

## Strategic management and good sport governance: The moderating role of organizational size

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### Abstract:

**Problem:** The purpose of this study was to examine whether organizational strategic management contributes to good sport governance, and whether organization size shapes the relationship. **Design/Methodology/Approach:** Data were collected through a structured questionnaire from 238 respondents (internal stakeholders) randomly selected from six Ethiopian Olympic sport federations. The data were analyzed by the two-step SEM approach using SPSS AMOS 23.0. **Findings:** Results indicate that the relationship between organizational strategic management and good sport governance was statistically significant ( $\beta=.24$ ,  $t\text{-value}=11.72$ ,  $P<0.001$ ). In the same way, the relationship between organizational size and good sport governance was found statistically significant ( $\beta=.06$ ,  $t\text{-value}=2.96$ ,  $P<0.01$ ). However, the interaction effect of the Organizational size and strategic management on Good sport governance was found not statistically significant ( $\beta=.001$ ,  $t\text{-value}=.05$ ,  $P>0.05$ ). **Research limitation:** The data for this study were gathered via a cross-sectional survey, so associations between variables are not sufficient to establish causal relationships. Future longitudinal analyses would be useful to study causality. Finally, the future study would better consider the effect of multiple confounding variables in the hypothesized relationships. **Practical implication:** This study implies that managers should bear in mind that strategic management is a key necessity, regardless of size, to maneuver all activities, resources, and processes in a systematic way of involving all sport actors to achieve organizational goals and to attempt to treat and heal multi-faceted ills in national sport federations. **Originality/Value:** The findings of this study shed light on the untested relationship between strategic management and good sport governance with moderation effect of organizational size in national sports organizations.

**Key words:** Ethiopia, Good sport governance, Moderation, National governing bodies of sport, Olympic Sports, Organizational size, Organizational strategic management

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## 1. Introduction

Many sport federations, since last decades, have been characterizing hybrid nature (Lucassen & Bakker, 2016; Lucassen & Heijden, 2013) that they behave like corporations and tend to be under “the scope of prescriptive approaches of democratic governance and corporate governance” (Chappelet, 2013, as cited in Chappelet & Mrkonjic, 2013).

Despite this unique requirement of good governance by sport sectors, they have lagged in inculcating it into organizational management (Pielke Jr., 2016). However, in the last few years, the issue of good sport governance has moved towards the top of the agenda by non-governmental organizations and sports organizations (Geeraert, 2022).

This advocacy on good sport governance is due to factors such as (1) the commercialization and professionalization of sports events and competitions (Geeraert, 2016; Hoye et al., 2015; O’Boyle, 2012); (2) a wide range of governance catastrophes being experienced by sport governing organizations under the authority of the Olympic movement which have brought the autonomy of sport to cross-way recently (Chappelet, 2008, O’Boyle, 2012, Pielke et al., 2019), etc.

Despite all the scholarly arguments and the global advocacy on the critical importance of good sport governance, Geeraert (2018) posits that “there is a gap between discourse and practice and between expectations and reality”. Besides, good sport governance can apparently be affected by various organizational determinants or situational factors (Burger & Goslin, 2006; Geeraert, 2018). In the same vein, Aguilera et al. (2015) contend a more “holistic” approach to corporate governance as the effectiveness of governance practice relies on factors pertaining to the wider institutional context in which organizations are set in.

However, thus far, only a few studies explored the causes that explain whether and to what extent sport organizations implement good governance practices (Mirkonjic, 2019). For instance, Mirkonjic (2019) found commitment and personal motivation (at the micro-level), competencies and responsibilities of the internal body (at the meso level), and the role of the state and the umbrella organization (at the macro-level) as determinants of good sport governance. O’Boyle & Shilbury (2016) also identified the extant level of trust, transparent decision-making, trust-building, and leadership as determinants, and they again in 2018 qualitatively identified board structure at the national level, financial resources, leadership, and potential for the strategic planning process as determinants (O’Boyle & Shilbury, 2018).

However, the influence of strategic management on good sport governance and the moderation role of the organizational size have not yet been empirically studied. Hence, the purpose of this study was to investigate the influence of organizational strategic management on good sport governance with the moderation role of organizational size. It should be noted that the influence of these predictor variable on good sport governance can vary under different organizational characteristics (Damanpour, 1992) of which this study focuses on organization size, that is, the average of number of paid staff, annual revenue, and number of member organizations, as an organization-level moderator.

