

Entrepreneurship in the Private Sport Clubs: A case study in Ilam

¹BahramYousefi, ²Salah Naghshbandi, ³NahidJabari, ⁴FatemehAbdollahi

¹Department of Physical Education, RaziUniversity, Kermanshah, Iran

²Young Researchers Club, Sanandaj Branch, Islamic Azad University, Sanandaj, Iran

³Department of Physical Education, Tabriz branch, Islamic Azad University, Tabriz, Iran

⁴Department of Physical Education, Central Tehran branch, Islamic Azad University, Tehran, Iran

Abstract: The purpose of this research was to examine the private sport clubs in Ilam. It examined the occupational features, relationship between average received tuition and number of the employees and clients and finally relationship between initial investment, club net income and the number of the employees. All the sport clubs of private sector (n=36) were examined (all numbering method). The researcher-made questionnaires were used to collect the information. Data was analyzed through descriptive and inferential statistics. Results showed that, in total, 83 different occupations have been created in several sports. Furthermore, amount of tuition did not relate to the number of clients ($r=0.353, p=0.052$) and the number of the employees ($r=0.543, p=0.156$). The number of the employees significantly related to clients ($r=0.543, p=0.002$). The number of the employees positively related to initial club investment but not significantly ($r=0.081, p=0.666$). Finally, the number of the employees scarcely negatively related to club net income ($r=-0.027, p=0.884$).

Key words: Occupation, Ilam, Private clubs, Tuition

INTRODUCTION

This age is the period of increasing and unpredictable changes. The present management conditions of our society declare imbalance among increasing organizational complexities and disability in predicting and confronting with these changes and complexities (Asad, and Hamidi, 2003). Nowadays, almost all experts believe that the national economy has been widely damaged for widespread public ownership, exclusive market structure, introspection and lack of interaction with outside world. The solutions offered to eliminate structural problems are to establish competitive structure, objectivism and developing interaction with global economy. It is possible by developing the position of private sector and making it as major element of economical firm activity. This is one of the most important criteria of being developed in the countries of the world (Esmaeli, 2000).

Privatization must be done systematically with the modification of economical bases. In fact, privatization belongs to widespread program of structural adjustment policies. Nowadays, sport has been spread in all dimensions of personal and social life and cultural, political, economical and social structures. In modern societies, economical planners and officials have considered private sector of sport in order to achieve economical goals of government and entrepreneurship. People need income to use public services and social welfare consequently income requires entrepreneurship (Kabolizadeh, 2002).

Among different production factors (workforce, investment, land, management and technology), workforce is the most important. On the one hand, it improves the quantitative and qualitative production through creativity, initiative and innovation within production process; on the other hand, it provides new products and services by thought and thinking. From economic point of view, importance of work refers to different aspects. Furthermore, it is specially considered in income, production, entrepreneurship, knowledge and technology developing and so on. From the social point of view, work and effort provide self-esteem, social status and self-confidence for man (Amini, 2003). Considering current positions with the people and public welcome, physical education and sport have potential to create job resulted in income. It requires planner's and policy maker's attention plus accurate researches. Terrific occupational conditions and increasing number of people seeking job have forced planners to find strategies releasing the conditions (Tejari, and Khodayari, 2006).

The private sector of sport is one of prosperous economical fields to create job. Unfortunately, inside the country, role of private sector has been ignored to create job and employment because of widespread unwillingness of private sector to investment in sport, inadequate financial resources especially banking facilities and cumbersome laws and rules of granting facilities to applicants establishing sport clubs. Conditions of governing national sport indicate different parts of universal exercise, championship sport, education, etc directly dominated by government or institutions affiliated to it during three decades ago, so that possibility of investment activities of private sectors has not been provided desirably and appropriately (Safari Shali, 2003).

