadwick (2013, 4) argues that the study of sport management, with its own particular characteristics, began to emerge recently. Which may seem surprising, since it is known that athletes at the original Olympic Games received payment, dispelling the notion that the sport was inherently amateur and altruistic.

In turn, Pitts and Stotlar (2013, 7) claims that sport management is among the oldest professions, since throughout its history there is much evidence that humans created and practiced sports and recreational activities. The oldest use of the word 'sport' found in English is from the 15th century and the Mayan ball game played by everyone - women, men and children - dating from around 2500 BC. it was labeled as the oldest 'sport', the Pitz.

The arguments of the authors seem contradictory, but are complementary. Taking into account that where there are people who are working to organize and govern the events, plan and build the facilities, invent and manufacture the equipment, design and produce the clothes, there are sports activities, sport management comes from the beginning of human sport. However, the evolution of sport management as an academic field in the United States, as an example, refers to the early 1950's. Some sport management scholars credit Ohio University with the first sport management program in the USA in 1966. (ibid., 8.)

In the European context, English football can be used as an illustration for the emergence of the sport. Chadwick (2009, 192) writes that during the Vikings invasions, the winners of the battle cut off the invaders' heads and used them as a

ball, kicking them through the villages. From this origin, gambling began to thrive during the 19th century as a puritan form of healthy activity for young men, within the school system.

Over the years, sport has been constantly developing and, as a result of this development, sport management has become extremely necessary since the former leisure activity has become a consistent, comprehensive and sustainable business.

The socio-cultural insertion in sport is a challenge for both sector managers and researchers. From a philosophical point of view, much is argued in relation to whether sport business management is an economic activity or not, since corporate benefactors get involved in sport through sponsorships, for example, based on the "hobby motive". Thus, the management of sport is likely to be based on both the psychosocial and the economic (ibid.).

It is known that sport management is really different from conventional management because the essence of sport is the uncertainty of the outcome associated with a dispute between two individuals or teams, as argued by Neale (1964). The particularity of sport management is that we never know who will win the game, the race, the fight. That's what attracts people, the uncertainty, the emotion, the adrenaline of the unknown. For sport management scholars, the challenge is to identify how uncertainty affects the way of researching, studying and practicing sport management. And although the psychology of uncertainty has already received attention in the literature, there is still no scientific explanation capable of answering precisely 'why watching an uncertain contest can lead someone to become a fan, lifelong affiliate or simple follower who supports a team?' (ibid.)

Still according to Chadwick (2009, 194), the notion that sport management on and off the field must be different, is interesting. The use of stadiums, for example, is a financial and ethical imperative of how to make the best possible use of a valuable finite resource, which can potentially generate important revenue streams. But sport management with a focus on the market, within the field, is a more challenging issue for many managers. As the commercial vision of the sport emerged, the debate over

the importance of financial performance measures and the degree to which they can impair performance on the field, has been heightened.

The way in which competitive balance, collaboration, performance measurement, products on and off the field and the uncertainty of the result are managed, remains one of the greatest challenges of the sport. Currently, there are still few analyzes on the most effective or most efficient form of sport management within academic research. Since the sport industry is global, the debate on how to manage sport macro in order to maintain its essential and more attractive resources, seeking competitive balance and good governance, continues and will continue to be extremely important (*ibid.*).

According to Smith and Stewart (2009), the authors Foster, Greyser and Walsh (2006) argued that athletes have become business assets, which are essential to attract fans, sponsors and exposure in the media. Therefore, it is not surprising that, unlike business, service providers for a sport, players in this case, earn much more than their immediate supervisors, club managers. In this sense, Noll (2003), argued that these different models of governance and business significantly influence management practices.

About two decades ago, national elite sports development systems around the world were beginning to appear more homogeneous as a result of the adoption of business models to manage sports companies, as stated by Oakley and Green (2001).

Although many sport fans still defend the prioritization of success on the field and the celebration of competitive ideals that privilege it above conventional efforts in search of profit, sport managers strive daily for more revenue and greater efficiency. As a means of increasing the supply of products, professional sport is at the forefront of technological development. Since the past decade, there are numerous mechanisms to reproduce, repackage and resell the sport, as well as other information and entertainment services.

Woolfe, Meenaghan and O'Sullivan (2002) wrote that the media, a major driver of the globalization of sport, has become a significant member of the sport environment. The size and value of the global media market has grown exponentially in the past decade, with the rise of satellite television, mobile technology, the

Internet and digital television. Today's consumers, based on the constant development of technology, demand increasingly relevant content and delivered on demand.

Sport needs to control and manage technology for its own benefit. Filling the electronic media space with meaningful content, providing game streaming, presenting real-time statistical information, making better use of the power of mobile media seems to be one of the main challenges for sport managers. In order for sport to make the most of the opportunities offered by new media, sport management needs to be more creative to ensure a differential advantage over its rivals, inside and outside the sport. Being close to the market, understanding customers and adopting an innovative approach to content generation.

Chadwick (2009, 202), in his research, questions to what extent sport should be based on the existing literature on management, since this would imply that sport is an industrial sector similar to any other. However, this would deny the specificity of the sport, in the essential context of uncertainty [of the result]. In this sense, some authors argue that sport requires special attention and cannot just be applied to management theories.

In the current scenario, there are infinite challenges to be faced in sport management. Handle with finance, marketing, leadership, fan behavior and engagement, facility management, and event management can be challenging. In this sense, the continue development of sport management literature it becomes contemporary and necessary.

After all, what is strategy? It was with this question that Porter (1996, 1) started to discuss in his article about the attempts to obtain sustainable competitive advantage, preserving what is distinct in a company, in comparison with its competitors.

In practice, the idea of strategic positioning comes from three fundamental points: First, strategy is the creation of valuable and unique position through different set of activities which means serve few needs of many customers; serve broad needs of few customers; or serve broad needs of many customers in a narrow market. Second, choose what not to do. Strategy requires you to make trade-offs in competing as some competitive activities are incompatible and gains in one area can

be achieved only at the expense of another area. Last but not least, strategy involves creating 'fit' among a company activities, the ways a company's activities interact and reinforce one another, depends of this fit.

According to the author, positioning was the heart of the strategy. However, with the addition of new technologies, the markets are increasingly dynamic, making it easy for competitors to copy any market position, so the competitive advantage is not permanent. Operational efficiency, in turn, is still necessary but it is also not enough. In the context of competition for operational effectiveness, mergers make sense in consolidating the industry. But without a strategic vision, companies have stalled on just buying their rivals. So, after a decade of impressive gains in operational effectiveness, many companies are facing diminishing returns. As a result, there are static or declining prices, pressure on costs that compromise the ability of companies to invest in long-term business and zero-sum competition. (ibid., 3.)

Since strategic positions imply competitive advantage for companies, finding them and knowing how to use it, requires creativity and discernment. Many new entrants to the market, discover unique positions that were available but were little explored or ignored by established competitors.

As reported by Mankins and Steele (2005, 1) view strategic planning and execution is inevitably associated. Companies use only 60% of their strategies' potencial value due to defects and breakdowns in planning and execution. Focused on minimize this performance shortfalls, the authors present some simple rules to be follow. They are: keep it simple avoiding drawn-out descriptions of lofty goals; challenge assumptions ensuring your long-term strategic plans reflect real market economics and your organisation's actual performance relative to rivals; speak the same language that is, all corporate teams agreeing on a commom framework for assessing performance; discuss resource deployments early; identify the priorities and make it explicit; track real-time results against your plan,continuously monitoring performance; make selection and development of managers a priority, developing the plan execution ability.

