DIMENSIONS OF ORGANIZATIONAL CAPACITY OF SPORT GOVERNING BODIES OF GHANA: DEVELOPMENT OF A SCALE

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─Abstract ─

Based on the McKinsey Capacity Assessment Grid (McKinsey & Company, 2001), we generated 79 items to represent 14 dimensions of organizational capacity of national sport governing bodies in Ghana. The respondents (n = 226) from the regional branches of 22 national sport governing bodies in Ghana scored their level of agreement on a seven-point scale with each of the 79 items. Those items that did not correlate well with the total for the respective subscale and those subscales with reliability estimates lower than .6 were eliminated. Further, each subscale was subjected to factor analysis extracting only one factor. The top loading four items were retained to represent the subscale. The resulting 48 items representing 12 dimensions of organizational capacity were subjected to confirmatory factor analysis. As the fit indices did not meet with acceptable standards, we resorted to item parceling creating two parcels of two items each to represent a factor. The CFA of the parceled items showed that the fit indices were acceptable (χ^2/df = 382.971/177 = 2.164 (p <.001); RMSEA = .072 (.062-.082); TLI = .93; CFI = .952). If the stability of the subscale structure of this instrument could be confirmed with a new data set from another national context, the scale would be a valuable tool to evaluate the organizational capacity of national sport governing bodies around the world.

Key Words: *Organizational capacity, organizational effectiveness, sport governing bodies*

JEL Classification: Z29

1. INTRODUCTION

Organizational capacity defined as "a set of attributes that help or enable an organization to fulfill its missions" (Eisinger, 2002; p. 117) is a critical antecedent variable determining organizational effectiveness. The study of organizational capacity has not been as intensive or extensive as other topics in sport management. While there are several schemes available to organizations to gauge their own capacity (e.g., McKinsey & Company, 2001), they are not scientific tools. They rely on experts to make judgments on the specified dimensions of organizational capacity. While reliance on experts is a very legitimate process, it overlooks the gut reactions of the recipients of the services offered by the focal organization. In the case of national sport governing bodies, the immediate recipients of the services of a given sport governing body are its state/provincial/regional associations which carry out similar tasks as the national association albeit at the regional level. As such, the administrators and board members of the regional associations do possess the expertise to make judgments about the organizational capacity of their respective national sport governing bodies. To assess the perceptions of this large number of regional representatives, there is a need for a reliable and valid instrument. The present exercise was aimed at describing the dimensions of organizational capacity pertaining to national sport governing bodies in Ghana, and developing a questionnaire to measure those dimensions.

2. METHOD

The dimensions of organizational capacity were derived from existing schemes that facilitate observers to assess organizational capacity (e.g., Brown. 2012; McKinsey Capacity Assessment Grid of McKinsey & Company, 2001). For instance, the McKinsey Capacity Assessment Grid envisions the following seven elements (i.e., dimensions) of organizational capacity:

1) Aspirations including the Mission; Clarity and boldness of Vision; and Over-arching goals.
2) Strategy referring to Overall strategy; Goals and performance targets; Program relevance and integration; Program growth and replication; New program development; and Funding model.
3) Organizational Skills indicated by Performance management; Planning; Fund Raising and Revenue Generation; External Relationships.

4) Human Resources including Staffing, Board, CEO/Executive Director, and top Management Team.
5) Systems and Infrastructure related to planning & decision making, human resource management, and knowledge management.
6) Organizational Structure referring to board governance and organizational design.
7) Culture involving shared beliefs, values, references, and practices.

The McKinsey Capacity Assessment Grid asks the experts to score the focal organization on each element of organizational capacity, by selecting the text from among several that best describes the organization's current status on a given element of organizational capacity. These texts were used extensively in generating the items for the scale development reported in this study. We also included a dimension labeled Concern for Athletes and generated items reflecting the IOC's perspectives on the issue. In sum we generated 79 items to represent 14 dimensions of organizational capacity of NSOs in Ghana.

The number of items to measure the dimensions ranged from four to nine. In the questionnaire, the respondents were requested to indicate the extent to which they Disagreed (1) or Agreed (7) on a 7-point scale with each of the 79 items referring to an aspect of organizational capacity. Sample items are: My national sport governing body has a very clear mission statement; The budget of my national sport governing body is well controlled; My national sport governing body is good in making alliances with other agencies; Our Leadership team can think strategically; Our volunteers are committed to the national sport governing body; Our leadership team is able to build grassroots support; and Our national sport governing body has a good support system for our athletes. The questionnaire was pilot-tested with five administrators of regional sport governing bodies. Their feedback led to slight modifications in some of the items.

3. RESPONDENTS

The questionnaire was administered to at least five members of the executive committees of each of the 40 Regional Sport Governing Bodies of the 27 national sport governing bodies. They were recruited in various meetings of the national and regional associations over a period of 69 days. Usable number of questionnaires were received from 226 respondents from 22 NSGBs and included

presidents, national board members, national coaches, national athletes, regional presidents, regional board members, regional coaches, and regional athletes.

