

## Strategic Thinking of Managers in the Private Sport Clubs

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### **Abstract**

*The aim of this study is to assess the status of strategic thinking among directors of private sport clubs in Shiraz city based on Goldman model. The methodology used here is descriptive-analytic and data are collected through literature studies and survey. The target population of the study included all private sport clubs offering more than three types of sports (90 clubs) and the sampling method was census. We used a standard strategic thinking questionnaire, which was based on Goldman's model (2005). After confirming the validity and reliability of the questionnaire, it was distributed among the study population ( $p < 0.05$ ). After collecting the data, descriptive and inferential statistics including single-sample  $t$ -test and Friedman test, were used to analyze the data. The results showed that the managers at the sports clubs in Shiraz are strategic thinkers although some of the components of the strategic thinking model is more common to the managers than others.*

**Keywords:** strategic thinking, sport club, Goldman model, Shiraz

## Introduction

Today, with the increasing complexity and rapid changes in the business environment, proper decision-making methods and attitudes can help managers towards success. In addition to fulfilling their productive and executive role, managers who operate in dynamic environments must be able to act to correct and change the current objectives and characteristics of the administrative system, using their power of recognition and innovation (Kaufman & Herman, 2006). In order to comply with the increasing changes and move towards organizational objectives, the managers' way of thinking needs to change. When the organization is faced with new problems, the old solutions lose their efficiency. "Strategic thinking" helps managers devise proper strategies in order to survive and succeed. In today's changing and unpredictable environment, strategic thinking is considered to be the proper "strategic" a roach of the organization (Sadati, 2013, p. 73).

Strategic thinking areas in the form of "simple and profound" rules and creates a certain mental model to be the basis of the organization's daily decision-making and overall orientation, and establish motivation and commitment for the organization and its stakeholders. This motivation and commitment is established through a power which is, in fact, simple yet attractive (Aghazadeh, 2010, p. 18).

The crisis caused by political changes in the world in recent years has led to reduced financial resources for developing countries and, consequently, problems in the infrastructures, among which the sports infrastructure is not an exception and has been influenced. Moreover, substantial and rapid changes in political, economic, and

technological trends and events in the postindustrial age has had great affects on the performance and behavior of organizations. Research suggests that there are only a few managers, especially in developing countries, who could react to such changes properly and quickly and who could organize the organization's inner structure in accordance with the capabilities needed to adapt to challenges and changes (Moshabaki, 2008, p. 109).

Therefore, based on previous research on strategic thinking, there is no consensus among the experts in the field. This has turned into a dark story, especially in our country, and every expert has proposed a framework based on his or her own understandings. Graetz (2002) considers strategic thinking a process upon which senior managers can think beyond daily management crises and processes in order to gain a different perspective of the organization and its changing environment (p. 45). Abraham (2005) considers strategic thinking as identifying reliable business strategies or models which lead to value creation for the customer (p. 8). The latest model is proposed by Goldman (2005), which reviews the previous models, resolves their shortcomings, and categorizes them based on the four components of systemic thinking, conceptual thinking, intelligent oortunism, and foresight (Moammai, 2013, p. 53). As to the components of this model, the first component is systemic thinking, which assumes that a strategic thinker must have a comprehensive value system in mind from the beginning to the end and understand the interdependence of the members and their interactions in domestic and foreign systems. The second component is conceptual thinking which,