In the next section, we provide a more detailed review of the literature on the relationship between strategic management and good sport governance and the possible contingency role of organizational size in the relationship followed by our hypotheses. The third section states our methods and materials, and the fourth section reveals results with empirical models to test these hypotheses. A presentation and discussion of our results follows in the fifth section, and we conclude with implications in the last section.

## 2. Theory and hypotheses

### 2.1. Organizational strategic management and good sport governance

Nonprofit organizations, at present-days, are working in a situation with rapidly growing competition (Basinger & Peterson, 2008; Shea & Hamilton, 2015; Tucker & Parker, 2013 ) that may influence them by lessening of donations and growing demands from their various stakeholders (Alexander, 2000; Miller, 2018; Papadimitriou, 2007). Hence, they have to define and implement new strategies for planning and managing their organizations to minimize the challenges conveyed by dynamic competition.

This, as to Steiss (2003), is because strategic management provides a framework by which an organization can adapt to the impulses of an unpredictable environment and unreliable future (p.1), and “nonprofits that use strategic management can deliver enhanced results and performance” (Miller, 2018). In the same vein, Mosley, Maronick & Katz (2012) found that engagement in strategic management efforts lets organizational bodies deal with funding insecurity. Aboramadan & Borgonovi (2016) also argue that strategic management offers a framework for directing managerial activities, apportioning better resources, supporting objectives and decisions, and increasing organizational performance (p.71).

As far as good sport governance is concerned, scholars (Blanco, 2017; Chelladurai & Zintz, 2015; Yeh & Taylor, 2008) underscored that a relatively more recent thrust has been made to articulate the need for the good governance of national sport governing bodies and to lay down the elements of good governance as they have been the focus of much attention from both governments and scholars.

Besides, Hoye et al.(2015) have pointed out that there are drivers of change in the governance of sports organizations such as pressures from funding agencies, the threat of litigation against sport organizations, their members, or board members, and the threat of competition in the market place.

So, it seems imperative to note that strategic management offers a framework for directing managerial activities, apportioning better resources, supporting objectives and decisions, and increasing organizational performance ( Aboramadan & Borgonovi, 2016. p.71), and good sport governance is a system of directing and managing the overall organizational activities ( Ferkins, Shilbury & McDonald, 2009). Hence, this indicates that there seems to be an influence of one on another.

It is in the premises of this relational concept that several studies confirm a significant impact strategic management has on organizational success variables (related to good governance in one way or the other way) of profit, non-profit, and hybrid organizations. For instance, organizational strategic management has a positive and significant impact on organizational performance (Adegbuyi, Oke, Worlu, & Ajagbe, 2015; Samad, Alghafis,& Al-Zuman, 2018); and has a positive and significant effect on financial and non-financial performance( Aboramadan & Borgonovi, 2016; Sarker & Rahman, 2018). Despite researchers (Capasso & Dagnino, 2012; Shen & Gentry, 2012) underline the emphasis of the large majority of studies on the effect corporate governance on strategic management, strategic management also has an impact on corporate governance (Shen & Gentry, 2012). However, the influence of strategic management on good sport governance has not yet been investigated in the areas of sport management. Hence, this study hypothesizes that:

**H1:** Organizational strategic management has a significant and positive influence on good sport governance.

### 2.2. Organizational size and good sport governance

Few empirical studies indicate that organizational size has an impact on the governance practice of nonprofit and profit organizations. For instance; it has an impact on change & continuity in the governance of nonprofit organizations(Cornforth & Simpson, 2002), it has influenced the governance conformance and performance (Rentshcler & Radbourne, 2009), and it(measured by human and financial

resources) was notably found to be positively associated with the adoption of good governance policies (Lee, 2016, p.108). In the same vein, though it is in specific dimension of governance, size also has got a potential impact on the implementation of corporate social responsibility (solidarity) (Baumann-Pauly, Wickert, Spence, & Scherer, 2013; Kolyperas, Morrow, & Sparks, 2015; Wickert, Scherer, & Spence, 2016). However, scholars yet have paid relatively little attention to the influence of organizational size in studies of nonprofit organizations' governance (Cornforth & Simpson, 2002). To be more specific, scholars in the area of sport management have not yet exhaustively investigated the influence of organizational size on good sport governance. Hence, this study hypothesizes that:

**H2:** Organizational size has a significant and positive influence on good sport governance.

### **2.3. The moderator role of Organizational size on strategic management good sport governance relationship**

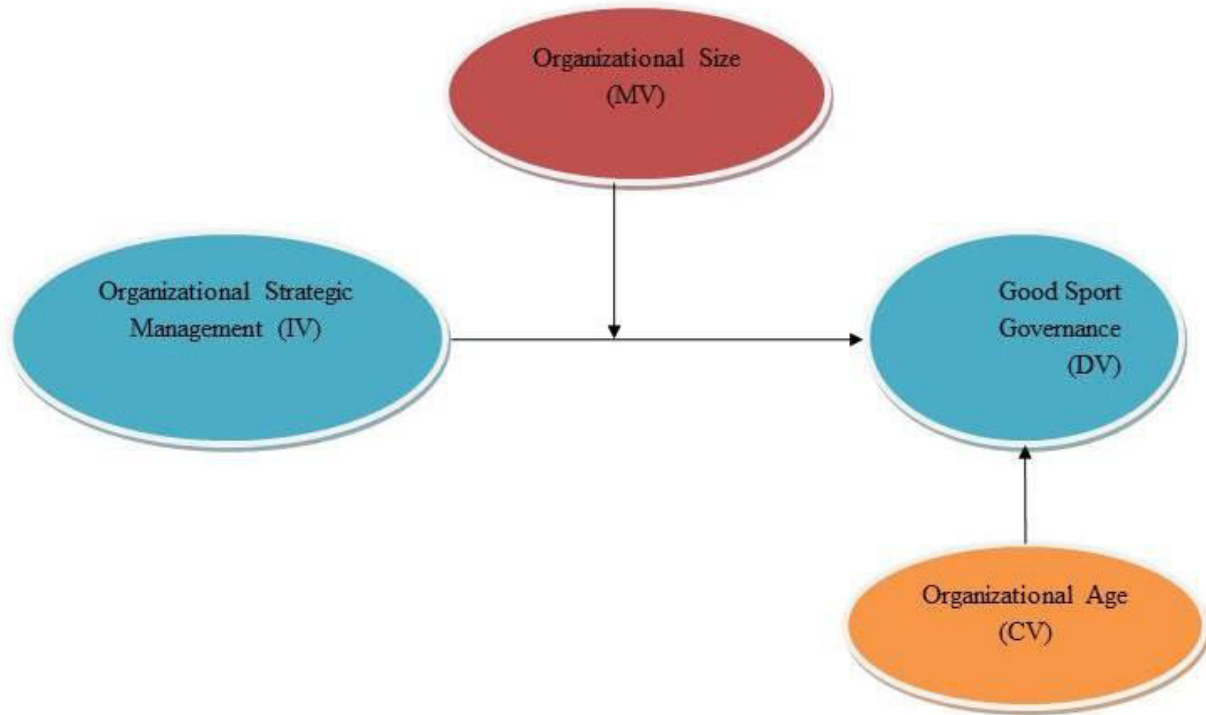
Scholars in the area of public management compared large-sized and small-sized firms and found that large organizations are acquainted with advantages important for organizational success though they tend to have a more complex governance structure and control (Cornforth & Simpson, 2002; Jaskyte, 2013; Nezhina & Brudney, 2012; Stone & Wood, 1997) whereas, small organizations have relatively simple governance structures and centralized control systems that reduce communication and coordination costs of organizations, which might make nonprofits more efficient (Andrews, 2017; Jung, 2013; Rutherford, 2015). Besides, size has moderated the relationship between strategy and performance (Smith, Guthrie, & Chen, 1989, p.79). In the same vein, Vaccaro et al. (2012) found that organizational size moderated the influence of leadership behaviour on management innovation where "smaller, less complex, organizations benefit more from transactional leadership in realizing management innovation whereas larger organizations need to draw on transformational leaders to compensate for their complexity and allow management innovation to flourish".

Moreover, in the study of determinants of organizational transparency (financial disclosure), large organization were found to have positive relation with financial transparency (Behn, Devries & Lin, 2010), whereas, Saxton, Kwo & Ho (2012) in contrast argued that small organizations were found to be positively related with transparency.

