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ORIGINAL ARTICLE

IDENTIFY FACTORS FOR ENTREPRENEURSHIP DEVELOPMENT IN SPORT OF IRAN

Abstract

Today, entrepreneurship is recognized as a tool for economic growth in many countries. In fact, many governments have been organizing the considerate efforts for activities and identifying components to entrepreneurship. Considering the importance of entrepreneurship, identifying opportunities for entrepreneurship in sports can introduce new components for entrepreneurs to promote economic and social development in the community. So, the purpose of this research is to identify factors for entrepreneurship development in sport of Iran. The research method is descriptive analytical one and can be in the applied research. Data is collected by literature study, semi-structured interviews and research designed questionnaires. Findings showed that existing sports specializes and increasing sport sciences are most importance strengths, and most importance problems are management changes, weak management, and policy intervention in sport. So, top managers at the sports organizations should use suitable solutions to decrease challenges and apply suitable plans to provide employment and innovation in sports.

Keywords: Entrepreneurship, sport, positive factor, negative factor, Iran

INTRODUCTION

Nowadays, sport is one of the most valuable forms of entertainment in lucrative international markets. Regulatory especial culture which controls broad meaning of sport is financial economy of the sport sector which has unique traits. A sport extensive economics provides preface for all aspects of broad economy (Gratton, Arnesolberg, 2007). As a result, the world recognize sport as an industry in which the products offered to their buyers are sports, physical fitness, recreation or leisure related activities, goods, services, places, people or ideas. The growth of sports industry in the last 50 years, hasn't been short phenomenon and can be attributed to numerous factors, including 1- an increase in the number and type of sports and trade magazine; 2. an increase in and expansion of sport related goods and services for variety of market segments; 3. the movement from single-purpose to multipurpose facilities; 4. an increase in sponsorship and funding of sport from general business community; 5. an increase in endorsement activity; 6. an increase in technology in sport-related goods, services, and training; 7. enhancement of sport as a consumer product; and 8. an increase in marketing and marketing orientation in sport industry (Santomier, 2002, 5).

In addition, internet is introduced as the means for transfer of correct concepts and has created sports services without limits and new opportunity for entrepreneurs. Entrepreneurs in sport use economic opportunities in sport. Creating new jobs, innovation in products and services and transmitting deficiencies to opportunities for employment are objects which can be discussed in sport entrepreneurship. A sample of sports entrepreneurship is position of professional sport, including; website design and development, technology, e-commerce, management, customer service, access to information, marketing database and product development (Santomier, 2002, 5). Another example of sports entrepreneurship is innovation in England which is known as a key part of sport in this country. Since 2004, UK sport has operated research and innovation unit with the aim of providing performance solutions about the leading of Olympic and Paralympics sports. This lead to delivery of over 50 individual performances focused harnessed the best of British expertise from the academic, industrial, and commercials sector. In fact, knowledge development without performance impact is an insufficient effect in investment. Any investment on research and innovation (R&I) to having an impact 'core' components of a World Class system corporate governance; talented athletes; talented coaches; access to facilities at the right time; medical and scientific support should be classified as 'best practice' before special projects can really deliver outcomes. The vast

majority of R&I projects at the applied and development outcome of the research pathway, building on existence concepts and ideas is often a sound fundamental knowledge base. Therefore, innovation team in England is searching for the application and creation new ideas with focus on ideas of potential commercial which could benefit UK athletes for competence and training (Drawer, 2008, 4). Also, the economic effect of sporting events is the network of change in the economy. The changes are due to activities which include performance, development; use of sport facilities and services to creation public revenues, opportunities of employment and income tax (Lee, 2001). Economically, hosting sports events can bring economic benefits for a country by creating wealth, employment, and opportunities for global markets. In fact, sport mega events are another important form of globalization and have economic, effective, political, and cultural effects. The events include to professional services, events, products, and equipment which contributes significantly to the country's economy (Aminuddin, Pariah, 2008, 113). The benefits for hosting sport events are increasing visibility of community, increasing revenues without any trouble, and improving the image of society. However, there is doubt that sports events which use public funds always could bring positive economic benefits in society. For many reasons, studies would be doing about the economic effects of sport events. One reason is that sport is not as a hobby but introduced as an industry, so the results of economic effects may be essential for businesses development in community (Lee, 2001). Thus, teams and sport events are capitals to entrepreneurs which subsidize events and teams (Crompton, 1995).