Through their studies, the authors came to the conclusion that companies that maintain a strong link between strategies, goals and performance, generally

experience a multiplying cultural effect. As time goes by and strategies are transformed into great performance, the leaders of these organisations become more willing to make commitments that inspire and transform large companies. Sooner or later, a super performance of the culture begins to emerge. When it comes to bold moves and performance delivery, investors start giving management the benefit of the doubt and the result is a performance premium on the company's stock. To sum up, minimize the strategy-to-performance's gap is not only an immediate performance improvement but also a crucial driver of cultural change with durable and humongous impact on the organisation's capabilities, strategies and competitiveness.

Barney (1991) writes that many authors argue that the major area of research in strategic management aim the understanding of **sustained competitive advantage**. There are four empirical indicators of the potential of firm resources to generate sustained competitive advantage: value, rareness, imitability and substitutability. By implementing strategies that exploit their internal strengths, through responding to environmental opportunities, while neutralizing external threats and avoiding internal weaknesses, firms obtain sustained competitive advantages.

Still considering Barney's (ibid.) analysis, firm resources include all organisational processes, assets, capabilities, firm attributes, information, knowledge, among others. They can be conveniently classified following the view of many authors, into three categories: physical capital resources, human capital resources and organisation capital resources. With a focus on improving their efficiency and effectiveness, companies strategically implement these attributes. A firm's competition is assumed to include not only all of its current competitors but also future potential competitors. In the same way, the concept of sustained competitive advantage does not refer to the period of calendar time but to the possibility of competitive duplication. And also, does not imply that it will 'last forever', it only suggests that it will not be competed away through the duplication efforts of other firms.

The resource-based model of sustained competitive advantage has a wide range of implications for the relationship between strategic management theory and other business disciplines. However, research in this area can be perfectly consistent with



economists' traditional social welfare concerns. Still, maintaining this reasoning, the theory of organisation and organisational behavior can be rich sources of discovery and theories about rare, non-imitable and non-replaceable resources in companies. Finally, the study of sustained competitive advantage depends, critically, on the appropriations of resources controlled by the company.

Seeking a more everyday contextualization, there are numerous tools, techniques and softwares of strategic management that can be applied in organisations. One of the most traditional analysis tool is SWOT, whose definition has already been mentioned previously, by the internal's strengths and weaknesses of organisation and the external opportunities and threats. This analysis enable the organisation to concentrate in the key issues, through distincts viewpoints. In tandem with SWOT, other popular tool used in business context is PESTEL, that consists of a framework of macroenvironmental factors that might affect an organisation, such as political, economic, social, technological, environmental and legal. Along the same lines of reasoning, the VMOSA is a tool that enable a company to start with a vision, then define a Mission, specify the objectives, in sequence develop strategies and finally create the company's action plans. Other effective tool to visualize the organisation's goals is the strategy map, developed by Robert S. Kaplan and David P. Norton, that shows a logical cause and effect connection between company's strategic objectives. All of these tools can help a sport organisation build a solid foundation for strategic decision making.

Despite the tools and techniques on corporate world, as we know, the human capital is the most important resource in an organisation. In this vein, the organisational behavior is another remarkably pertinent topic when it comes to strategy, once jointly with company's culture, it can determine levels of productivity, efficiency and success in executing the strategy.

As stated by Slack and Parent (2006, 275), Pettigrew (1979) describes organisational culture as:

*“an amalgam of beliefs, ideology, language, ritual, and myth”.*

While Sathe (1983) defined culture as:

*“the set of important understandings (often unstated) that members of a community share in common”.*

In essence, different definitions can form the basis for an organisation’s culture, including the concerns with the beliefs, values, assumptions and shared understandings.

Sport's organisations are rife with such characteristics as stories, myths, symbols and rituals. In this direction, an approach that focuses on organisational culture should be important as those characteristics are some of the principle manifestations of an organisation’s culture and can help in the way of sport organisations operate.

Face to a crisis situation, the way the seniors managers deal with this, can help reinforce an organisation’s culture. In fact, for some authors, crisis aid the transmission of culture:

*“The heightened emotional involvement during such periods increases the intensity of learning and if people share intense emotional experiences they are more likely to remember what they have learned” (Schein, 1985)*

If a company that had previously developed a culture stressing the importance of every employee, take a salary cut, including senior managers, to prevent lay-offs, the fairness of the gesture serves to heighten the cultural dimension. (ibid., 284.)

Through their studies, Bundy, Pfarrer, Short and Coombs (2017) argues that an organisation’s goals can be threatened and have serious implications for its relationships with stakeholders if an organisational crisis occur. According to their perspective, grounded for other authors' studies, crises have four main characteristics: are sources of change, disruption and uncertainty; are threatening and harmful for organisations and their stakeholders; are behavioral phenomena; and are parts of larger processes, rather than discrete events.

Based on different theoretical traditions and different aspects of crisis and crisis management, the scholars identified two primary perspectives regarding crisis management. The internal perspective that ocuses on the within-organisation dynamics of managing risk, complexity, and technology. For some researchers,

manage crisis means the coordination of complex technical and relational systems to prevent the occurrence, reduce the impact, and learn from this. In the other hand, the external perspective is based on theories of social perception and impression management, focusing on the interactions of organisations and external stakeholders. (ibid.)

In agreement with this viewpoint, crisis management involves forming perceptions and coordinating stakeholders to prevent, solve, and grow from a crisis. The aspects taken into account for the crisis management proposed by the scholars, can be seen in figure 2.

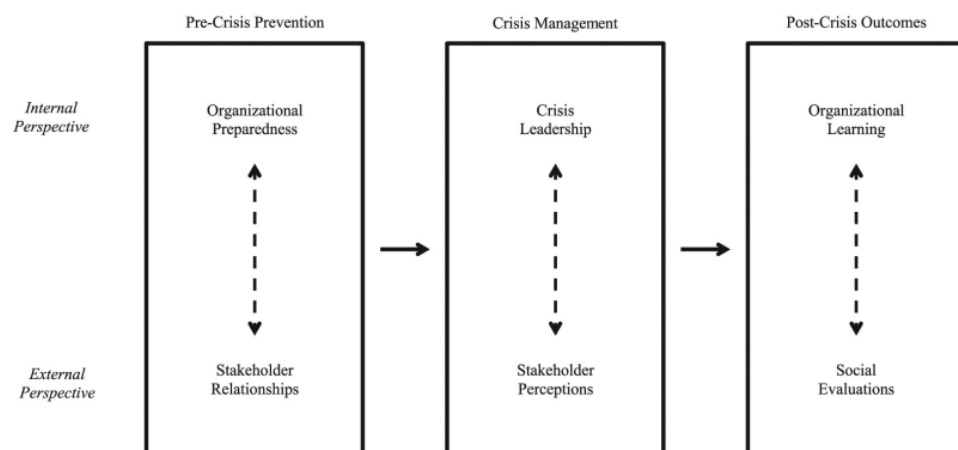


Figure 2. Internal and External Perspectives of the Crisis Process (adapted from Bundy, Pfarrer, Short and Coombs, 2017)

Considering the complexity of modern organisational life, the inevitability of crises can be utopic. But from the scholars' standpoint, an organisation can prepare for a crisis through reliability, since numerous studies suggest that high-reliability organisations are more capable of preventing crisis. And still, through the application of a healthy organisational culture, since by means of inappropriate

behaviors, power disputes, lack of clarity in the organisation's communication, wrong remuneration agreements and others, can increase the likelihood of a crisis.