in fact, develops creativity, risk-taking, and, finally, deductive thinking in an individual. The third component is intelligent opportunity which entails overall intelligence on the environment and attention towards the business environment and its opportunities. The fourth component is foresight (i.e. thinking in time) which encourages paying attention to the past, considering the present, and extending it to the future (Ghaffarian, 2008, p. 10). In fact, the presence of these components can be the very essence of strategic thinking. Within this framework, having reviewed strategic thinking in Polypack, Inc., Jaafari (2010) claimed that the two components systemic thinking and intelligent opportunity have significant effects but the two components purpose and thinking in time do not. Moreover, after examining the strategic thinking model in GachsaranBehnoush Co., Abdehghah (2009) concluded that, according to the factors of strategic thinking, the component systemic thinking has been used properly in that company. Having reviewed the degree of using strategic thinking by heads of departments in Islamic Azad Universities of Tehran's District 10, Kazemi et al. (2011) noted that there was a high degree of strategic thinking among the heads of departments of Islamic Azad Universities of District 10. In addition, the study suggested that there are significant differences in the degree of strategic thinking among the heads of departments of District 10 based on their academic degree and faculties. However, there is no significant difference in the degree of strategic thinking based on academic level and gender. Besides, Monavvarian and Aghazadeh (2012) stated that the components of strategic thinking among

Tehran Municipality managers are ranked as systemic thinking, conceptual thinking, intelligent opportunity, and foresight.

It is worth mentioning that strategic planning is applicable to sports clubs, sports, and small organizations. Even if the organizations are unofficial and run by manager-owner systems, they can still make use of strategic thinking (RamezaniNezhad, 2014, p. 79).

Most sports organizations and clubs have limited time for devising strategic plans and that is why they tend to use preventive approaches in strategy planning or strategic plans are devised by national sports organizations of the country. Thus, based on the aforementioned, the main purpose of the present study is to measure the degree of strategic thinking and its components among the managers at the private sports clubs in Shiraz using Goldman's model.

### Methodology

The present study is an allied research that has been conducted through field research. The population consists of all the private sports clubs in Shiraz offering more than three types of sports. It is worth noting that, among 167 active private sports clubs, only 90 were eligible to participate in the study. Questionnaires were distributed among the managers of the selected clubs. Finally, 80 questionnaires were returned back. This constitutes 89% of the total population.

The instrument used in the present study is a standard strategic thinking questionnaire based on Goldman's (2005) model, including 40 7-point Likert scale statements (strongly disagree = 0, disagree = 1, somewhat disagree = 2, indifferent =

3, somewhat agree = 4, agree = 5, strongly agree = 6). Moammai et al. (2013) assessed the validity of this instrument during their study with the Cronbach's alpha coefficient being .83. To ensure that the instrument measures the population precisely, five experts in sports management were asked to assess the face and content validity of the questionnaire. Its reliability was verified by a Cronbach's alpha coefficient of .90. The data obtained from the questionnaires were analyzed using descriptive statistics (tables, frequency, mean, and standard deviation), t-test and the Friedman test.

According to Table 2, as the t-value of variable "conceptual thinking" is significant at the significance level of  $p > .05$ , it is concluded with a probability of 95% that the mean of this variable is unequal to the critical mean. Moreover, since the t-value is positive, it is concluded that the component conceptual thinking is allied among the managers at the sports clubs. Furthermore, considering the significance level of the t-value and the fact that it is positive, the component "systemic thinking" is allied among the sports clubs' managers.

### Data Analysis and Results

Table 1 summarizes the frequency distribution of participants' responses.

**Table 1. Frequency distribution of the components of strategic thinking among managers at the sports clubs in Shiraz.**

Index	Frequency distribution (%)						
	Strongly disagree	Disagree	Somewhat disagree	Indifferent	Somewhat agree	Agree	Strongly agree
Conceptual thinking	0	4.3	16.5	38.5	31.7	5.7	3.3
Systemic thinking	0	4.2	13.4	36.9	32.5	10.8	2.2
Intelligent oortunism	0	6	18.6	37.8	27.8	8.2	1.7
Foresight	0	6.2	22.2	41.9	23.3	5.3	1.1
Strategic thinking	0	5	17.4	38.6	29.3	7.4	2.3

Aroximately 40% of the respondents chose the "indifferent" option, around 40% of them agreed and about 20% of them disagreed.