Business and sport are implicitly sharer together. It is important for sport enterprise which is considered as part of the sports industry because of the following reasons: (1) It will be easier to respond to globalization challenges and create new business opportunities and (2) to take advantage of relationship with mega sporting events, athletes and government sport agencies (Aminuddin, Pariah, 2008, 114). In addition, Bullaro and Ediginton (1989), spot five divisions for sports businesses including: travel and tourism, entertainment, and recreation, leisure services, hospitality services and retail activities (Karlis, 2006).

Sport as an industry with unique experiences such as leagues, investment and improved function provides dynamic opportunities for sports entrepreneurs. However, partnerships of entrepreneurs for sport development have been estimated less than normal values. Moreover, existing of many opportunities for entrepreneurship in the sport, has affected problems and threats on sport entrepreneurship development, such as rapid changes

in sport industry, has created environment for opportunities that also these changes have followed challenges and barriers for entrepreneurship (Santomier, 2002,5). The challenges are related to growth targets, and these relate to capacity, availability and skills of the workforce, developing new products and services and ways of delivering these to customer (Ball, 2005, 5-6). In international studies, Syme et al (1999), survey the role of private sector in leisure time and they conclude such problems including policies and government rules and increasing costs Also some researches made clear existence of some positive and negative factors for entrepreneurship in sport that is mentioned in following: Kellet and Russel (2009), reported growing sport industry in Australia and introduced important factors for sport entrepreneurship development in Australia including lack of formal structure, enough control in sport, low dependence on public assistance, high investment, existing of facilities and planning for sport development which related to high investment in the sport sector and growing entrepreneurship at the level of ideal in Australia.

Since sport provides background for entrepreneurship development by creating demands for services and sporting goods and attractive communities, therefore for entrepreneurship development should be recognized positive and negative factors. Considering the importance of entrepreneurship development and widespread research in this field showing enough attention is not paid to this subject in Iran (in addition to its role as small businesses). So clarify the present status of entrepreneurship in the sport can determine future solutions to develop entrepreneurship and provide way for achieving to ideal status for employment, particularly for sports and physical education graduates. As a result, an awareness form factor for sport entrepreneurship development is necessary. So, researchers seek to answer the following question: "What are the positive and negative factors for sport entrepreneurship in Iran?" So, the purpose of this research is identifying entrepreneurship in sport of Iran from the view point of specialists.

RESEARCH METHODOLOGY

Statistical population consisted of clubs sport managers in Tehran, professors and Ph.D student of sport management in Tehran's universities and top managers of the physical education organization in Iran. In total statistical sample was selected 90 subjects simple randomly across Statistical populations (124), pursuant of Kerjesai and Morgan table.

60% of the samples were sport specialists and about 36.7% hadn't sport science degree but had experiences in sport entrepreneurship. 3.4% of participants were above 60 years old, 11.4% were 50-59 years and 51% were 30-39.

Tools and methods to collecting data

Identify positive and negative factors for sport entrepreneurship was conducted as a survey. Data was collected by literature study, semi-structured interviews. After positive and negative factors had recognized (as quality), for determining priority of these factors was designed research designed questionnaires that their reliability ($\alpha=.95$) is obtained after its validity confirmation (by professors). The questionnaires determined positive and negative factors which consisted of 71 ranking questions in forms of Likert scale (5 values).

Statistical Method

In descriptive statistics were used descriptive statistical indicators and in inferential statistics was used Friedman test for data analysis.

RESEARCH FINDINGS

In this section, demographic situation of research sample was evaluated.

Chart 1 shows the majority of research samples (47/8%) consisted of professors of sport management at Tehran's Universities and the least of research sample were top managers of Physical Education Organization (14/4%) and managers of the sport club in Tehran (14/4%).

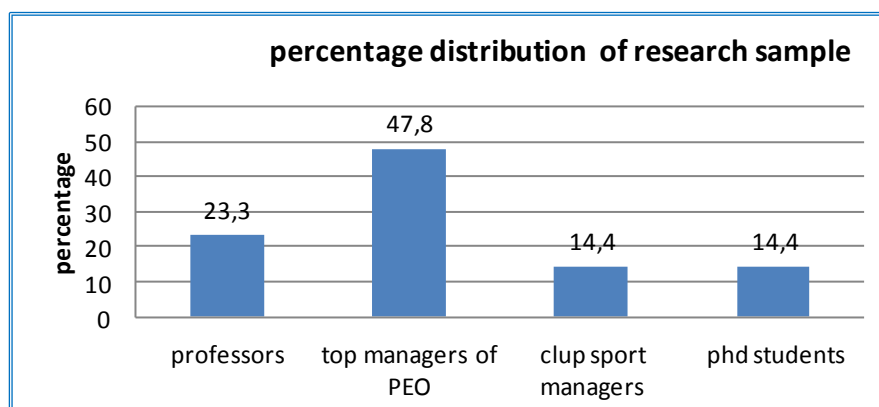


Chart 1: Percentage distribution of research sample

Determining positive and negative factors for sport entrepreneurship

On the basis of chi square test observed significant deference among positive ($\chi^2=41.48$, $P\leq 0.05$), and negative factors ($\chi^2=64.08$, $P\leq 0.001$). These factors were ranked by the Friedman test, which the most important factors are shown in tables 1 and 2.