Furthermore, size (measured by the number of full time employees) also found to have a moderating effect on the association between employees evaluation of the innovative and hierarchical climate and their aspiration for organizational innovation (Jung & Lee, 2016). In near recent, Hung & Berrett (2022) also conducted a study on the moderating role of organizational size along with government funding on the effects of commercialization on nonprofit efficiency. Their finding contrarily indicated that there was no statistically significant interaction of commercialization and organizational size on nonprofit efficiency (pp.11-12).

However, to the best of our knowledge, the interaction effect of organizational size and strategic management on good sport governance has not yet been investigated by sport management researchers. Hence, this study hypothesizes that:

**H3:** Organizational size significantly moderates the influence of strategic management on good sport governance.



**Fig.1. The hypothesized model of the study**

### 3. Methods and Materials

#### 3.1. Sampling and procedures

From the total of 16 Olympic sport federations, we purposively selected six federations (Ethiopian Football Federation (EFF), Ethiopian Athletics Federation (EAF), Ethiopian Basketball Federation (EBF), Ethiopian Volleyball Federation (EVBF), Ethiopian Handball Federation (EHF), and Ethiopian Cycling Federation (ECF) for their being dominant throughout the country as they have a long history (more than half a century) of establishment, have a number of member clubs, are with the most popular sport events, and have the highest public focus on them. Then, we selected 265 respondents from the sampled Olympic sport federations (based on Soper (2021)'s a-priori sample size calculator for SEM to determine minimum sample size and in consideration of 20 % attrition rates for the main thesis) by proportionate stratified random sampling.

#### 3.2. Instruments

##### 3.2.1. Organizational strategic management ( Independent variable)

Strategic management practice was measured by the modified and contextualized version of Aboramadan & Borgonovi's (2016) 5-point Likert scale of 1( not at all) to 5(to a great extent) with four dimensions (environmental scanning/strategy analysis, strategy formulation, strategy implementation, and strategy evaluation & monitoring) and 30 items total initially used to measure the practice of non-governmental organizations.

This study modified and contextualized it into sport management perspective in item-wise keeping the number of items at 30 within the four dimensions: strategic analysis (7 items), strategic formulation (8 items), strategic implementation (6 items), and strategic evaluation and monitoring (9 items). Hence, the instrument has 30 items on a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5), and found internally consistent when piloted with alpha values of strategic analysis (.88), strategic formulation (.87), strategic implementation (.82), and strategic evaluation and monitoring (.85).

### **3.2.2. Organizational size (Moderator variable)**

Three measures (employee, annual revenue and number of member organizations) were averaged and taken as the natural log to measure organizational size as to previous empirical studies (Amis & Slack, 1996; Fong, Misangyi, & Tosi, 2010; Jung, 2012; Lin & Germain, 2003, & Wiersema & Liebeskind, 1995). Number of paid staffs and annual revenues of respective organizations was of the average of the two consecutive fiscal years for 2019/20 and 2020/21.

### **3.2.3. Good sport governance (Dependent variable)**

Good sport governance was assessed by using the slightly modified and contextualized version of the Action for Good Governance in International Sports Organizations (AGGIS) sport governance observer tool (Geeraert, 2015). The original 36 indicators were extended to 38 indicators as the four dimensions are kept the same i.e. transparency and public communication (12 items), democratic processes (10 items), checks and balances (7 items), and solidarity (9 items). Besides, the initial five-point Likert scale (not fulfilled at all (1), weak (2), moderate (3), good (4), and state-of-the-art (5)) were modified in range from 'not fulfilled at all' (1) to 'fulfilled at all' (5) on the assumption that it should reflect measures of perceived level of implementation of good sport governance with some meaning and value to all stakeholders participating in the study, and found internally consistent when piloted with alpha values of transparency and public communication (.87), democratic processes (.84), checks and balances (.82) and solidarity (.83).

### **3.2.4. Organizational age (control variable)**

Organizational age, measured as the difference between 2022 GC and the year of establishment of respective sport federations, is regarded as a control variable. Hung & Berrett (2022) citing Hager (2018) suggests the controlling role of organizational age as "organizational age has a necessary control in nonprofit studies" (p.9).

## **3.3. Method of Data analysis**

Data were analyzed by IBM SPSS 26 and Amos 23.0 software and the level of statistical significance was set at  $\alpha < .05$ . In doing so, descriptive statistics for background information and the study variables were computed.