Externally, the research showed that positive and negative relationships with stakeholders can influence significantly in crisis prevention.

Regarding to crisis management, the study emphasized the relationship between perceptions and leadership. Suggesting that, leaders who classify crises as threats tend to react more emotionally and are more limited in their efforts. In turn, leaders who classify crises as opportunities are more open and flexible. But the authors argued that studies are either theoretical or case based, thus requiring more in-depth studies.

Regard to the postcrisis research, it is possible learning from a crisis. Crisis can increase motivation, the probabilistic search for causes and solutions, the absorption capacity and the individuals' ability to learn. On the other hand, because they are unexpected and rare, they can lead to "erroneous inferences" and resistance to learning, inducing confidence in previous beliefs and cognitive rigidity, which can reduce innovative thinking and creativity (ibid.).

In the business world or personal life, crisis are inevitable. The way in which organisations or managers deal with the crisis, however, makes all difference. A crisis management plan can be the watershed between an organisation doomed to failure or destined for success. It is known that disorganized responses do not solve problems, they only intensify them. Therefore, quickly thinking and devising strategies is extremely important in crisis management.

In recent memory, the most common cases of crisis management in the sport industry were related to abuse, dopping and sexism scandals. These impacts on organisations' reputation and public relations were significant, but in most cases, manageable.

### 3 Methodology

Greener (2008, 10-15) states that research methodology is related to the approaches, understandings and strategies used to answer the main research questions.

In business research, clarifying the objective is extremely important. Data collection needs to be reliable and standardized and, if the questions are not directed at everyone, the justification for directing the research must be plausible. In addition, data analysis must be methodical and cautious, thus enabling a more valid result. The interdisciplinary way of business research, empower the argument that this type of research is not a single pure academic discipline. Business is a topic that connect different areas and issues such as economics, psychology, politics, sociology, history, language, among others.

The researchers aim in their research and writing, the balance and objectivity, even knowing that there is no objective research totally impersonal. Basically because the researchers are human beings, susceptible to errors, possessing personal values, with different mindset and, all these issues, may affect the results and will provide a filter for which method they use and what they see as search results.

Any propensity which avoid unprejudiced consideration of a question, reflects on research bias. To produce useful and official results for business research, the control of these sources of bias is essential. It is necessary to be explicit about the research perspective, so that, in this way, the readers can understand that **the researcher did not find the 'truth', only a version of that truth in a very specific context** (ibid.).

Further, in present business researches, the combination of quantitative and qualitative strategies are used to look at the objective facts and expecting perceptions of those involved with these facts, through the use and manipulation of numbers. Hence, in a very practical way, the confluence of the best of both strategies would be perfect to investigate perplexed reality of people and organisations.

In this thesis, the **qualitative method** was used chiefly because it was conducted by clear rules and provided a way of exploring issues, such as managing the unpredictable situations that appeared in the sport organisations, which could not be

expressed only by number. Other acceptable argument for to choose qualitative research is related to their popularity in business research and social science. In addition, this method enables the development of new insights about the problem itself and helps the researcher to develop hypotheses. Basically the exploratory context of the method, allows to investigate situations.

As reported by Greener (2008, 80), Bryman and Bell (2003) states that to develop richer pictures of the phenomenon under investigation, some elements of qualitative and quantitative researches can be used mixed to triangulate results. Yet, some distinctions are arguable, like: structured vs. unstructured, macros vs. micro, and other examples as illustrated in the figure 3.

<b>Quantitative</b>	<b>Qualitative</b>
Numbers	Words
Point of view of researcher	Points of view of participants
Researcher distant	Researcher close
Theory testing	Theory emergent
Static	Process
Structured	Unstructured
Generalisation	Contextual understanding
Hard reliable data	Rich deep data
Macro	Micro
Behaviour	Meaning
Artificial settings	Natural settings

Figure 3: Differences between Quantitative and Qualitative methods (adapted from Greener, taken from Bryman and Bell 2003, 302)

The development of this thesis started by observations and aim to ends at forming new ideas. The approach was interactive and the social realities was observed. In this regard, the research had **inductive reasoning**.

Data collection and analysis were simultaneously. The findings of how sport organisations were developing strategies to deal with COVID-19 social isolation pointed out some interesting phenomenon. From this point, other relevant data was collected to explore a new dimension and do a new phase of analysis, making the process very interactive. In the attempt to describe what sport organisations managers were doing to stay relevant in the fans, customers and sponsors' minds, for example, it was necessary to observe them. Moreover, as COVID-19 situation was not expected and is indeed contemporary, the research used a method of discovery since the phenomenon was not sufficiently know. Official or unofficial, formal or informal comparisons was used, made the research method also comparative. Against this background, the **ethnographic model** was also used in this thesis.

Considering the above, the primary research method chosen it was **semi-structured interviews**. When the content is always available to respondents and it is based on a question guide, will reflect a semi-structured interview. Since the structure is not rigorous, the interviewer can conduct the questions as he sees fit and these can lead him to divert to other interesting topics. The focus is on the interviewee perspective, not the interviewer. As a result, everything depends on the flow of the conversation, the interviewer's role is to manage this process (ibid., 89).

Many authors argues about the importance of the preparation for a semi-structured interview. Saunders, Lewis and Thornhill (2009, 328) writes that the research topic needs to be known and also the situational context in which the interview will be conducted. Factors such as the interviewer's credibility, attentive listening skills, appropriate behaviour, notes as the interview progresses, among other points are extremely relevant in conducting an interview.

Additionally, other research articles, theses and reports on the sport industry, sport management, sport marketing, risk management, black swan theory, coronavirus, sporting events, among others were read. To keep up to date on international news regarding the impact of COVID-19 on the sport industry, the author of this thesis

daily entered the websites of sport organisations, global-famed sport newspapers and social media related to this industry. Further, participated in several online seminars offered by renowned educational institutions, sport consulting firms and streaming platforms for sport, such as: Johan Cruyff Institute, International Academy of Sport Sciences and Technology, N3XT Sports, TV NSports.

All previously mentioned enabled the author had a well founded knowledge base regarding the research subject.

### 3.1 Data collection

Participants or interviewees are those who agree to collaborate with the development of the research. When looking for potential interviewees, it is necessary to follow some trails, initially trusting friends and colleagues and, later, other contacts recommended by interviewees. In order to obtain different points of view and expand the results of the research, recruiting knowledgeable respondents is extremely important (Seale, Gobo, Gubrium, & Silverman, 2004, 17).

Greener (2008, 90) also claims that a professional interviewer is genuinely interested in the interviewee's perspective and also so will flex the questions to follow the new directions suggested by the interviewee. Flexibility will make each interview more enjoyable to conduct, rather than feeling slavishly controlled by the pre-set guide.

Taking this into account, it was established that with the focal point on obtaining a broad and diversified view of the sport industry, the organisations that would be represented in the research, would be from different sectors, markets and modalities. Consequently, the research focused on identifying the management strategies that were being adopted to deal with COVID-19 in order to use them in the future as model of good management practices in unexpected situations.

In addition to the above requirements having been met, ensuring a broad perspective on the actions used by sport organisations to manage an unusual crisis, the choice of professionals to be interviewed was also **meticulous**. In order to enrich the research in question, individuals with deep knowledge of the sport industry were sought, either nationally or internationally, with solid professional background and



also respected and recognized in the sector for their 'know-how'. All respondents were directly linked to the research phenomenon.

