

Management by values: a new way of doing business in Canadian sport - a discussion paper

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Introduction

It is often said that there is nothing more powerful than a good idea whose time has come. The time has never been better for sport organizations to consider the important role of values in their mandate and activities, and the contribution that 'management by values' can make in their operations. In the recently released report on federal/provincial/territorial priorities for collaborative action under the Canadian Sport Policy¹, four new priorities have been identified for the 2007-2012 period. Two of these priorities are enhanced community capacity and implementation of the Long Term Athlete Development (LTAD) model. This report describes LTAD as one of the most significant advances in Canadian sport since the adoption of the Canadian Sport Policy in 2002, and acknowledges that implementation of LTAD is fundamental to the realization of the vision and goals of the Policy.

It is our view that the major challenge facing sport in Canada today is creating and sustaining fundamental, strong connections between and among the different elements of the sport system. This system is a complex hierarchy of organizations delivering sport at the local, provincial and national level and includes municipal facilities, clubs, leagues, provincial/territorial and national organizations as well as schools, colleges and universities. The Canadian sport system has been described as being fragmented and uncoordinated, lacking the innovation, collaboration and connection that are necessary to achieve an integrated system of facilities, programs and personnel driving excellence in sport at all levels.

It is widely acknowledged that LTAD has the potential to serve as the framework to unite and drive this system. LTAD is premised on the explicit value of placing the needs of the athlete first, and considers the physical, mental, emotional and cognitive development of children and adolescents as essential to building physical literacy and long-term health. LTAD impacts the entire sport continuum and integrates elite sport, community sport and school-based sport and recreation. LTAD offers a holistic approach that places an emphasis on values such as fair play, safety, fairness, inclusion and fun. LTAD has the potential to touch every element of Canada's complex sport system and to reach into every corner of our country.²

The concept of LTAD has been widely embraced by governments and sport leaders in Canada and work is now being done to implement the model. However, this implementation is proving to be challenging: LTAD in practice looks very different from the sport experience in our communities that we have all come to know (children grouped by age, encouraged to specialize early, coached by parent volunteers without training, focused on training for competition and competition itself, and not on skill development, etc.). What is emerging is a realization that the implementation of LTAD within the Canadian sport system will require a seismic shift in the planning, organization and delivery of sport by parents, coaches, administrators, teachers and other sport leaders. Indeed,

¹ Government of Canada (2007). *The Canadian Sport Policy: Federal-Provincial-Territorial Priorities for Collaborative Action 2007-2012*.

² Robertson, S. and Hamilton, A. (eds). (No date). *Long Term Athlete Development Resource Paper: Canadian Sport for Life*. Canadian Sport Centres - Vancouver and Way, R., Balyi, I., Higgs, C., Bluecharadt, M., Cardinal, C., and Norris, S. (2007). *Canadian Sport for Life: A Sport Parent's Guide*. Canadian Sport Centres – Vancouver.

we will need to understand and emphasize the values *in* and the value *of* sport in order to achieve our vision of creating and delivering a quality sport environment for all.

We believe that the Canadian sport system cannot thrive without successful implementation of LTAD, and that this implementation will require an explicit commitment to values. By this we mean not just publicly stating what our values are, but translating these values into plans, decisions, actions, outcomes and experiences. It also means positioning values at the core of every organization's vision and mission. This paper sets out this premise in more detail and suggests tangible next steps for embracing a 'management by values' approach for Canadian sport. We have prepared this paper for administrators and volunteers within sport organizations who want to improve the performance of their organizations and the capacity of the Canadian sport system. Our ideas are exploratory -- we certainly do not have all the answers, nor have we necessarily even asked the right questions. As a result, this paper is written to stimulate discussion.

A case for management by values

Values are principles or beliefs considered worthwhile or desirable. They help guide behaviour, define goals and establish standards for acceptable conduct. Values have renewed meaning and purpose in today's business world, as corporations struggle to deal with the taint of wrongdoing and unethical business practices, while striving for success in turbulent and uncertain business environments. Sport in Canada can be viewed from the same business perspective – on an annual basis it is a \$16 billion industry, and according to the Conference Board of Canada, sport not only significantly strengthens the Canadian economy, it is also a dominant influence at all levels of Canadian society.³