Though the exogenous and endogenous constructs involved in this study were all superordinate (manifested by their dimensions) (Edwards, 2001; Williams, Vandenberg, & Edwards, 2009; Wright, Campbell, Thatcher, & Roberts, 2012) with multidimensional interactions, and they are themselves constructs that function as specific manifestations of the more general constructs, they were operationalized as the first-order constructs by calculating the mean response of each dimension and treating the dimensions as direct observations (Li et al., 2008).



The measurement model (CFA) was, hence first evaluated to assess internal consistency, convergent validity, and discriminant validity, and the GOF was compared against threshold values for determining model fit (Schumacker & Lomax, 2010, p.76).

Prior to carrying out the moderation by structural path analysis, we averaged the dimensions to create a single index for strategic management ( $\alpha = 0.87$ ) and good sport governance ( $\alpha=0.7$ ). Then, all variables except dependent variable were z-standardized as this reduces potential multicollinearity issues(Dawson, 2014; Uedufy (April 3, 2023)). The interaction variable (z-standardized IVs\*z-standardized MV) was computed to analyze the hypothesis of the interaction effect(Dawson, 2014; Uedufy (April 3, 2023)).

## 4. Results

### 4.1. Background information of respondents and the response rate

A survey was conducted by distributing questionnaires to 265 respondents from February to June 2022, and upon the serious follow-ups, 238 completed questionnaires were collected with an 89.8% response rate. When respondents were seen in their stakes, officials were nearly half (50.4%) of the respondents followed by coaches covering 35.7% of the respondents. The remaining 2.9% and 10.9% portions were covered by executive committee members and paid staff respectively.

Regarding the sex and age composition of the respondents, the vast majorities (87.4%) were male, and the remaining 12.6% were female. The age category above 30 comprised the large majority together (83.6%). When the academic level of the study participants and years of work experiences are seen, holders of BA/BSc degree and MA/MSc degrees together took the highest share (68.5%) of the respondents, and nearly half of the respondents (52.1%) were found to have the work experience of 1-10, and 37.4% lie in the experience category of 11-20 which together form 89.5%.

### 4.2. Checking the Assumptions

Before conducting SEM, preliminary checks were made. The data were examined for the presence of missing data and, hence no missing data was found. Besides, Multivariate outliers were checked by Mahalanobis  $D^2$  measure that no outliers were detected in this data as the highest  $MD^2$  is 27.462 with the degree of freedom 19 does not exceed 2.5 (Hair et al., 2014,pp.64-65).

Multivariate normality was also assessed statistically by critical values of skewness & kurtosis (Hair et al., 2014; Kline, 2016; Ntoumanis, 2001). The values for skewness were found in the range from -.45 to 1.92, and the values for kurtosis ranges from -3.256 to .61, hence indicate that there is no extreme non-normality as they are found in the regions of skewness<3 & kurtosis<8 for the level of significance ( Kline, 2011, 2016).

### 4.3. Descriptives and correlations of the study variables

The means, standard deviations, and correlation coefficients of the study variables were presented (see Table 1). In the correlations among the variables, organizational strategic management is significantly and positively correlated with good sport governance( $r=.66, p<0.01$ ). Organizational size also is significantly and positively correlated with organizational strategic management( $r=.38, p<0.01$ ), and good sport governance( $r= .38, p<0.01$ ). Organizational age is significantly correlated with organizational size( $r=.46, p<0.01$ ) and good sport governance( $r=.14, p<0.05$ ) whereas no significant correlation is found between organizational age and strategic management. Hence, the main study variables were correlated with each other with no suspicion of multicollinearity.

**Table 1: Descriptives and correlations of the study variables**

Descriptives and correlations						
		Mean(SD)	1	2	3	4
1	Organizational Age	66.98(8.09)	1			
2	Organizational size <sup>1</sup>	6.65(.94)	.46**	1		
3	Organizational strategic management	2.56(.48)	.108	.38**	1	
4	Good sport governance	2.40(.38)	.14*	.38**	.66**	1
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						
<sup>1</sup> =Natural logarithm						

Source: Survey data (2022)

**4.4. Reliability and Validity**

The internal consistency reliability was ensured by generating a Cronbach’s alpha values for fulfillment of the suggested cut-off value of 0.70(Hair et al., 2014; Kline, 2011)(see Table 2). The measurement model(CFA) for a satisfactory level of validity and reliability (Fornell & Larcker, 1981) was also computed(see Table 2). The model fit measures were compared against threshold values for determining model fit (Schumacker & Lomax, 2010, p.76), and the outputs indicate that Normed Chi-square ( $\chi^2(52.559)/df(19)=2.77$ , RMSEA= .086, CFI=0.96, TLI=0.94, RMR= .0427,and *P*-value=.000 which, according to the suggested characteristics of different fit indices, demonstrate the goodness of fit that the construct validity of the measurement model was established.