4. PRELIMINARY SCREENING OF THE SUBSCALES

The items in each of the 14 subscales were subjected to internal consistency estimates. In order to purify the scales, those items that did not correlate as well as the other items in the scale with the total for the subscale were eliminated. Subsequently, the remaining items in a subscale were subjected to internal consistency estimates and Cronbach's alpha were computed. The alpha values of two of the subscales were below .60 and, thus, were eliminated from further consideration leaving us with twelve subscales.

Further, with a view to reduce the length of the questionnaire, it was decided to limit the number of items in each subscale to four. Accordingly, we carried out factor analysis of those subscales with more than four items extracting only one factor in each subscale. This procedure allowed us to select the four top loading items to represent a given subscale. The above steps resulted in 48 items representing 12 dimensions of organizational capacity.

5. DATA ANALYSES

We resorted to confirmatory analyses technique (available in IBM SPSS AMOS-22) to verify how well the individual items (n = 48) in the scale define the corresponding factors (n = 12).

6. RESULTS

Descriptive statistics (means and standard deviations) and correlation coefficients for all study variables are presented in Table 1. As none of correlations exceeded .85, the cut-off proposed by Kline (2005), all of the constructs were kept for further analyses.

Table 1: Descriptive statistics of and inter-correlations among Dimensions of Capacity

Dimension	1	2	3	4	5	6	7	8	9	10	11	12
1. Aspirations		.82	.55	.49	.45	.56	.36	.58	.63	.32	.48	.51
2. Strategy			.60	.49	.40	.52	.30	.56	.59	.32	.48	.50
3. Planning				.68	.58	.49	.49	.56	.42	.49	.65	.61
4. External Relations					.56	.67	.49	.62	.45	.64	.83	.69

Dimension	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
5. Board						.64	.67	.72	.60	.63	.83	.69
6. Management							.61	.78	.77	.67	.68	.76
7. Staff/Volunteers								.57	.64	.61	.57	.62
8. Systems									.75	.54	.69	.80
9. Culture										.53	.51	.68
10. Grassroots											.68	.75
11. Media/ communication												.77
12. Athlete Concerns												
Mean	4.73	4.43	3.70	4.21	4.06	4.56	3.87	3.84	4.24	4.20	4.15	3.79
Standard Deviation	1.51	1.38	1.48	1.56	1.49	1.62	1.37	1.56	1.58	1.61	1.47	1.59

We first carried out a CFA with 48 items measuring the twelve factors of organizational capacity of sport governing bodies in Ghana. This first analysis showed a poor fit as the fit indices did not meet the minimum. As this could be a function of the small sample size relative to the parameters estimated, we adopted Bagozzi and Edwards' (1998) strategy of item parceling wherein items of a scale are collapsed into multi-item composites to reduce the ratio of sample size to estimated parameters to at least 5:1. Following Landis, Beal, and Tesluk (2000), we adopted the strategy of extracting a single factor from each of the twelve subscales and pairing the highest loading item with the lowest loading item and pairing the remaining two items in each scale. This procedure resulted in two parcels for each of the 12 subscales for a total of 24 parcels. A confirmatory factor analysis with these 24 parcels yielded much better fit indices. However, the modification indices showed that several of the error terms were correlated. This could be expected because the scales were self-reports which are susceptible to some response set. Also, the similarity in the wording of some of the items could have led to inter-correlations among the error terms. The modification indices showed that nine of the 276 inter-error correlations had high impact on the chi square value. We freed those correlations which resulted in an acceptable fit of the measurement model, χ^2/df = 382.971/177 = 2.164 (p <.001); RMSEA = .072 (.062-.082); TLI = .93; CFI = .952. The parcels defined the latent variables well as their respective standardized regression weights were above .50 ranging from .633 to .867 (Stevens, 1996). Further, the average variance explained (AVE) was over .5 in all cases except one demonstrating convergent validity. Table 2 lists the

parcels and the items therein, factor loadings, alpha values (α) and the average variance explained (AVE).

Table 2: Factor loadings of each item, Cronbach's coefficient (α) and AVE for each factor

No	Factor	Parcels/Items	Factor Loading *(λ)*	Alpha (*α*) Four items	AVE
1	Aspirations	Parcel 1			
		The vision of my national sport governing body is very clear. (v29)	.788	.797	.667
		My national sport governing body has a very clear mission statement. (v1)			
		Parcel 2			
		My national sport governing body has a bold vision for itself. (v15)	.840		
		My national sport governing body has clear goals. (v58)			
2	Strategy	Parcel 1			
		My national sport governing body has a sound strategic plan. (v45)	.795	.720	.634
		The programs of my national sport governing body are well integrated (v30)			
		Parcel 2			
		My national sport governing body's programs are very relevant. (v16)	.797		
		My national sport governing body's overall strategy is meaningful. (v2)			
3	Planning	Parcel 1			
		My national sport governing body's day-to-day operations are well planned. (v46)	.786	.756	.638
		My national sport governing body monitors its situation regularly. (v3)			
		Parcel 2			
		The budget of my national sport governing body is well controlled. (v31)	.811		
		Human resource management in my national sport governing body is very good. (v60)			