**Table 2. Analysis of the components of strategic thinking**

Components	T	Degree of freedom	p-value	Mean variance	95% confidence interval of the difference	
					Lower	Higher
Conceptual thinking	8.755	79	.013	4.37	3.514	5.235
Systemic thinking	6.022	79	.020	2.71	1.948	3.476
Intelligent oortunism	-17.746	79	.018	-6.32	-6.981	-5.668
Foresight	-29.031	79	.040	-10.8	-11.458	-10.141
Strategic thinking	101.164	79	.029	94.96	93.094	96.83

As to the component “intelligent oortunism”, based on the t-test table and the significance level, it is concluded at a probability level of 95% that the mean of this component is unequal to the critical mean (35). However, since the t-value is negative, it is concluded that the component "intelligent oortunism" is not alied significantly by the sports clubs' managers. Moreover, the component “foresight”, with t-value at the significance level of  $p > .05$ , shows that the mean of this component is not equal to the critical mean. Meanwhile, as the t-value is negative, it is concluded that this component is not significantly alied by the population. The overall strategic thinking, which is obtained by summing up the four factors, has been analyzed and, based on the significance level and the t-value, it is concluded at a probability level of 95% that strategic thinking is alied by the sports clubs' managers.

A Friedman test was run to determine the degree of use of every component of the model, which suggests that at the significance level of  $p > .05$  and at the

probability level of 95%, the degree of use of the four components are significantly different. Based on this test, conceptual thinking has the most and foresight has the least alication among the sports clubs' managers in Shiraz.

**Table 3. Ranking of the strategic thinking components (Friedman test).**

Component	Mean rank	Friedman rank order test	
Conceptual thinking	3.66	Number	80
Systemic thinking	3.31	$X^2$	207.787
Intelligent oortunism	1.94	Degree of freedom	3
Foresight	1.09	p-value	.000

The results of the present study suggest that strategic thinking is a lied relatively well by the sports clubs' managers in Shiraz. Around 80% of the respondents gave positive responses to the questions related to strategic thinking.

### Conclusion

Strategic thinking is a permanent process, which leads organization managers towards learning faster and using creativity. In fact, it helps the manager decide what factors are effective in achieving the desired goal and what factors are not, and why and how these factors can create value for the organization. As the principle for the concept of strategic thinking, this statement can be cited: "seeing opportunities that the competitors are unaware of" (Ghaffarian, 2008). Based on the results of the present study on the four proposed components, it is concluded that the highest use is associated with conceptual thinking, which suggests that club managers have this component more than the others; in other words, they are highly creative and risk-taking.

As to the use of systemic thinking among managers, it is concluded that this is acceptable due to the flat structure of sports clubs as this type of thinking implies organizational hierarchy, interdependency, and holism.

The third component is intelligent opportunism. This component received less attention among the components, which suggests that more attention must be paid to identification of the strategies that are more suitable for the environment of the club. The more straightforward and optimal strategies are used in the organization, the more intra-organizational interactions and communications will be. Moreover, individuals must participate in decision-making to be able to develop creative and unique solutions in order to gain competitive advantages. In this regard, it is advisable to appoint individuals with intuitive thinking (thinking based on abundant experience and capabilities) as

the main authorities of the club. Moreover, it is suggested to exploit the power of motivation (using incentives, etc.) and, more importantly, managers should always select creative and capable individuals in the club.

The fourth component is foresight, which is a highly important component in the evaluation of strategic thinking and managers must have foresight by looking at the past, considering the present, and extending it to the future. Based on the results, little attention has been paid to this component. Therefore, in order to solve this problem, which is of great importance, it is advisable to take fundamental measures, such as taking advantage of the connection between the past, present, and future and using the past opportunities to reach the goals. It is worth noting that the findings of the present study are in line with those of Monavvarian and Aghazadeh (2012) related to two components (intelligent opportunism and foresight) and those of Kazemi et al. (2011). However, the findings are contradictory with those of Moammai et al. (2013) and Monavvarian and Aghazadeh (2012) related to component "systemic and conceptual thinking", and those of Abdehgah (2009) and Jaafari (2010).

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