Many authors argue that a number of factors can influence the amount of data collected by qualitative researchers. According to Baker and Edwards (2012, 18), Bryman (2012) notes that the size of a sample is a question asked numerous times by researchers. This reflects the fact that there is little definitive and unambiguous guidance in the qualitative research community. He further argued that, for some readers, this can be a frustrating account, but it is a sincere point of view contrasting controversial and probably misleading numerical guidelines.

To justify the size of a sample, five factors can be used, they are: the issue of saturation described as a process in which the researcher continues to sample relevant cases until no new theoretical insights are being gleaned from the data. A second factor is that it is sometimes suggested that there are minimum requirements for sample size in qualitative studies. The third influence is the style or theoretical underpinnings of the study. The heterogeneity of the population from which the sample is drawn is the fourth factor that is likely to influence sample size. And finally, the breadth and scope of research questions are the fifth factor, as vary quite a lot in qualitative research and this too is likely to influence sample size (ibid., 19).

A total number of **eight interviews** were conducted and held in a period about fifteen days between 21st of April and 5th of May, 2020. It was send for the interviewees a question guide (Appendix 1) introducing the research topics. In view of the recommendation for social isolation due to the global pandemic COVID-19, the interviews could not be in person. Furthermore, due to the fact that the interviewees represent national and international sport entities, the geographic locations and time zones also justified conducting the interviews remotely.

The first part of the questions was about the interviewees' background with purpose to validate the involvement and relevance of them in sport industry. In the sequence, the questions were related to the topic of sport management, since the decision making of contemporary organisations are based on business management tools and strategies. The third part of the question guide covered the theme of black swan events, more specifically COVID-19, with ambition to identify if the sport organisation

dealt with crisis management, formerly. Advancing, the interviewees were directly inquired about the impacts of COVID-19 in their sport organisation, in order to understand their main sector of activity.

In sequence, one of the main research questions was introduced, referring to the main challenges faced by the sport organisation during COVID-19. The other research question referred to what strategies and actions are being adopted to minimize the impacts of COVID-19. Taking into account the 'know-how' of the interviewees in the sport industry, the penultimate question was of a personal nature, aiming at the interviewee's opinion without directly relating him to the sport organisation he represents. Finally, the respondent was asked if he would like to add something more in the context of the research.

### 3.2 Data analysis

Forasmuch as the author's networking enabled him to interview sport professional from several parts of world, the interviews were conducted in two languages, Portuguese and English (Appendix 2).

For the interviewees were given an opportunity to choose one of three interview options, in view of their time availability, geographical location and time zone. The first option was answering by e-mail, describing their observations and perspectives. For this option, the exchange of email for possible doubts clarification was used in some cases. The second option was answering by audio records by instant messaging that ranged between 20 and 25 minutes and, the third option was by doing videocall in the most convenient day and time for the interviewee, that ranged between 30 and 45 minutes of recording. The transcriptions of second and third options were basically done word for word by the research's author.

The first phase of data analysis was the compilation of data gathered, following a rational logic, with coherence and uniformity, as suggested by Yin (2011, 182). Each document of this thesis was named with number that represented each participant. The compilation of questions and answers from the eight interviews totaled 23 pages. From Yin's point of view (*ibid.*, 186) the whole approach depends on the researchers' choice and it is impossible to say that there is only one way to reduce

and/or dismantle research data. With this in mind, the data was analysed by using content analysis.

Berg and Lune (2012, 354) explain that **content analysis** can be a qualitative and quantitative method. From their point of view, the analysis decision made by the author when analyzing the content needs to be relevant. Interpretation must be made taking into account emerging patterns and meanings. The researcher must develop his ideas based on the empirical information that was obtained, in order to meet the research objective, from the broader context to the specific research questions.

Saunders and colleagues (2009, 490-493) wrote that even if there is no standardized procedure for data analysis, it is possible to group the information into three main types of processes, they are: **summary of meanings, categorization of meanings and ordering of meanings** using the narrative. Using these processes, the data was reduced in order to lose irrelevant data. In sequence, data was grouped by themes and after, the theoretical concepts were formed, as illustrated on figure 4.

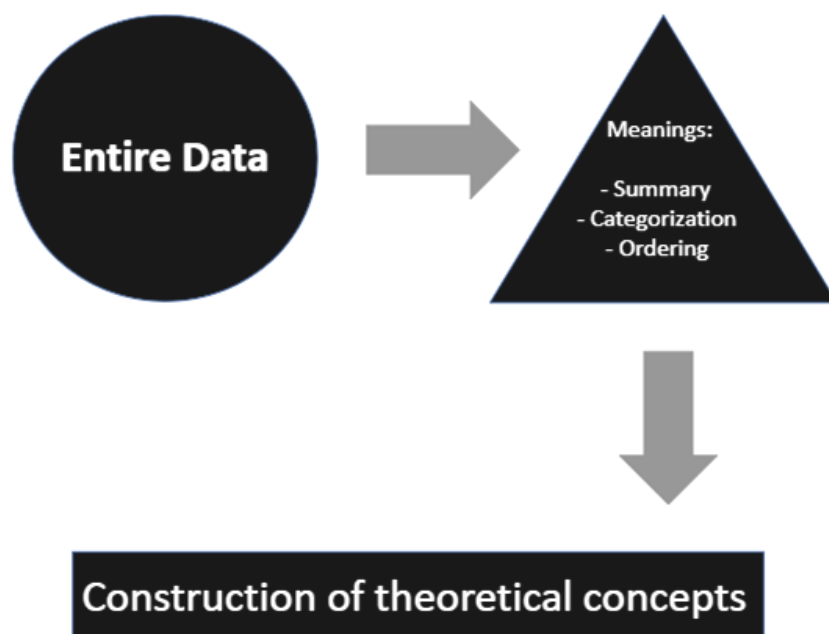


Figure 4: Processing interview data (developed by the author, adapted from Saunders, Lewis and Thornhill, 2009)

The summarized data was categorized by themes, such as: (T1) management studies, (T2) management tools in sport industry, (T3) management challenges in sport industry, (T4) unpredictable situations in sport industry, (T5) impacts of COVID-19 in sport industry, (T6) strategies to minimize impacts of COVID-19 in sport industry, (T7) challenges for sport industry after COVID-19, (T8) trends for sport industry after COVID-19 and (T9) others pertinent comments.

### 3.3 Validity and Reliability

Considering some limitations in the research field, the issues of validity, generalizability and reliability can be highlighted. Research **validity**, in simple terms, refers to how well an instrument measures what it is intended to measure, is an indication of how solid the research is and, particularly, applies to research design and methods. Mason (2002, 39) claims that validity is often used to demonstrate that your concepts can be identified, observed or 'measured' in the way you say they can. Regarding generalizability, he writes that there are a variety of ways in which generalizations can be made in qualitative research, using different sets of principles and logic. The simple concept of generalization may imply a desire to make statements that have a broader theoretical resonance. Last but not least, research **reliability** is the degree to which the research method produces stable and consistent results. He asserts that reliability involves the precision of his research methods and techniques.

According to Seale, Gobo, Gubrium & Silverman (2004, 219), other authors argued that there is no international agreement or regulations of **ethical standards in research**. Still, the three main issues frequently raised in the ethical research guidelines are: codes and consent, confidentiality and trust.