Table 1: Positive factors for entrepreneurship development in sport of Iran

Number	Positive factors for entrepreneurship development in sport of Iran	Mean Rank
1	Exist sports specialists in Physical Education Organization	13.7
2	Exist sport Federations	12.8
3	Exist sport boards	12.6
4	Exist Physical Education Organization	12.5
5	Exist document of comprehensive system in sport of Iran	11.8
6	Holding seminars and National conferences pertain to Physical Education and Sport Science	11.79
7	Exist center of entrepreneurship and employment in the Physical Education Organization	11.75
8	Exist educated forces of Physical Education and Sport Science	11.55
9	Increasing sport scientific and technological level in the country	11.54
10	Acceptance hosting international sporting events and the potential of hosting in this sector due to tourism attraction	11.53
11	Media and satellite coverage for sport events	11.52
12	Tendency of young and educated people to using of the Internet	11.46
13	Massive internal market and public interest to sport	11.44
14	Books and scientific journals published in sports	11.38
15	Sport logistics distribution in Iran	11.32
16	Expanding of goods and services pertain to sports for different sectors of market	11.04
17	privatization process in sport of Iran	11.02
18	sports clubs founded in the private sector	10.7
19	Exist National Olympic Committee	10.5
20	Presenting coaching courses , refereeing and teaching coaches	10.2
21	Presenting appropriate courses during the study of physical education students	10.20
22	Designing applications software such as sport talent identification, fitness &etc.	10.14

Table 2: Negative factors affecting for entrepreneurship development in sport of Iran

Number	Negative factors affecting for entrepreneurship development in sport of Iran	Mean Rank
1	Level of effectiveness for sport management in a given time period	20.44
2	Lack of reward systems based on performance and encouragement for sport entrepreneurs	20.34
3	Lack of proper system in determining the administrators in the country's sport	19.95
4	Lack of matching jobs and skills in Physical Education Organization	19.84
5	Weakness in attracting sport's sponsors	19.39
6	Lack of coordination among policies in sport management of Iran	18.9
7	The gap between planning and performance in public and private Organizations	18.34
8	Lack of strategic plan for sport management in Iran	18.25
9	Rate of Performance Evaluation from researches and the scientific projects in sport	18.16
10	Ineffectiveness of traditional management methods in sport	18.06
11	Lack of entrepreneurial attitude to sport management in the country	17.97
12	Lack of R & D unit and innovation system in the Physical Education organization	17.75
12	Lack of communication for Physical Education Organization with other centers of entrepreneurial in the society	17.73
14	Lack innovation teams for solving problems of organization and pursuing new ideas in Sport	17.71
15	Lack of conference services in the field of entrepreneurship in Physical Education Organization	17.59
16	Lack of entrepreneurship training for sport community	17.48
17	Processes, administrative necessities and rate of efficiency in administrative system of sport in Iran	17.47
18	Intervention of political procedures in sport of Iran	17.46
19	Lack of communication between university and sport industry	17.31
20	Dependence the structure of national economy on oil exports	17.17
21	Lack of appropriate infrastructures for business (communications, insurance, lack of tax incentives and etc)	17.07
22	The low share of sport in the basket of households	16.92
23	Lack of public and private investment in sport of Iran	16.90
24	Stability and transparency of laws rate in entrepreneurship development and sport business in Iran	16.81
25	Traditional economy and its small space to attraction graduates	16.78
26	Lack of participation of foreign capital in the Country's sport	16.60
27	The amount of attention to education in the ground of labor culture in sport of Iran	16.55
28	Problems of economic and its environment for attracting young and graduates	16.21
29	Little growth in goods and equipment sport	16.13
30	Inappropriate privatization policy	16.07

31	The amount of secure investments for private sector in sports and absorption of sponsors	16.06
32	Activities of other administrative devices in sport of Iran	16.03
33	Lack protectionism in sport	14.94
34	The lack of media role in the entrepreneurship development and introduction of sports entrepreneurs	14.43

CONCLUSION AND DISCUSSION

Beneficial nature of sport entrepreneurship based on the potential section shows necessity of reviews about sport entrepreneurship and desirable location, since the success of many organizations is due to reducing gap between current and future status (Henderson, 2009). The purpose of the study was to identify factors for the sport entrepreneurship development in Iran.