Sport affects economics and labor market directly and indirectly. Indirect effects of sport include improving health of individuals, participating in sport activities, better performance while being at work and decreasing medical and educational costs. Direct effects of sport include production and sale of sporting goods, importing and exporting sport products, sports tourism, privileges of sending athletes and coaches to abroad and creating job (AttarzadehHosseini, and Sohrabi, 2007).

Private entrepreneurship is suitable in so many countries. For example, the main members devoted to physical education section are 800 individuals in 25 countries of European Union (Cochran,1986). The employees of sport section are 2 percent of all the employees in Canada, England, Scotland and Australia. It is 1.3 percent in News- Lands which is more than the employees of insurance industry, foresting sector, fishing, oil and mining industry and the same as the employees of heavy industries in 1996 (Rogge, 2001). European societies traditionally look at sport economically. 30 to 40 percent of European people participate in recreation, leisure and tourism. Less than 10 percent of European costs are devoted to club sport. There are nearly 800,000 clubs in Europe (according to statistical years, it has been varied 600,000 to 800,000). In Europe, 120 to 130 million people are member of clubs, so in average, each club has about 170 members (Janin, and Odet, 2003). For being few researches in this subject

163,000 (1.9 %) people are employed in recreation and sport industry of Australia. Studies showed salary was paid to 57,000 players in 1993. In 1997, it increased to 143,000 people; it showed major movement to the sport professionalism in Australia (Getting Australia Active, 2002). On one hand, unemployment crisis and labor market status, on the other hand, economic development programs of country based on privatization and decreasing government enterprise caused planners to prioritize examining occupational conditions. Sport sector follows this policy too. So, increasing private sport clubs show labor market welcome to invest in sport sector all over the world in recent years.

Therefore, it is important to examine the conditions of private clubs in Ilam and their entrepreneurship rate based on different indexes and the relationship between these indexes and occupational rate of clubs. In this research, description of occupational features, relationship between average received tuition and number of clients and employees and relationship between initial investment, net income of club and number of employees are examined. This research shows occupational conditions, rate and features of mentioned clubs. For being few researches in this subject, results can help following appropriate actions and informing planners about current conditions of clubs.

MATERIALS AND METHODS

This research was descriptive examining conditions of private clubs and their features in Ilam. Population was all the private clubs of Ilam having license from Physical Education Office. There were 36 clubs up to the end of 2006. 27 clubs were for men, 5 ones for women and 4 mixed-sex ones (for example female in the morning and male in the evening). Based on number of clubs and methodology, sample was whole the above mentioned population.

Data collecting tool is 2 researcher-made questionnaires. One is for club managers including 11 items defining club conditions, investment rate, net income, number of employees, type of sport being offered in clubs, number of clients and received tuition rate in each sport field. The other is for the employees of clubs including 13 items presenting the employee's features such as job title, wage rate, working days during week, working hours during day, type and degree of coaching document, employment term, occupational conditions (permanent, contractual and hourly), age and gender. Cronbach alpha of questionnaires were in order 0.8315 and 0.8507 presenting high validity and reliability. Data was analyzed through Excel software, SPSS software, descriptive statistics (frequency, percent and graphing) and inferential statistics (Pearson correlation coefficient).

Results:

According to table 1, the whole employees were 83 ones including 53 men and 30 women. 37 men were working in man clubs and 16 ones in mixed-sex clubs. On the average, woman, man and mixed-sex clubs have created in order 4.8, 1.3 and 5.5 occupations and in total 2.3 ones. In woman clubs, there are 5 indirect and 19 direct jobs. In man clubs, there are 4 indirect and 33 direct jobs. Furthermore, in mixed-sex clubs, there are 15 indirect (12 men and 3 women) and 7 direct jobs (4 men and 3 women). On the average, 3.8, 1.2, 1.7 and 1.6 direct jobs have been created in order in woman, man, mixed-sex clubs and in total. Moreover, on the average, 1, 0.14, 3.75 and 0.66 indirect jobs have been created in order in woman, man, mixed-sex clubs and in total. Among 59 direct jobs, there are 37 ones (62.7%) for men and 22 ones (37.3%) for women. Among 24 indirect jobs, there are 16 ones (67%) for men and 8 ones (33%) for women. Among the whole 83 jobs (direct and indirect), there are 44.5% direct jobs for men and 26.5% ones for women. There are 19.2% indirect jobs for men and 9.6 ones for women.