In addition to having the capacity to reach every part of Canadian society, sport in Canada is also perceived by the Canadian public in a surprisingly uniform fashion. Canadians consistently expect that sport will adhere to the highest ethical standards based on shared values, and they express a strikingly common view of what those values should be. Yet despite this remarkable consensus on the values that are integral to sport, Canadians report that these values are not manifested in the Canadian sport experience. The result is that while Canadians share a common view of the values that should guide sport, or of the 'sport we want', that ideal bears little relationship to the current experience of sport, or the 'sport we have'. In fact, 92 percent of Canadians believe that sport has the potential to make a positive contribution to the development of youth and the quality of life in communities, but fewer than one in five believe that sport is living up to this powerful potential.⁴

This alarming gap between what we want and what we have, has inspired a promising framework for a national dialogue on values-driven sport. The True Sport Movement has coordinated and connected a growing number of programs, activities and initiatives and in our view, has the potential to bridge this gap by enhancing the capacity and integration of the entire Canadian sport system, such that LTAD may stand a greater chance of being successfully implemented. We are of the view that the systemic changes required to implement LTAD to achieve values-driven sport will require a 'management by values' approach. This approach is documented in recent change management literature and is the principal research area of two academics based in Barcelona, Spain – Shimon Dolan and Salvador Garcia.⁵ We believe their research holds tremendous value for the True Sport Movement, LTAD and the overall health and vibrancy of the Canadian sport system.

The notion of 'management by values' can perhaps be better understood by contrasting it with 'management by instruction' and 'management by objectives'. The infant years of management science originated in the early 20th century, were informed by military strategy and proposed linear and rational models for decision-making.

³ Bloom, M., Grant, M. and Watt, D. (2005). *Strengthening Canada: The Socio-Economic Benefits of Sport Participation in Canada*. Conference Board of Canada. Ottawa, ON.

⁴ CCES (Canadian Centre for Ethics in Sport), (2002). *Canadian Public Opinion Survey on Youth and Sport*, Ottawa ON and (2004). *The Sport We Want Symposium Final Report*, Ottawa, ON.

⁵ Dolan, S. L. and Garcia, S. (2001). Managing by values: Cultural redesign for strategic organizational change at the dawn of the twenty-first century. *Journal of Management Development*, 21(2), 101-117.

Formulas and mathematical modeling worked reasonably well in the prevailing environment of certainty – in any given situation, the alternatives to be considered were generally known as were their costs and benefits. ‘Management by instruction’ became a prevailing approach to structuring organizations, supervising subordinates and organizing work processes, and as a management philosophy worked reasonably well in a world characterized by little risk and uncertainty.

‘Management by objectives’ evolved in the 1960s as organizations were challenged to succeed in environments characterized by increasing uncertainty. In the 1970s, strategic planning emerged as a management technique to address this uncertainty through a structured exercise to assess strengths, weaknesses, opportunities and threats in setting organizational objectives. Anyone working or volunteering in the Canadian sport system in the last 30 years will understand ‘management by objectives’ or MBO – as this has been the prevailing model for management, and also for rewarding management success, within Canadian sport organizations. Government funders asked sport organizations to prepare strategic and business plans to establish objectives, and then evaluated the organization’s success on achieving those objectives. An organization’s success (or lack of it) in achieving stated objectives in turn had a dramatic influence on future funding and future potential for success. Management by objectives is the prevailing approach in sport today and is embedded within the sport funding programs of both federal and provincial/territorial governments in Canada.

‘Management by values’ might be described as the third phase of this evolution of management philosophies. As the prevailing environment surrounding organizational decision-making and management has gone from being ‘certain’ to ‘uncertain’ and now to ‘complex’, the earlier management by instruction and management by objectives approaches have been less than adequate. Management by values is concerned with developing management systems that are capable of integrating values into organizational strategies, policies and procedures. Dolan, Garcia and Richley have written extensively about management by values as a strategic leadership tool that can have immensely practical results for organizations, through acknowledging the complexity inherent in the environment; channeling the daily efforts of individuals towards an organization’s strategic vision; redesigning organizational culture along more humanistic lines; and including ethical principles into strategic leadership.⁶

We believe that this innovative thinking around management concepts holds tremendous potential for improving Canadian sport through enhancing the capacity of the sport system, embedding values-driven sport, and ultimately leading to more positive experiences for sport participants. As noted above, the major challenge facing sport in Canada today is creating the fundamental connections between and among the diverse and complex elements of the Canadian sport system to enhance the system’s overall capacity. This challenge is amplified by the vast numbers of individuals, both employed and volunteer, who deliver sport activity as well as the high expectations within Canadian society as to what sport should promote. In the five years since the launch of the Canadian Sport Policy, major national initiatives aligned with the Policy’s goals have, thus far, not fully met that challenge. Following the thinking of Dolan, Garcia and Richey, what has possibly been missing is a clear commitment to collective action based on shared values, which can serve as a means to connect the efforts of many towards a common vision.