Positive factors included sport specialists, Physical Education Organization, and its affiliate agencies, national seminars and conferences and existence official entrepreneurship and employment in the Physical Education Organization. The results were matched with Karlis (2006) in review SWOT for small business in sport of Canada. The strength of these institutions included existing higher education for the Canadian and sport specialists in Canada (Karlis, 2006). This indicates that the sport specialists play an important role in the entrepreneurship development. In fact one of the factors for success and excellence in the organizations is human resources (Pemberton and Stonehouse, 2000). The rate of support for expansion of small businesses, exist of attractive sport tourism, expansion of goods and services, privatization and presenting of education's programs were recognized as other positive factors that the results like Lingelbach et al (2005), Karlis (2006), in which can be said that entrepreneurial opportunities for sport are very extensive. Sport has numerous backgrounds which can be including productions, services and other related aspects for sport (Jones and Bill, 2009).

In addition , the lack of entrepreneurial attitude to sport management in Iran , lack of research and innovation unit, and the amount of communication between policy and practice in sport were negative factors that the results was parallel with Syme and colleagues (1999), Teson et al (2004) and Karlis (2006). So, the most important problems in sport entrepreneurship were increasing administrative costs, lack of qualified managers and executive conflict. It seems that most importance problems were entrepreneurial management

and planning in sport of Iran. Management and business leadership in large and small organizations are productive factors for entrepreneurship and skills level, because management and planning can develop entrepreneurship and create a business atmosphere (Scholz and Zentes, 2006). On the other hand, negative factors affecting sport were including lack of infrastructure for entrepreneurship, lack of communication between the university and sport industry, economic and political status, security of investment and small share sports for Iranian. The results were matched with Syme et al (1999), Teson et al (2004), Karlis (2006) concluding the problems of entrepreneurship such as lack of stability in economy and investment, political environment and governmental laws (Teson ,et al,2004). However, one of the most important problems is instability in the economy, Lack of money and distribution of funds, which are obstacles of entrepreneurial development activities (Karlis, 2006).

Considering the results of this study based on identifying positive and negative factor for sport entrepreneurship can be said that entrepreneurship in sport of Iran has not been achieved a good position compared with developed countries. In fact, developing countries have transited from entrepreneurship and entrepreneurship in these countries is synonymous with innovation. For example, sport England attends to apply some innovation which creates wealth. It means that innovation in UK sport is important when it can create wealth and is used in Olympic and Paralympics sports. In fact, economy of developed countries is innovation driven and Entrepreneurship in innovation driven economies is quite stabling over time based on Global Entrepreneurship Monitor report in 2008. Industry development in innovation driven economies is due to increasing knowledge based organizations that it cause growth of research and development associated with increasing knowledge. The approach seeks development of innovation and entrepreneurial opportunities (Bosma, et al, 2009, 5-8). Research and development unit for sports of Iran has not developed, also lack of effective management has caused the gap between the existing and desirable status in the sport. As a result, considering the traditional economy, economical and political strategies, creating strategic method with regard to the role of Physical Education Organization as trustee of sport in Iran is inevitable necessity.

Managerial Implications

❖ Management is a combination of art and science, so that top managers should gain it, but there is this fact that their degrees aren't unrelated to physical education,

unfortunately, scientific and qualified management in sport of Iran missed its purpose and position because of political and margin objects, therefore scientific managers and specialist in physical education is suggested to conducting of Iran sport;

❖ Social security among business owners of sport (insurance coverage, afraid from business failure and unemployment) should be promoted with tax benefits and financial stability in order to participation of private sector;

❖ Necessity of entrepreneurship education is unavailable at all levels of the educational system (including the scientific program, planning and understanding the business, and decision making) with focus on schools and colleges as the centers of knowledge, since lack of skill, knowledge and experience for young entrepreneurs may result in termination of small enterprises in the community;

❖ Sports mega events should be invested by the private sector to develop sport tourism and create opportunity to attract sponsors;

❖ Strengthen the connection between the centers of universities and sports industry, establish sports industry research center in order to innovation in Physical Education, and make commercial of sport knowledge;

❖ Cooperation with developing businesses in the inner market through reducing of tax and simplicity of executive and administrative system;

❖ Efforts to gain hosting of international events by government and the Physical Education Organization, due to attraction and sport tourism in Iran.

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