Table 1: Number of the employees, direct jobs and indirect jobs based on gender segregation

Club type	club	employees	Indirect job	Direct job	Average number of jobs in club
For Woman	5	24	5	19	4.8
For Man	27	37	4	33	1.3
Mixed-sex	4	16 men 6 women	12 men 3 women	4 men 3 women	5.5
Total	36	83	24	59	2.3

According to table 2, in total, there are 11 job titles: 5 ones for women, 1 for men and 5 for mixed-sex ones. Among the employed men, job title of jointly coach and manager has highest frequency, 23 ones, and among the employed women, job title of fitness coach has highest frequency. Some of the active sport fields such as swim, weightlifting and table tennis have no coach in the clubs of Ilam.

Table 2: Frequency of the employees based on their job titles

Job title	woman	man
Jointly coach and manager	1	23
Only manager	4	8
Body building coach	4	8
Gymnastics coach	2	0
Fitness coach	8	0
Tai Bo coach	2	0
Yoga coach	1	0
Lifesaver	2	6
Secretary	3	3
Karate coach	3	0
Servant	0	5

According to table 3, the most clients in both groups are related to the body building during the day. Furthermore, the man clients are twice the women in private clubs.

Table 3: Daily frequency of clients based on sport field

Sport	Daily woman clients	Daily man clients
Body building	5150	1895
Swim	20	80
Karate	125	0
Taekwondo	75	70
Gymnastics	88	0
Fitness	140	0
Yoga	10	0
Tai Bo	40	0
Table tennis	16	0
Billiards	0	90
Weightlifting	0	50
Total	1029	2185

According to table 4, among the whole 53 employed men, 7 ones (13.2%) work part-time (having another job) and 46 ones (86.7%) work full-time. Furthermore, among the whole 30 employed women, 5 ones (16.6%) work part-time and 25 ones (83.3%) work full-time. Generally, 14.4% of all the employees work part-time and 85.6% of them work full-time.

Table 4: Frequency of the employees based on occupation (full-time and part-time) in club

Occupational conditions	Frequency of the employed men	Percent	Frequency of the employed women	Percent	Total
Full-time	7	13.2	5	16.6	14.4
Part-time	46	86.7	25	83.3	85.6

According to table 5, the most number of the employed men (33 equivalent to 62.26%) were permanent, the lowest number (9 equivalent to 16.98%) were hourly and 11 ones (20.75%) were contractual. Furthermore, among the employed women, 6 ones (20%) were permanent (the lowest), 17 ones (56.66%) were contractual (the highest) and 7 ones (23.34%) were hourly. In total, among the whole employees, they were 39 permanent (46.98%), 28 contractual (37.73%) and 16 hourly ones (19.27%).

Table 5: Frequency of the employees based on occupational conditions (permanent, contractual and hourly)

Occupational conditions	The employed men	The employed women	Percent of men	Percent of women	Total
Permanent*	33	6	62.26	20	46.98
Contractual	11	17	20.75	56.66	33.73
Hourly	9	7	16.98	23.34	19.27

* The permanent employee is founder of club or internal manager working full-time.

According to table 6, every 41 man, 34 woman and 39 mixed-sexclubclients have separately created one job every day. Generally, it requires 120,301,200 million rials (Iranian currency) investment to create a job. The whole initial investment of clubs is 9,984,999,600 rials.

Table 6: Frequency of employees and daily clients based on gender segregation

Employee		Daily client		Total	
Man	Woman	Man	Woman	Client	Employee
53	30	2185	1029	3214	83

According to table 7, received tuition rate does not significantly relate to two other variables (number of clients and employees). The correlation coefficient between received tuition and number of the clients is 0.353 (p=0.052). The correlation coefficient between average received tuition and number of the employees is 0.261 (p=0.156).