**Table 2: Reliability and Validity of the parceled dimensions of the study constructs**

Indicators		Latent constructs	$\lambda$	$\alpha$ (alpha)	AVE	DV	CR
Straem.	<---	Org. Strategic management	0.76***				
Straimple.	<---	Org. Strategic management	0.85***				
Straformu.	<---	Org. Strategic management	0.82***				
Stranaly.	<---	Org. Strategic management	0.76***	0.87	0.63	0.79	0.87
Soli.	<---	Good Sport Governance	0.67***				
CheBala	<---	Good Sport Governance	0.53***				
Democ.	<---	Good Sport Governance	0.79***				
Trapc.	<---	Good Sport Governance	0.45***	0.70	0.4	0.62	0.71

\*\*\*Factor loading is significant at the 0.001 level

$\lambda$ = factor loading,  $\alpha$ = Cronbach’s alpha, t-value= Critical ratio, AVE= Average variance Extracted, DV=Discriminant Validity, CR= Composite Reliability, Straem= Strategic evaluation and monitoring, Straimple= Strategic implementation, Straformu= Strategic formulation, Stranaly= Strategic analysis, Soli= Solidarity, CheBala= Checks and Balances, Democ= Democratic processes, Trapc= Transparency and public communication.

Source: Survey data (2022)

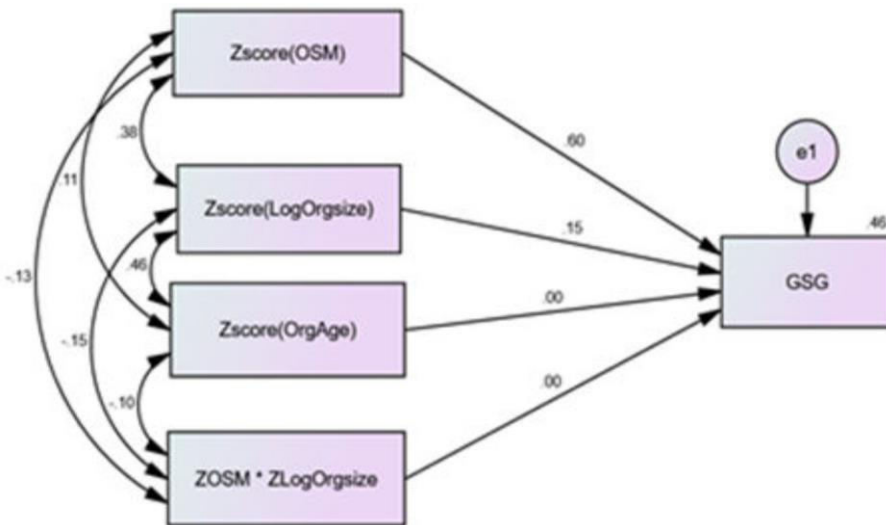
The factor loadings of each parceled indicator of the constructs in CFA were found significant from .45(transparency and public communication in good sport governance) to .85(Strategic implementation in strategic management) (see Table 2). Here it seems important to note that 0.4 factor loading is the recommended threshold for the sample size of 200 and above (Hair et al., 2014).



The average variance extracted approximately were .4 for good sport governance and .63 for strategic management that the later meets the recommended level of .5 (Hair et al., 2014). However, as argued by some previous studies (e.g. Fornell & Larcker, 1981; Lam, 2012), the average variance extracted may be a more conservative estimate of the validity of the measurement model; hence one can conclude the convergent validity on the basis of composite reliability. The composite reliability of the constructs in the model was well above the recommended level .70(Hair et al., 2014). So, we concluded that the convergent validity of good sport governance only is adequate on the basis of composite reliability (.71).