The 'informed consent' is directly related to codes and consent. That is, the research subjects have the right to know that they are being researched, the right to be informed about the nature of the research and the right to withdraw at any time. In data collection, the relationship between informed consent and covert research is

the final illustration of this ethical dilemma. Regarding to confidentiality, the researches are obligated to protect the participant's identity and the location of the research. However, a substantial number of studies are developed with colleagues, people associated with our life cycle. So, the risk is reasonably high that someone will recognize the characteristics of person or places in the studies. This is another dilemma in ethical affairs, treat anonymously the interviewees. In the sense that potential research subjects become reluctant to research, it is the researcher's responsibility not to 'spoil' the field for others. The relationship between the researcher and the participants need to be based on trust and this represents other dilemma in research (ibid. 221,222).

Focused on strengthen ethical awareness among the members of the academic community and promote adherence to shared principles in problem situations, was created the document 'Ethical Principles for JAMK University of Applied Sciences', that presents the main principles and practices for promoting impartiality, truthfulness and community spirit. It is relevant to highlight that all these principles were used during the development of this thesis.

Inasmuch as the research topic is indeed quite topical, a limited amount of scientific data was available about the subject, culminating in a theoretical framework consisted in different sport organisation websites, sport journals and other sources related to sport industry.

The primary research method used in this thesis were the interviews and, that being the case, the concerns about possible misunderstandings during that process were high. To diminish this possibility, the researcher profoundly studied the research subject, prepared herself in advance for the interviews and, the process of transcription it was done very carefully. Regardless of, the possibility of making misinterpretations remains and cannot be entirely warded off.

## 4 Findings

As stated in the previous chapters, the author's focus was on reflecting on the points of view of each participant through a holistic approach, that is, seeking to understand the phenomena in their entirety and globally but also, with the objective of dealing with each point of view within their context in sport industry.

The figure 5 shows the sectors and countries represented by each interview participant within the Contemporary Sport Management (CSM) Sport Industry Sectors model used in chapter two.

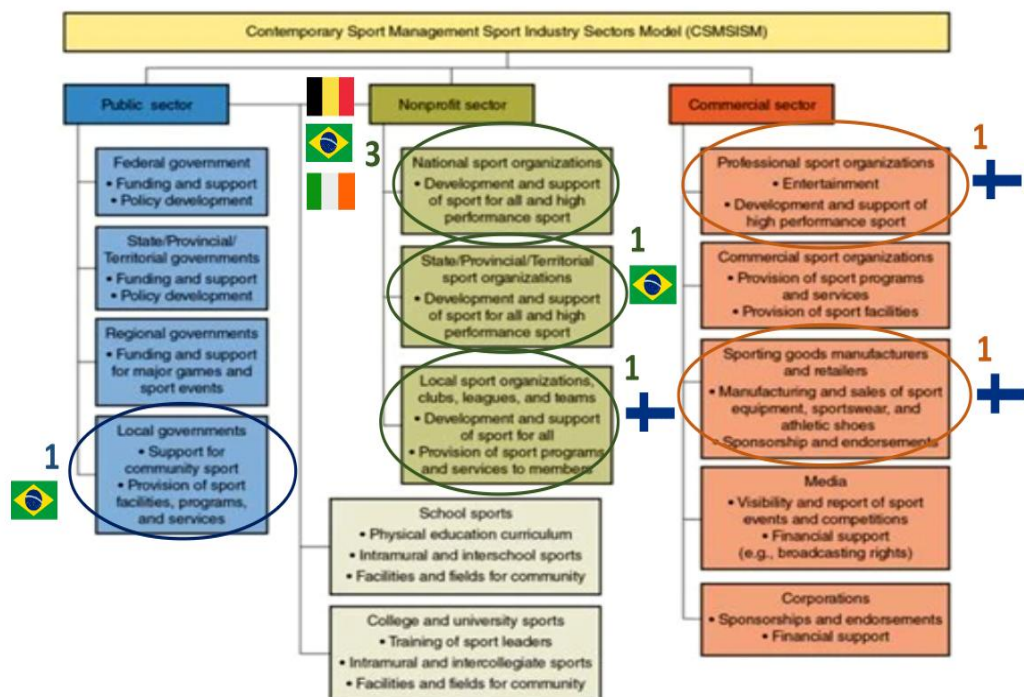


Figure 5: The segments of the Sport industry that were represented in the interviews (adapted from Pedersen and Thibault, 2019, 14)

## 4.1 Background experience

The first theme analyzed refers to the background experience of the participants and previous knowledge in management studies. Of the eight respondents, seven studied management theories as an integral part of their studies. In addition, all the research participants have high education level (undergraduate and graduate degrees) in areas related to sport, as can be seen in detail in table 1. They also have, at least, six years of **experience in sport industry**, which means an **average** of experience **equivalent to 14.6 years**. Only one participant started his studies (graduation) in an area not directly related to sport. However, in view of his work experience in the sport industry, he is currently pursuing a master's degree in sport business management.

Table 1. Background information of Interviewees

Participants	Sport industry's Role	Sector in Sport Industry	Sector Coverage	Current Role	Work Experience in Sport industry	Educational Background	Management Studies
1	Sporting goods	Commercial	International	Visual Merchandiser Coordinator	6 years	Bachelor's Degree in Fashion & Design + Master's Degree in Sport Business Management (ongoing)	Yes
2	Local Government	Public	National	Deputy Sports Secretary	15 years	Bachelor's Degree in Business & Marketing + MBA in Strategic Marketing Management + MBA in Sport Marketing	Yes
3	Sport Tourism & Events	Commercial	International	Sports Account Manager	8 years	Bachelor's Degree in Sports Business Management + Master's Degree in Sport Business Management (ongoing)	Yes
4	National Sport Organization	Nonprofit	International	Games Manager	26 years	Master's Degree in Physical Education + Specialisation in Sport Management	Yes
5	National Sport Organization	Nonprofit	International	Director, Coaching and Education	18 years	BSc Sport & Exercise Science + MSc Medicine & Science in Sport & Exercise	No
6	Local Sport Organization	Nonprofit	National	Account and Development Manager	6 years	Bachelor's Degree in Sports Business Management + Master's Degree in Sport Business Management (ongoing)	Yes
7	State Sport Organization	Nonprofit	National	President	16 years	Bachelor's Degree in Physical Education + Specialisation in Sport Management	Yes
8	National Sport Organization	Nonprofit	National	Head of Marketing and Commercial	22 years	Bachelor's Degree in Physical Education + MBA in Sport Business Management	Yes

Four participants are graduated in physical education and have over fifteen years of solid experience in the sport industry, as can be seen in the testimony of the participant 8:

“I started in 1998. I had one year of experience as a basketball coach for kids. In 2000, I started to work in the sport marketing sector in Minas Gerais Basketball Federation. In 2004, I worked as marketing director in Atlético Mineiro’s Football Club. After this, I founded a sport marketing agency in 2009 and in partnership with Coca-Cola we did some projects for World Cup 2014, more specifically in Belo Horizonte host city. We also worked with activation management for some brands, as BMG bank for example that, at that time, around 2010-2011, it was one of the top sport sponsors in Brazil. In 2014, I left the agency after the World Cup in the end of the year and I started to work in the Brazilian Basketball League in 2015 and I’m here since there. So, 22 years working in Sport Industry”.

## 4.2 Management Challenges

The second theme that was addressed, refers to the use of management tools in their respective sport organisations. All of the participants claimed that **they make daily use of different management tools**. Three participants cited the frequent use of CRM – Customer Relationship Management software’s in their organisations, as argued by the participant 6:

“We have two clear management tools that we use daily, one of which is CRM - Customer Relationship Management. We have around 400 partners (sponsorships) in our business network and around 2000 ticket buyers per season, so we have a lot of information that we need to deal with. Without a decent CRM software, it is impossible to control any entity”.