Table 7: Relationship between number of clients and employees and average received tuition

	Daily client	Employee	
Average received tuition	0.353	0.261	r
	0.052	0.156	p

According to table 8, number of the employees significantly relates to the number of the clients (r=0.543, p=0.002). Number of the employees relates to investment but not significantly (r=0.081, p=0.666). Number of the employees scarcely negatively relates to net income of the club (r=-0.027, p=0.884), on the other hand, the more is the employees, the less is the net income of club.

Table 8: Relationship between number of the employees, daily clients, initial investment and net income of club

	Daily client	Initial investment	Net income	
Employee	0.543**	0.081	- 0.027	r
	0.002	0.666	0.884	p

p≤0.01**

According to figure 1, among the whole 36 clubs, 26 ones (72%) are leased and 10 ones (28%) are private.

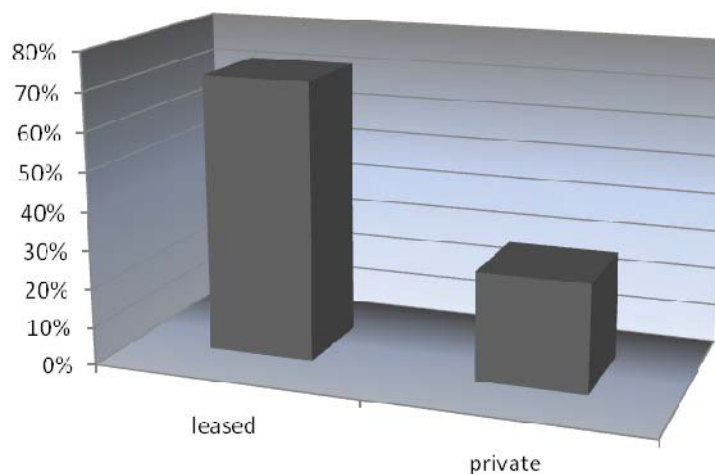


Fig. 1: Frequency of clubs based on property type

Discussion:

In our country, sport possesses suitable opportunities to be developed because of authorities' positive attitude and assistance, citizens' voluntary activities and helping culture among people. However, sport faces major threats because of private sector's unwillingness to invest in basic exercise and especially in recreational and money making fields, lack of protective laws from foreign investment, lack of transparency in how to attract public donations, lack of protection from sport industry, lack of capital and financial resources especially banking facilities for developing sport, little exercise costs in household shopping and loss of financial resources for lack of integrated sport management.

As results showed, man clubs were more than woman. So, there are more man clients and employees than woman ones. In woman clubs, employees and clients are fewer because of cultural restrictions and shortage of

suitable amenities. Furthermore, job title of jointly coach and manager is the most one in club because of club owner's jobbery, shortage of expert force in coaching and lack of employed facility suppliers' adequate supervision on club owner and manager's activities in entrepreneurship.

Results showed tuition rate did not relate to the number of club clients. About supply and demand, access to sports location and better quality of services attract more clients than received tuition rate. In spite of having more tuition, some clubs have more clients.

Moreover, received tuition rate did not significantly relate to the number of clients. It means increasing received tuition rate does not guarantee entrepreneurship. In many private clubs of Ilam, club owner is coach for lack of adequate supervision and necessary standards resulted in more benefits of increasing tuition and there is no effort to increase number of the employees in club.

More clients are devoted to body building in both groups. It seems this high demand depends on factors such as exist of many body building clubs, requiring no high level skills leading to providing facilities and experienced coaches, being inexpensive and easy preparation of needed equipment.

For 72% clubs are leased, club owners employ fewer people or sometimes (jointly club coach and manager) are responsible for coaching job themselves to reduce costs. It is not only contrary to entrepreneurship principle but also decreases servicing quality.

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