What we have learned from the Risk Management Pilot project

The authors of this paper have had the unique experience over the past 15 months of working with seven national sport organizations, and a large community sport club, on a national pilot project involving risk management. Although not related directly to LTAD, this project nonetheless touched on a number of areas relevant to LTAD implementation. This pilot project evolved from the Centre for Sport and Law’s long experience of working closely with sport organizations on legal problems, combined with modern risk management techniques drawn from recent innovations in Australia and New Zealand, as well as other national and international best practices.⁷ Our

⁶ *Ibid*; Dolan S.L. and Richley, B. (2006). Management by values: A new philosophy for new economic order. In Coats, P. (ed). *Handbook of business strategy*. London, Emerald, pp. 235-238.

⁷ Australian Standard on Risk Management, AS/NZS 4360:1999, Standards Australia International (no date); *Risk Management for Directors and Board Members of National Sporting Organisations*. Prepared for the Australian Sports Commission; Corbett,

approach in this project has represented a departure from conventional risk management thinking, as it defines risk not as the things that can cause harm, but rather as the things that can interfere with the achievement of objectives. Thus, risks are not always by definition negative or harmful things, but may also include positive things that nonetheless distract the organization from remaining focused on its strategic objectives.

The outcome of this project has been a better understanding of risks, a sharper insight into how risk analysis can be used to improve strategic planning and organizational decision-making, and an unprecedented degree of information-sharing and collaboration on common issues and good practices among the participants in the project.⁸ The authors have also benefited from some particular insights from this project that help to frame the debate on risks, risk management and management by values:

- Firstly, while the practice of sport is essentially risky business, the business of sport could benefit tremendously from a risk management approach to reduce those risks and to better understand and accommodate them within daily operations. While initially, participants in the project expressed concerns and fears about confronting risks, liabilities and potential losses, at the end of the experience all of them felt empowered to embrace risks in a more positive manner.
- Secondly, athletes take significant risks on a daily basis – whether in executing dangerous physical manoeuvres in training and competition, or committing time and resources, and compromising lifestyle and career plans in return for a very slim chance of performance success. The elite athlete thinks nothing of incurring huge personal costs in pursuit of elusive and risky benefits. Sport organizations, on the other hand, are far more risk-averse. We have observed that it is a challenge to find common, comfortable ground between these two extremes. At the end of the day, however, there was an awareness among participants in the pilot project that performance excellence requires risk-taking, and organizational excellence requires the same. Furthermore, organizational excellence becomes necessary for performance excellence.
- Thirdly, and perhaps most importantly, we have observed that at the heart of many organizations' risk management problems is the disconnect between the values that the organizations espouses, and the practices that it condones. Our experience over nearly 20 years of resolving disputes within the sport system through the services offered by the Centre for Sport and Law has painted this picture very vividly. Plans are made and policies are written with the best of noble intentions, in an attempt to reflect the organization's stated values, but thereafter the train goes off the rails. Things are said and done, decisions taken and actions put into effect that bear little relationship to those initial values and intentions. We have found it enlightening to learn that management theorists such as Dolan and Garcia highlight the same problem within struggling corporations: incongruencies between claimed values and real behaviour, as well as a tendency to be so caught up in daily 'battles' that managers can only think about tactics and logistics, and never get close to strategy or even to the essential starting proposition of ethics and values considerations.

The first phase of the Risk Management Pilot project has now ended, and our conclusion from this work is that values lie at the core of managing risks within organizations. Most of an organization's risk management problems arise because there is poor alignment of values within the organization. Values are stated and generally agreed to, but they are not being used to inform organizational decision-making or to guide organizational actions. If a

R. and Findlay H. (1998) *Your Risk Management Program: A Handbook for Sport Organizations*. Centre for Sport and Law, Ottawa ON; Corbett, R. (2002) *Risk Management for Sport Organizations and Sport Facilities*. Presented at the Symposium *Sports Management: Cutting Edge Strategies for Managing Sports as a Business*, Toronto, ON. ; Bell-Laroche, D. and Corbett, R. (2007). *Living up to excellence: a True Sport approach to achieving organizational excellent (Risk Management Pilot)*, True Sport Secretariat, Ottawa, ON; Corbett, R. and Bell-Laroche, D. (2007). *True Sport Risk Management Project*. Presented to the 2007 Petro-Canada Sport Leadership Conference, Halifax, NS.