Three participants also claimed that communication tools are used regularly in their sport organisations, especially in the past few days. These statements were more detailed in the responses of participants 2 and 4, respectively:

“In general, some processes have been implemented at the organisation since my entry. Especially in the key internal communication actions through available and free apps, task management, so that the flow is more visible to everyone and that makes everyone understand the way to achieve our goals”.

“We use different tools to communicate with our staff and outside of the organisation. This goes from an almost daily staff meeting via internet (ex. Teams or Zoom) to organising group conferences calls or presentations towards athletes and coaches. For the rest we use mailing and WhatsApp calls or, we use some chat functions”.

Two interviewees cited management tools used to measure sales, as can be seen in participant 3's response:

“Daily, we are measuring the sales, creating the automated marketing and communication campaigns and managing the offered travelling services together with our international third-party partners like sport clubs, global event ticket retailers, hotels and airlines”.

Last but not least, four of the eight respondents said they had previously developed strategic plans with the purpose of managing them throughout the year to better identify the actions that will be taken in the organisation, as argued by participant 5:

"We operate on the basis of a strategic plan (typically a 5 year cycle). While various teams and units within the organisation have utilised a variety of planning and evaluation tools, we are now beginning to use a single project planning and monitoring/evaluation framework. SWOT analysis would be a commonly used tool in our planning and evaluation but at present most tools of this nature are used in a rather ad-hoc manner and

probably based on experience and preference of individual staff members rather than as a systematic or, best practice approach within the organisation”.

Regarding to the biggest managerial challenges of each organisation, the responses were broader. Mainly taking into account or distinct ‘core business’ of each represented organisation.

In this way, participant 1 commented that “the competition in sport retail has tightened, new e-commerce rivals have gained market share as well and the winter conditions caused by climate change is also a challenge for the organisation as causes difficulties in sales”. Participant 2, in turn, argued that the biggest challenge is to establish a sport culture. He argues that is quite importante to “establish an annual sport development plan with focus on the benefits that sport can have through a positive impact on people's lives”. According to him, “a physically active population is a population that has less health spending, a large reduction in crime, in short, there are several indexes that corroborate thereby”.

Participant 3, stated that the biggest managerial challenge is “to manage all the details in the same systems which are synchronized with other colleagues. The whole organisation should know what different departments are planning and doing to be more effective and productive”. In the sequence of the answers, participant 4 said that the biggest managerial challenge in his organisation is “the uncertainty of a lot of factors that influence our working process. The difficulty will be to plan and prepare. All these factors create a difficulty for the management to organise the workload of all the staff”.

“As a charitable organisation, availability of funding and cash flow are always huge challenges. Delivering consistent messaging, service and support to our national programmes, in a way to provide standardised content, with the flexibility to adapt to local coach development structures, educational and cultural contexts. Attracting and retaining the best staff in the not-for-profit sector, where salaries cannot possibly compete with private sector, is also a challenge. And the lack of management's experience, as very

many staff within our organisation progress to management level by virtue of their expertise and experience but without the management skills and knowledge to do so". (Participant 5).

Participant 6 explained that the "biggest challenge is our organisational structure. We have fewer than ten permanent employees working at our office so the biggest challenge in this type of organisational structure is the workload of employees. There are employees who are involved in several areas". In his answer to that question, participant 7 said that "the biggest challenge is the financial viability for projects, events and structure".

To sum up, participant 8 argued that "it's hard to say only one, but one of the challenges that need some improvement is on the team management. We are working with all the teams for them get more professionalized structure, regarding personal and also when we talk about arenas and games operations. Other challenge is to become basketball more relevant in Brazil. I would say since 2015, this has been going on, as the IBOPE research showed that the most of basketball fan base growth is not only about our efforts or our improvements but also through the efforts that NBA has been doing in Brazil".

### 4.3 Unpredictable situations

The third theme addressed in the interview, concerns possible previous experiences in unpredictable situations. In different approaches and, obviously, different points of view, all interviewees stated that **they had already lived an unpredictable situation in the sport industry**. However, three of the eight participants used the following terms: "**nothing compared to coronavirus, nothing like this and nothing on this scale**" (participants 3, 4, 5).

From the point of view of his sector inside sport industry, participant 1 stated that "if winter conditions are bad just like this winter, the sales on winter apparel and equipment decline significantly. We had a similar winter in 2017-2018, which was followed by a cold spring and a hot summer. The cold spring weather followed by hot summer caused people not to buy spring gear but only summer gear, which there was not enough of stock to meet the sales. A truly difficult situation". Participant 2

cited that “when you work with sporting event, mainly in the case of my other professional activities, we always have unpredictable situations that happen, but speaking of the public scenario, for the short time that I have been in the sector, it is the first time that we are going through a situation like this. All efforts at this moment are directed towards health care”.

Participant 3 answered that "in general level, the clients do not always know how much work and arrangements sport events and participation in includes. They buy just the idea of going to the sport events globally, but they are not ready to pay about the work that is done to ensure the whole successful experience". In its turn, participant 4 argued that "the magnitude is unprecedented. In the context of sport events, Rio 2016 gave us a lot of challenges due to the unpredictable situation we faced but as this happened during the Games you had to deal with it and make the best of it".

Participant 5 commented that already experienced unusual situations like "situations of war and political upheaval which have impacted the ability of certain countries to fully participate in activities. In addition, previous disease outbreaks, such as SARS have threatened events in the past". Participant 6 told that in the past, "during the summer, the organisation that I worked, needed to quadruple the turnover. This was a tough but also very instructive effort". Participant 7 answered that “we already had problems with the H1N1 flu outbreak. No apprenticeship was acquired, since the actions were isolated for that problem”.

In summary, participant 8 explained that "in Brazil, we're accustomed to have some political and economic crisis for the last 15-17 years. In the last 4-5 years we had the impeachment of the president, then other one entered and, now, we have a new President that is going through a very complicated political situation".

#### 4.4 Managerials Measures

Considering that the research questions directly refer to the impact of the black swan event and the strategies that are being used by sport managers to manage the situation, this topic deserves special attention. Regarding the impacts of COVID-19, seven of the eight interviewees cited the **negative financial issues** caused by the

black swan event in their sport organisations. Participant 1 argued that "sales have **dropped around 40% to 60%** just when the good sales season was supposed to be. COVID-19 has caused the management start to think of new ways to boost sales and to find every possible way to cut costs". Participant 2 stated that "we had a **spending freeze**, the city lost revenue. The economy in general, lost. And with that, some projects have already been cancelled. One of the main sport events that we would have this year is in the process of cancellation, as it is very likely that we do not have funds allocated to it, since the resources have been allocated to safety and health, due to COVID- 19". In turn, participant 3 reported that "**our business has diminished 90%** in last month because the sport events are forbidden, and the travelling industry is not running as usual. The whole organisation is forced to layoffs during the year to ensure the existence of the company in the future after COVID-19".

Still answering about the impacts caused by COVID-19 in his sport organisation, participant 4 clarified that "it **reduced a lot the workload** of most of the staff and this forced the management to put a lot of the staff on **temporary unemployment**. Also, there are a lot on unknown factors that make it difficult to restart the preparation for the Tokyo Games. The **financial impact** for the coming years is difficult to predict at this moment but is a worrying prospect". Participant 5 stated that "all events (local to international) are cancelled. Ability for coaches and administrators to see, connect with and support our athletes is limited, at best, and impossible, at worst. **Significant reduction in available funds**, to support activities. At a local level, job losses".