**4.5. Tests of hypotheses**

The structural path analysis reveals that the relationship between organizational strategic management and good sport governance was statistically significant ( $\beta=.60$ , t-value =11.58,  $P< 0.001$ ). In the same way, the relationship between organizational size and good sport governance was found statistically significant ( $\beta=.15$ , t-value=2.63,  $P<0.05$ ). Hence, hypotheses of the direct paths were supported (see Fig. 2).

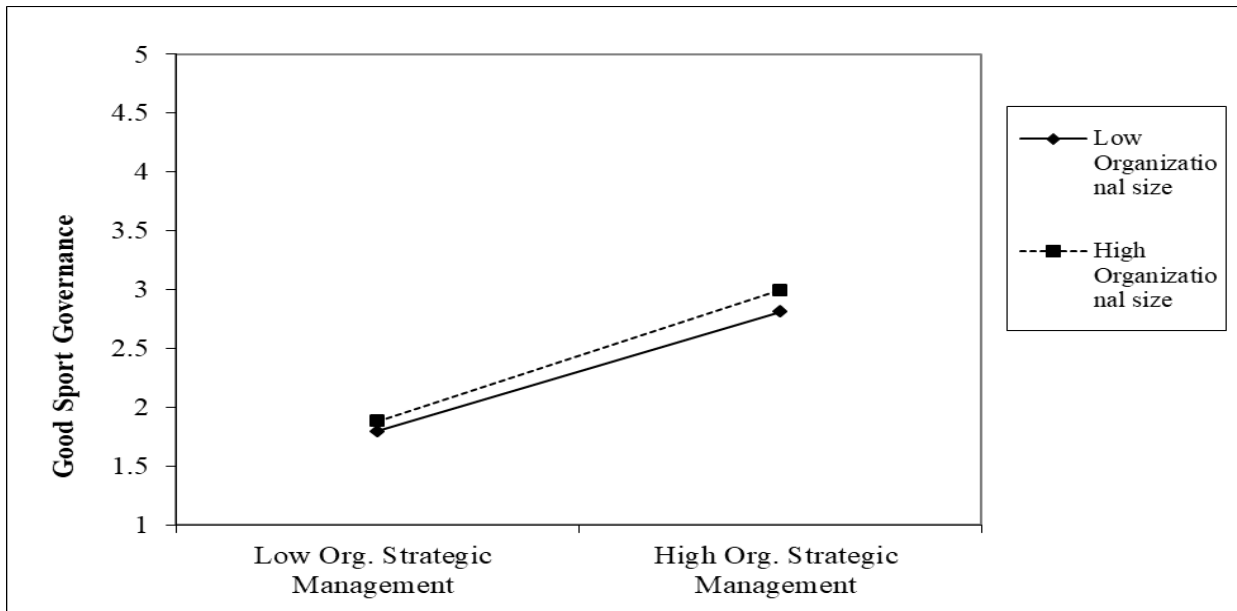


**Fig: 2. Path analysis of the relationship between organizational size, organizational age organizational strategic management and good sport governance**

**Source: Survey data (2022)**

However, organizational age was found to have a non-significant effect on good sport governance ( $\beta=.002$ , t-value=.03,  $P>0.05$ ). The interaction effect of the Organizational size and strategic management on Good sport governance was also found not statistically significant ( $\beta=.003$ , t-value=.06,  $P>0.05$ ). Therefore, hypothesis of moderation was not supported that organizational size does not significantly moderate the influence of strategic management on good sport governance.

Furthermore, slope analysis is presented to better understand the nature of the moderating effects (Fig.2). As shown in figure 2, there is no significant slope difference in low organizational size and high organizational size i.e. there is no significant difference between small-sized and large-sized federations in the influence of strategic management on good sport governance.



**Fig.3. Effect of interaction between strategic management and organizational size on good sport governance**

### 5. Discussion of the results

This study examines whether organizational strategic management contributes to good sport governance, and whether organization size shapes the relationship.

The finding in this study supported the first hypothesis that organizational strategic management has a significant and positive impact on good sport governance. This finding is in congruence with the finding of Shen & Gentry (2012) who posited the influence of strategic management on good corporate governance. Besides, the finding is in corroboration with the qualitative finding of O’Boyle & Shilbury (2018) who identified ‘potential for strategic planning’ as a determinant of good sport governance along with other factors such as board structure at the national level, financial resources, and leadership. Hence, this finding reminds that strategic management as a mean of modern management that focus on changes and amendments to be made in the sport organization and within its interactions with the environment in which it operates( Gajda et al., 2016), should be diligently engaged on to orchestrate all activities, resources, and processes in a systematic way of involving all sport actors to achieve organizational goals.