⁸ The participants in this project included Diving Plongeon Canada, Swimming Natation Canada, Athletics Canada, Field Hockey Canada, Canoe Kayak Canada, Gymnastics Canada, Speed Skating Canada, and the Kanata Soccer Club.

management by values approach were to be adopted, there is clear potential for improved risk management. In fact, we suggest that the implementation of 'values management' might even supplant 'risk management' as the best available management tool to address a sport organization's risks and liabilities.

Applying management by values to LTAD

According to Dolan and Garcia (1999), 'Management by values is tending to become an overall framework for the continual redesign of the corporate culture, by which collective commitment is generated for inspiring new projects'.

This thought is compelling in the sport context. If LTAD implementation is going to require a massive shift in the way we organize and deliver sport, as well as the alignment and commitment of so many different players to common principles, then perhaps management by values is a concept worth considering. If LTAD is acknowledged as a process to drive cultural change in sport: then one can argue that management by values, as a change management process, can accelerate the adoption and integration of LTAD. Taking the ideas of Dolan and Garcia, and applying them the Canadian sport system suggests that management by values has the potential to:

- Better address the complexity inherent in the environments within which sport organizations operate;
- Connect the explicit value *of* sport (as a social and economic good) to the implicit values *in* sport (fairness, fun, inclusion and excellence);
- Minimize the conflict and harm that result from poor decision-making within organizations;
- Increase accountability by emphasizing what matters most to people within organizations (it is interesting to note that the more important something is, the more difficult it is to quantify: in fact, the things we value the most cannot be quantified or measured at all);
- Increase support for and buy-in from stakeholders on shared values, thus creating the necessary collective commitment towards common goals and the organizational vision;
- Yield a positive effect on the culture of the organization;
- Facilitate priority setting, strategic planning, decision-making and budgeting; and
- Reduce overall risk exposures to the organization that might impede the achievement of its objectives.

All of the benefits listed above would be immensely helpful to the implementation of LTAD throughout sport in Canada. In the Risk Management Pilot project, all eight participating organizations identified as a *significant to very significant risk* the lack of capacity within the sport system (from club level upward) to implement LTAD. We assert that this risk can be addressed through the adoption of a management by values approach.

Dolan and Garcia distinguish two types of values in their research. First are the basic values associated with a company's vision and its mission, and second are the operating values associated with the company's way of doing things. For example, a basic value for a company might be to earn profits, while an operating value might be to achieve a certain product quality as a means of earning profits. What gives coherence to the company is the clarity with which basic values are defined and the consensus with which operating values that support the basic values are adopted by employees – in the end, vision, mission, values and principles become self-evident and are reflected in all the work that people do in the company.

Dolan and Garcia claim that both the distinction and the connection between basic values and operating values are critical to the development of strategy. This is where management by values becomes a powerful idea for LTAD implementation. Research done by the Canadian Centre for Ethics in Sport and the True Sport Foundation show that Canadians embrace the values of *fairness, fun, inclusion* and *excellence* for Canadian sport.⁹ These can be considered as Dolan and Garcia's basic values. Alone these are not sufficient to guide strategy to implement the True Sport Movement or LTAD. However, they can be joined with operating values, or principles, to provide the

⁹ True Sport Foundation (2005). *Reasons to believe: Findings from a survey of Canadians on True Sport Values*. Ottawa, ON.

framework for strategy. And in fact they have: from the founding values of fairness, fun, inclusion and excellence, the True Sport Movement has identified the following principles for sport and for communities.

Principles for Sport

Go For It

Always rise to the challenge.
Discover how good you can be.

Play Fair

Play honestly and obey the rules.
Winning is only real when competition is fair.

Respect Others

Respect teammates, competitors and officials, both on and off the field. Win with dignity and lose with grace.

Keep it Fun

Have a good time. Keep a positive attitude and contribute to a positive atmosphere.

Stay Healthy

Respect your body. Keep in shape.
Avoid unsafe activities.

Give Back

Do something that helps your community.

Principles for Communities

Recognize Sport as a Valuable Community Asset

Help sport live up to its full potential.
Enable it to contribute to the well-being of the entire community.

Champion Ethical Conduct

Commit to fair play. Make respect for the rules, officials, coaches and players a priority – on the field and on the sidelines.