Participant 6 argued that "currently COVID-19 affect our organisation very much. Because COVID-19 ended our season unexpectedly too early, **we lost a significant part of our income**. The loss of income led us to a situation where we had to lay off all our employees, coaches, and players. Uncertainty about the future also poses challenges to our operations". In turn, participant 7 replied that COVID-19 situation "it is affecting the realization of the 2020 competition calendar, it is suspended indefinitely".

Finally, participant 8 stated that "we just had the assembly that the Teams decided to cancel the season, so everything is very new for us. So far, we're getting a big support on the decision, but we know we'll going to **have to work with a reduced budget next season**. Nobody knows what is the size of the impact, if will going to be 20 or 30% but we're already previewing some scenarios".

With reference to the strategies being adopted by sport organisations to react to the impacts of COVID-19, participants seven of the eight participants referred to the **increase in communication** through the use of social media and other digital tools.

Participant 1 added that "to keeping us relevant to customers, marketing focus has been on social media content and discounts for loyal customers". In turn, participant 2 argued that "with COVID-19, we found a way, through Instagram, that it is possible to take our sport classes (by distance) and even reach a larger audience than what we previously reached in 'face-to-face' classes". Participant 3 stated that "we have ensured that our existing customers can have the best and effective customer service in these circumstances even if the office is not running with full speed and there is a lot to do in just coping to the next month".

Participant 4 claimed that the strategy "a lot depends on good communication with the different stakeholders and keeping a close contact with all of them. Sport needs to be an important part of the restart to the "new normal" live for all people. And the Olympic Games and the Olympic movement can be a great motivator and catalyst for this". In similar ways the participants 6, 7 and 8 argued respectively that:

"For the fans we are offering interesting content every day in our social media channels like player interviews, old games, different competitions, etc".

"We did some repositioning in relation to our social media, the numbers grew a lot".

"We did some 'lives' interviews, we're showing past games on TV... We're using all these channels to communicate with fans and basketball community at all".

In addition, five of the eight respondents cited strategies aimed at minimizing the financial impact, such as: **cutting expenses, developing contingency plans, negotiating with suppliers, sponsors and customers**, among other actions to ensure the sustainability of the sport organisations.

#### 4.5 Future trends

All participants considered that it is **too early to anticipate** all the challenges that will be faced after COVID-19, but they believe that some of them, can already be cited.

Seven of the eight respondents consider that the **biggest challenge** after COVID-19 will be related to **consumer or fan behavior** in relation to the sport industry.

Participant 1 argued that "it has been said that this (situation) will change consumer behaviour. E-commerce will grow, consumer's way to spend leisure time or do sports can change (but how?), brand loyalty may decline as people have had to buy the item that has been available. We need to carefully listen to our customers and the market and be quick to adjust our operations accordingly". Participant 2 stated that "it is an election year. We are at the end of the mandate and the challenges will be to keep the population active until we have a vaccine. The great challenge will be this mix between classroom and online classes". For his part, participant 3 answered that "people do not want to travel abroad because they are afraid. Some countries will not allow tourists. Airlines are not taking back the full capacity and the prices are going to be high".

Participant 4 argued that one challenge is "keeping the Olympic Games and Movement high on the agenda". Participant 5 cited that "going back to 'normal activity' is going to look different. There will still be significant precautions to be taken and the resumption of activities is likely to ebb and flow and take some time to reach previous levels, if we ever get there". On its part, participant 6 answered that "the worst-case scenario is that our season will start later than normal or does not start at all. It is also a complete mystery whether the audience will start attending the games or not because they are afraid of infections". Participant 7 argued that "the biggest challenge will be the reorganisation of the 2020 calendar that probably will impact in 2021 calendar also".

Lastly, participant 8 informed that "I think the main challenge will going to be the fans. Because ticketing is too important revenue for Teams and when they lose it, they need to find ways to get more money from different properties or deals. And then, if we have the fans out of arenas for a whole season, how can we keep them engage?".

Seven of the eight respondents again cited concerns about the economic challenge after COVID-19. An interesting observation cited by three of the eight interviewees was in relation to 'people's fear of virus contamination'.

In terms of trends, six of eight interviewed said that **a strong trend for the sport industry** after COVID-19 will be **digitization, virtualization**. Two of eight, more specifically, mentioned the increase in the **e-sports** market.

Furthermore, the participants, for representing diversified sport organisations within the sport industry, collaborated with personal opinions related to their respective sectors, on the trends after the pandemic, namely:

From his point of view, participant 1 said that "I believe people will appreciate sports even more. Playing and exercising themselves and watching it. When you are trapped inside your apartment, the possibility to do sports outside becomes important. Maybe outdoor sports and related sales will grow? And, as all elite sports are cancelled, people maybe better understand the meaning it has to them, this can boost ticket sales. Another thing is new sport content on the internet. Sport industry has among others created new ways to provide sport content, gyms are offering virtual classes and instructions, athletes are finding ways to compete remotely against one another. Maybe e-sports will grow even more".

Participant 2 argued that "I think that a trend that was already very strong and is now consolidated with COVID-19, is e-games. Or any type of sport that can be done online. I think it gains in coverage, reduces events execution costs and today, due to a digital transformation that we have been going through for a long time, COVID-19 made it possible the entrance of for 'new users' who did not have access before, they were now "obligated" to have. With this, more people are inserted in the digital world. Also, in the short term, will be a major restriction on sporting events. The industry will suffer a lot, but it will also reposition itself and it is an opportunity to reposition itself in several ways. The sport industry in general and, especially in the execution of sporting events, is an industry that has had a very high inflation in Brazil in recent years. I think that with all this scenario, we will be able to re-establish prices".

Participant 3 stated that "the trend will be virtualization, digitalization and new business models. In addition, when the sport events are again held normally, I think the fans, spectators and all stakeholders are more interested in live sport events and the industry will be booming". For its part, participant 4 argued that "I believe that it



will be necessary downsizing the scale of all type of events and organisations. Returning to more regional organised competitions and not sending athletes on a constant road trip around the world. This can have big impacts on a lot of professional sport like Football, tennis, basketball. With lesser money involved and clubs struggling to survive. The financial impact of this crisis will oblige all organisations to have a closer look on what they organise and how they do this. Also the internal structure will be looked at and unnecessary costs will be cut”.

Participant 5 answered “I suspect the often lax hygiene processes will likely be stricter within teams, practice sessions and club policies. In short, I think after a period of adjustment, most grassroots sport will slow creep back more or less to where we were”. By turns, participant 6 argued that “I think that this COVID-19 opened the eyes of many sport organisation. Economic management needs to be more systematic and the cost structure needs to be more rational. If many sport organisations survive the difficulties caused by COVID-19 it will further strengthen the organisation’s activities and community spirit. Also, digitalization is increasingly becoming part of sport business now and after the COVID-19”.

Participant 7 stated that “in my view, it is still too early to set trends in the sport industry”. And participant 8 claimed that “everyone is saying that one of the clear trends is going to be the digital experience. I think the virus is just accelerating some experience or some innovation that almost all sport organisation, already were thinking to try. If the fans will not be able to go to the games, or we going to have restricted audience, I think that the ones that are able to go (or that have more financial power) would want the insert of virtual reality, different cameras, different engagement in live games, and this will going to happen”.

## 5 Discussion

This chapter aims to highlight the author's ability to synthesize what was found in the theoretical framework and in primary research, highlighting the most important points.

### 5.1 Answers to the Research Questions

As noted in the previous chapters, a qualitative research was carried out through eight semi-structured interviews with professionals in the sport industry working in different sectors, as shown in figure 5. In addition, the data collected in the interview were divided into smaller parts and classified into categories to be subsequently analyzed systematically, as seen in the figure 4.