The other area of interest in this study was hypothesis 2 where whether organizational size has a significant positive influence on good sport governance or not. It also is supported in this study that organizational size has positive and significant impact on good governance in the surveyed sport federations. The finding is incongruence with the empirical studies on the impact of size on change & continuity in the governance of nonprofit organizations(Cornforth & Simpson, 2002), influence of size on the governance conformance and performance (Rentshcler & Radbourne, 2009), and positive association of size with the adoption of good governance policies(Lee, 2016). This finding also is consistent with the findings of (Baumann-Pauly,Wickert,Spence,&Scherer,2013; Kolyperas, Morrow, & Sparks,2015; Wickert,Scherer,& Spence, 2016) though it is in specific dimension of governance where organizational size has got a potential impact on the implementation of corporate social responsibility(solidarity).

Finally, analysis of the other very area of interest of this study (H3) shows that the finding doesn’t support the moderating role of organizational size in the relationship between organizational strategic management

and good sport governance. The finding is consistent with the findings of Hung & Berrett(2022) where the non-significant moderation effect of organizational size on the relationship between commercialization and nonprofit efficiency except for the variables specificity. However, this finding is in contradiction to many of empirical studies on the moderating role of organizational size on the relationships between organizational success variables in public organizations. For instance, it contradicts the finding of Smith, Guthrie,& Chen (1989) where size has moderated the relationship between strategy and performance; of Jung & Lee (2016) where organizational size (measured by the number of full time employees) found to have a moderating effect on the association between employees evaluation of the innovative and hierarchical climate and their aspiration for organizational innovation.

## **6. Management implications**

The current study has several theoretical and practical implications for sport managers. The findings carry theoretical implications for good sport governance literature as the scope of research on good sport governance should be extended from merely examining its implementation to examining contextual mechanisms that determine the level of implementation in national sport federations. Besides, the unexpected insignificant moderation effect of organizational size in the proposed relationship triggers questions for further scrutiny in the minds of the management scholars.

From the practical perspective, this study implies policy issues that managers should bear in mind that strategic management is a key necessity, regardless of size, to maneuver all activities, resources, and processes in a systematic way of involving all sport actors to achieve organizational goals, and put into practice the governance of sport in a manner that attempt to treat and heal multi-faceted ills in national sport federations.

## **7. Limitations and future directions**

As with any research investigation, this study is not without limitations. First, the operationalization of multidimensional superordinate constructs (organizational strategic management and good sport governance) as the first order constructs by calculating the mean response of each dimension and treating the dimensions as direct observations (Li, Hess, & Valacich, 2008, P.53) might shadow the findings as this confounds random measurement error with dimension specificity, and disregards the relationship between each dimension and its measures (Edwards, 2001; Koufteros, Babbar,& Kaighobadi, 2009). Hence, future studies may further utilize the higher-order modeling (Koufteros et al., 2009).

Secondly, the data for this study were gathered via a cross-sectional survey, so associations between variables are not sufficient to establish causal relationships. Future longitudinal analyses would be useful to study causality and include confounding variables to facilitate an improved evaluation of the impact that strategic management has on good sport governance.

## **8. Conclusion**

The findings of this study shed light on the untested relationship between strategic management and good sport governance with the moderating role of organizational size in national sports organizations. First, it provides empirical evidence on the influence of organizational strategic management on good sport governance. Second, the study suggests that organizational size positively and significantly influences good sport governance, hence signifies the need to focus on internal institutional environment in any effort to enhance good governance practice.

Finally, the very departure of this study finding from previous empirical studies on moderation effect of organizational size is its insignificant shaping effect in the relationship between strategic management and

good sport governance. However, this finding triggers questions for further scrutiny in minds of researchers in the proposed relationships.

### 9. Acknowledgements

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### 10. Authors' contributions

- Concept development, design of the research methods, data collection and analysis,
- manuscript development
- Concept review, review of the research methods, and review & approval of the manuscript.
- Concept review, review of the research methods, and review & approval of the manuscript
- Concept review, review of the research methods, and review & approval of the manuscript

### 11. Consent for publication

All authors have agreed to publish the manuscript.

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