No	Factor	Parcels/Items	Factor Loading *(λ)*	Alpha (*α*) Four items	AVE
4	External Relations	Parcel 1 My national sport governing body is good in public relations. (v61) My national sport governing body is good in making alliances with other agencies. (v18)	.801	.800	.663
		Parcel 2 My national sport governing body is capable of marketing itself and its programs. (v73) My national sport governing body participates in local affairs. (v47)	.827		
5	Board	Parcel 1 Our board is fully involved in the affairs of the national sport governing body. (v33) Our Standing Committees are strong. (v62)	.633	.633	.401
		Parcel 2 Our board members are free of conflicts of interest. (v74) Our board is fully supportive of the national sport governing body and its actions. (v48)	.714		
6	Management	Parcel 1 Our Leadership team has good interpersonal skills. (v64) Our Leadership team is experienced. (v54)	.835	.840	.701
		Parcel 2 Our Leadership team is good in leading the members. (v49) Our Leadership team can think strategically. (v41)	.867		
7	Staff	Parcel 1 Our volunteers are committed to the national sport governing body. (v65) The staff members in our national sport governing body are well qualified. (v21)	.718	.704	.506

No	Factor	Parcels/Items	Factor Loading *(λ)*	Alpha (*α*) Four items	AVE
		Parcel 2 Our volunteers are sincere in their work in our national sport governing body. (76) Our national sport governing body has a good system for recruiting volunteers. (v69)	.802		
8	Systems	Parcel 1 There is a sound decision making framework in our national sport governing body. (v22) Our national sport governing body has a good planning system. (v8)	.833	.797	.665
		Parcel 2 Our national sport governing body has a good system of financial management. (v36) Our national sport governing body has a good system of financial management. (v51)	.817		
9	Culture	Parcel 1 Our national sport governing body members hold the value of excellence in our sport. (v25) Our members believe in the national sport governing body's contributions to society. (v53)	.822	.807	663
		Parcel 2 Members of our national sport governing body share the same values and beliefs. (v11) Our national sport governing body members believe in our mission statement. (v39)	.809		

No	Factor	Parcels/Items	Factor Loading *(λ)*	Alpha (*α*) Four items	AVE
10	Grassroots	Parcel 1			
		Our national sport governing body can address the needs of both males and females. (v55)	.783	.769	.602
		Our national sport governing body can address the needs of both males and females. (v70)			
		Parcel 2			
		Our national sport governing body keeps track of our members and their progress. (v63)	.823		
		Our national sport governing body can recruit and train leaders at the local level. (v26)			
11	Media	Parcel 1			
		Our national sport governing body communicates effectively to member clubs. (v71)	.769	.756	.581
		Our national sport governing body is capable of recruiting and training good spokespersons. (v42)			
		Parcel 2			
		Our national sport governing body communicates effectively with its members. (v13)	.791		
		Our national sport governing body seeks opportunities to promote itself. (v56)			
12	Athlete Concerns	Parcel 1			
		Our national sport governing body is capable of controlling negative influences from stakeholders. (v57)	.839	.804	.675
		Our national sport governing body monitors the relationships among athletes, coaches, managers, sponsors, and stakeholders. (v43)			

No	Factor	Parcels/Items	Factor Loading *(λ)*	Alpha (*α*) Four items	AVE
		Parcel 2			
		Our national sport governing body works to the best interests of the members (v79)	.838		
		Our national sport governing body has a good support system for our athletes (v14)			

5. Conclusion

We have attempted to develop a scale to measure organizational capacity of national sport governing bodies. So far our results are encouraging. We have shown that the 12 subscales based on the McKinsey Grid are internally consistent and sufficiently independent of each other even though there were a few high correlations among the subscales. As the ratio of number of subjects to variables in the model was short of 5 to 1 suggested in the literature (e.g., Bentler & Chow, 1987), we adopted Bagozzi and Edwards' (1998) strategy of item parceling and created two parcels of two items each to measure each of the 12 dimensions. The results of the confirmatory factor analysis showed that the fit indices were minimally acceptable. While these low fit indices are acceptable at the stages of scale development, they also point to the need to have the psychometric properties of the scale to be confirmed in future studies involving a large number of respondents. In addition, it would be necessary to demonstrate concurrent validity by relating the scores on the capacity dimensions to outcomes of organizational capacity such as effectiveness of the organization and member satisfaction with organizational activities and the outcomes of those activities.

Bearing mind that the scale was developed in Ghana, the relevance and usefulness of the scale should be determined by administering the scale in other national contexts and verifying the psychometric properties of the scale. Finally, although the scale was developed to assess the organizational capacity of national sport governing bodies, the dimensions of organizational capacity are most likely to be the same across different sets of organizations. Accordingly, the scale can be modified to assess the organizational capacity of national level organizations such as the Red Cross, the YMCA, Amnesty International, etc.

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