Firstly, the objective of this sub-chapter is to answer the research questions, making a comparison between the answers provided by the interviewees and what was found in the theoretical basis studied. The first research question is 'what have been the main challenges face to sport managers during COVID-19?'

In accordance with the research findings, the main challenges that are being faced to sport managers during the COVID-19 situation are related to **the negative effect in the sport organisations finances**, the **uncertainty regarding the effective end of the black swan event** and the **difficulty to predict how will be the new 'sport fan behavior' after the pandemic end**.

During all the research process the author read a prevalent phrase: 'business as we know it is never going to be the same' and that statement also applies to the sport industry. Suddenly, working from home has become a basic rule of survival, the meetings and conferences needed to be held remotely, predicted budgets are being reduced or reallocated and, sporting events have been canceled or postponed, resulting in significant losses for various sport organisations that depend on the ticket sales to stay alive.

Being resilient is commonplace for sport managers, due to the unique specificity of the sport industry, as claimed by Smith and Stewart (2009). However, adapting to a new reality in which multiple scenarios are possible requires strong skills of

innovation and creativity. In addition, the answers provided by the interviewees also made it possible to establish new questions, in view of the unstable environment in relation to the nature of mass events. How will it be possible to hold events without spectators? Will they lose interest? What will be the impact of fear? Will athletes be able to compete in the same space? When will be safe to compete? Will the digital transformation diminish the experience of fans regarding the sport? There are countless doubts to be administered, many questions to be asked and, so far, few 100% right answers to be given.

The second research question was related to the strategies implemented by sport managers during the COVID-19 situation, more precisely: 'which strategies are being used to minimize the impacts of this black swan event?'

In accordance with the interviewees' responses, it can be seen that the main strategies used by the sport organisations analyzed refer to **improving communication**, whether internal or external, with a focus on the use of digital tools and social media. In addition, strategies to **reduce costs** are being implemented and studied in order to avoid, at the last scale, the end of projects and / or the end of the organisation's operations.

In the previous chapters, we saw that Slack (1998) stated that the social value of sport and not its economic significance, represents a special approach to sport management. However, the economic impact of the black swan event was strongly observed in all interviews, which may lead us to believe that, despite having a special approach, the sport industry also follows the dynamics of capitalism to survive, as well as any and all business.

## 5.2 Conclusions and Recommendations for future research

The research area of this thesis is pretty topical and, due to this, there is relatively little academic literature completed heretofore, although almost all the existing literature has been used to support this study.

In chapter 3, Greener (2008, 10-15) argued that it is necessary to be explicit about the research perspective, so that the readers can understand that the researcher did not find the 'truth', only a version of it in a specific context. In this case, through

eight interviews with professionals from different countries, in different sectors (public, non-profit and commercial) of the sport industry with an average professional experience of 14.6 years in the sport.

Although the author's objective in choosing the interviewees was to seek a generality that could represent different points of view within the sport industry, aiming at a comprehensive understanding of the phenomenon, the results of this study are not sufficient to represent the entire global sport industry.

It is also important to remember the limitations of this study, which means restrictions in the methodology and in the process of exploration in general of the research. The author tried to remain neutral throughout the process, however, the way the questions were asked and interpreted may have an influence on the research bias. Especially if we consider the interviews that needed to be translated. The use of two languages, in this sense, may have led to some misunderstandings.

Some authors still question about the objectivity of some studies, regarding to a limited sample and the data analysis process. However, the researcher was favored in this regard by his professional experience in the subject of this study, contributing to a more solid basis in the interpretation of the findings. The lack of time can also have a significant impact on this research, since the topic and industry analyzed are quite dense and may require longer deadlines for deeper analysis.

This research focused on exploring the ways in which sport managers are managing the unpredictable situations caused by COVID-19 within their sport organisations. The study of the topic seems an important learning to be disseminated in the form of good management practices to be implemented in the face of future black swan events.

Despite the fact that this research did not focus on just one sector, country and segment within the sport industry, research variations can be done in this sense. For example focusing on explore how the 'sport managers of basketball sport clubs in Brazil, who are part of the major league, managed the COVID-19 situation'. It would be interesting that future research could focus entirely on this analysis, showing results that could be replicated in the specific sector and also could serve as a study legacy.

Additionally, in the research findings, the challenge of predicting how the new fans' behavior will be after the end of the pandemic was mentioned. The answer to this uncertain will not only directly influence the relationship of sport teams with their customers in the context of business, but it may also open up a new research opportunity in parallel with sport psychology, analyzing, for example, 'how the pandemic affected and / or changed the human behavior in relation to sporting events (both for fans, athletes and managers) and the effects of this changes for the sport industry.

All interview participants also stated that their sport organisations have established improvements in communication, mainly through social media, and some cited the establishment of a new digital era driven by the pandemic. Thus, future research focusing on new trends, technologies and the application of virtual realities in the sport industry can be suggested. Finally, still in relation to communication, the daily access to the internet enable us to indicate, through the findings of this study, the need for future research aimed to prevent cyber attacks in the sport industry.

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## Appendices

### Appendix 1. Question Guide for Interview in English



Master's Thesis topic:

How sports organizations are managing the black swan event named COVID-19

#### Question Guide for Interview

##### 1) Background information

What is your current role in your work?

How long have you been working in Sports industry?

What is your educational background? Was the management studies part of your education?

##### 2) Management in Sports Industry

How does your sports organization use management tools on a daily basis?

In the management context, what are the biggest challenges facing your sports organization nowadays?

##### 3) COVID-19

Have you already had to deal with an unpredictable situation in your sport organization before? What did you learn from it?

How COVID-19 impacted or is impacting your sport organization?

What kind of strategies are being used by your sport organization to deal with COVID-19 situation and keep it relevant for fans, sponsors, customers and other stakeholders?

Mapping possible scenarios, what are the main challenges are expecting by your sport organization after COVID-19?

##### 4) Personal Question

From your personal point of view, what will be the trends for sports industry after COVID-19?

##### 5) Closing

Would you like to share something else?

## Appendix 2. Question Guide for Interview in Portuguese



Tema da Tese: Como as organizações esportivas estão gerenciando o evento do cisne negro, chamado COVID-19?

Guia de Perguntas para Entrevista – Tese de Mestrado

1) Informações básicas

Qual é o seu papel atual na sua organização esportiva?

Há quanto tempo você trabalha na indústria do esporte?

Qual é a sua formação? Os estudos de gestão/gerenciamento fizeram parte da sua formação?

2) Gestão na Indústria do Esporte

De que forma sua organização esportiva utiliza as ferramentas de gerenciamento/gestão no dia-a-dia?

No contexto de gestão, quais são os maiores desafios que a sua organização esportiva enfrenta atualmente?

3) COVID-19

Você já teve que lidar com uma situação imprevisível em sua organização esportiva antes? O que você aprendeu a partir disso?

Como o COVID-19 impactou ou está impactando sua organização esportiva?

Que tipos de estratégias estão sendo usadas por sua organização esportiva para lidar com a situação do COVID-19, visando mantê-la relevante para fãs, patrocinadores, clientes e outras partes interessadas?

Mapeando possíveis cenários, quais são os principais desafios que sua organização esportiva espera após o COVID-19?

4) Pergunta Pessoal

Do seu ponto de vista, quais serão as tendências da indústria do esporte após o COVID-19?

5) Encerramento

Gostaria de compartilhar ou acrescentar algo mais?