Promote Inclusion

Remove barriers. Encourage participation.
Make it possible for everyone to get involved and stay involved.

Strengthen Connections

Create opportunities for people to get together through sport. Make newcomers feel welcome. Promote friendship, trust, cooperation and respect.

Support Excellence

Teams and athletes carry the hearts and hopes of the community wherever they compete. Help them to be the best they can be.

Foster Healthy, Active Lifestyles

Inspire people to get active and stay active. Offer a variety of sport opportunities – both structured and unstructured – that are inviting, enjoyable and rewarding for all.

Create Safe and Welcoming Environments

Develop, protect and nurture places and spaces that are hospitable and conducive to the safe enjoyment of sport.

Celebrate Contribution

Recognize and honour the people – coaches, organizers, officials and volunteers – whose contribution makes sport possible and positive in the community.

If the basic values of fairness, fun, inclusion and excellence are about beliefs, then the True Sport principles are about deeds. These principles have been widely embraced by Canadians as appropriate standards of behaviour and can serve as a framework to drive the successful implementation of LTAD. In our work with the Risk Management Pilot project we noted that values appeared to permeate every aspect of an organization's risk assessment: likewise, values permeate every stage of LTAD. Dolan and Garcia liken values to the 'glue' that holds an organization together when confronted with the need for change or when the surrounding environment is challenging, turbulent or complex. Certainly, LTAD represents a major change for sport and undoubtedly, the current environment is complex. For these reasons, we believe that a True Sport values framework will be instrumental in helping leaders in sport to better manage their individual and collective implementation of LTAD, and to align their efforts in such a way as to foster a new culture in Canadian sport.

Conclusion

Social change expert Eric Young writes in the foreword to a popular book on social innovation that “the very complex forces of interconnection that make systems resistant to change are the same ones that can be harnessed to propel change”.¹⁰ At the present time, LTAD is but one of a wide array of synergies relating to the True Sport Movement that have the potential to create a culture of excellence for Canadian sport. The thing connecting these different elements is *values*.

This article is not for the faint of heart. Rather, it is a discussion piece for ordinary people who want to contribute to extraordinary outcomes. It is for leaders in sport who feel a sense of urgency to respond to the growing wave of opportunities and challenges that are presented by the implementation of LTAD. We have attempted through this article to share our insights and ideas, with the hope that this may stimulate a dialogue on the kind of management system required to help sport live up to its full potential.

It is our early thinking that that managing by values can offer sport organizations an effective and robust approach to not only dealing with risks but also exploring the many opportunities arising from the LTAD philosophy. And as Dolan and Garcia conclude in their article ‘MBV (management by values) proposes the need to manage values, to guard them as the scarce resources they undoubtedly are. Managing values means managing the culture of the company, strengthening it day by day and always revitalizing it, to face the unknowns of the future’.

Let us heed these words as we continue to explore this idea of embracing management by values as an effective way to manage change in the Canadian sport sector.

SOME IDEAS TO START PUTTING VALUES INTO ACTION

Increasingly it has become evident that values play an important role in providing a quality sport experience. If values are an expression of what matters most, then they should be reflected in all the work we do. These are some simple ways that administrators and sport leaders can embed values, as thoughts and ideas about what matters most, into an organization’s structures, policies and practices. Ideally, this will help those values get translated into daily actions:

1. *The first step is to know your organizational values completely and fully. When asked what they are you don’t have to check the web site or the pages of your strategic plan. They are there at your fingertips, on the tip of your tongue, at all times.*
2. *Incorporate your values into everyday management practices: recruit, hire and evaluate employees using your values as a framework; use your values as a template for structuring your annual report, web site architecture, and employee and volunteer job descriptions; ensure all your policies are reviewed with a view to your values; use your values to design and organize programs; plan and evaluate program success in accordance with your values; let your values guide your priorities in the budgetary process.*
3. *Consider your values in all your key decision-making. Values are especially helpful when you are making difficult decisions involving trade-offs, compromise, risk and uncertainty.*
4. *Communicate your values continually. Place them prominently on letterhead, the web site, annual reports, internal reports, your business cards, on your office walls, on banners in your training facility, at all events, on all meeting agendas and meeting minutes, on computer screensavers, etc.*
5. *Lastly, use your values as the organizing framework for your strategic plan.*

¹⁰ Westley, F., Zimmerman, B. and M.Q. Patton (2006). *Getting to Maybe: How the World is Changed*. Vintage Canada, p. xiv.