

A strong niche program gives a business school a hook to pull in both students and corporate recruiters. One of the newer entrants in a broad field of specialty programming is sports management. Offered at only a handful of schools in relatively small programs, sports management degrees equip students to enter the high-stakes field of sports with a better understanding of ROI than RBIs.

Most of the current sports management and marketing programs have been developed in the past decade as sports became big business. Before the b-schools co-opted them, many sports degree programs tended to be housed in physical education or sports education departments and turned out graduates who might be interested in careers overseeing college athletics. But changes in the industry itself have prompted business schools to enter the ring with their own contenders.

“Industry data suggests that almost \$200 billion dollars a year is spent annually in sport-related businesses,” says Rick Burton, executive director of the James Warsaw Center for Sports Marketing at the University of Oregon’s Lundquist College of Business in Eugene, Oregon. “That would make it one of the ten largest sectors of the American economy. If Nike is an \$8 billion company, if the National Football League has a \$17 billion contract with broadcast networks, if Alex Rodriguez is being paid \$22 million a year to play baseball, there’s a significant economic support infrastructure behind the sport. If it’s one of the largest sectors of America’s economy, it’s critical that people be trained to understand how it works.”

“A number of different groups deal with sports and entertainment performance,” says Michael Mokwa, professor of marketing and director of the sports business program at Arizona State University’s College of Business in Tempe, Arizona. “The arenas themselves have become dominant players. Consultants and specialized markets abound. Who makes the chairs in the stadium? Who builds the basketball court? Who develops all the electronics that are used in stadiums today? Then there’s representation of athletes. We’re not just talking about single agents. We’re talking about large organizations like IMG who not only represent Tiger Woods, but try to develop products around him.”

Commercial sponsors also pay out big money to be associated with teams and players. “Look at the amount of money that IBM, Coca-Cola, and Budweiser spend on their sponsorship activities and how important sponsorships traditionally have been in their marketing efforts,” Mokwa says. “Yet, many of these organizations have not spent the same amount of time planning and evaluating those decisions as they have in other major areas of their businesses.”

Player Lineup

Enter the business student with a head for numbers and a love of sports. Both traits are key, stress program administrators.

“Everybody thinks they’d like to work in sports,” says Burton. “Somebody thinks he’s qualified because he really loves golf and he knows how many home runs Barry Bonds hit last year. But at the graduate level, this is a very demanding program. It requires a significant involvement from students.”

Mokwa agrees. “We use the tag line, ‘A passion for sports and a mind for business.’ If you don’t have the mind for and motivation in business, go work for someone else and just buy tickets to the game.”

The students who are accepted into sports management programs, not surprisingly, are often male—though usually not in any higher proportions than the general population of

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by Sharon Shinn



THEORY





business schools. For instance, Jo Williams, director of sports management and associate professor at Nichols College, estimates that men make up about 65 percent of the sports-oriented business students at the school in Dudley, Massachusetts.

She adds, "It's a pretty varied group apart from gender. It's not just athletes who think the degree will be an easy ride. They're students who are interested in the sports industry, and who think, 'If I'm going to be at work every day, I may as well be in an area I really enjoy.'"

At Seton Hall University's Stillman School of Business, about 70 percent of the grad students in the sports program are men, according to Ann Mayo, director of the Center for Sport Management at the school in South Orange, New Jersey. Mayo says most students are one of two types: recent grads who come back for business degrees in a career they think will really suit them; and midlife executives who are using the downturn in the economy as a time to go back to school and completely refocus their careers. "The people in this second group say, 'I may as well use this time to retool, and this is what I've always wanted to do. It's not about money, it's about liking my job,'" she says.

Other program directors, while acknowledging the gender disparity, are making an effort to specifically attract women and minorities. In fact, the overall picture of the typical student body can be surprisingly diverse.

"We had gender equity a couple of years ago in our graduate program, and we have a real commitment to creating opportunities for women—first, because there are a number of opportunities in the field, and second, to make sure they understand those opportunities," says Burton. The University of Oregon annually hosts a Women in Sports Business symposium that features top women executives in sports organizations such as the U.S. Olympic Committee, the Women's Sports Foundation, Nike, and the Portland Trail Blazers.

The University of Oregon also uses scholarships funded by the NFL to attract minority students to the grad school. In addition, the school's international program is designed to appeal to students from all over the globe. The program has drawn students from China, Korea, Pakistan, India, England, Australia, Italy, Denmark, Germany, and Canada.

"In the past, we've had a Nike executive teach an international sports marketing class," says Burton. "We have a board of directors that includes industry executives from all over the world. We've developed a sister program with Fudan University in Shanghai—we send professors there and they send professors here. With Beijing set to host the 2008 Olympics, we want our students to be familiar with a number of companies that are planning to go to China, if they're not already there."

Like Burton, Mokwa savors the international component of his school's program. "One of our most interesting students was a Hungarian who had been an Olympic swimmer eight to ten years ago. The perspectives he brought into the classroom about amateur sports in Eastern bloc countries, and how athletes try to change their whole government and cultural structure, were just fascinating."

Program Kickoff

While the students may be varied, they're fairly limited in number. Graduate programs might have a total of 25 students. Undergraduate programs—like Nichols' five-year-old program, the largest major in the business school—might have 30 to 40 students enrolled in each of the four classes.

"This is a niche," says Seton Hall's Mayo. "We don't want to saturate the market with people who won't be able to find employment."

The typical format is to give students a strong grounding in core business skills and add specialty courses as electives. "At the BSBA and MBA levels, students take the same business core as everyone else," says Mayo. "The difference in the degree is in the internship experience and course concentration—12 credits for the MBA, 15 for an undergraduate degree."

At Oregon, the program has grown from a single class in 1994 to a comprehensive undergraduate and graduate program. The sports-oriented classes cover marketing, finance, law, sponsorship, technology, and communications.

At Nichols, undergraduates can choose from a number of sports electives, though they all must take the introductory class that stresses the notion that this is a business specialty. "That's really how we approach the whole program," says Williams. "We're not necessarily interested in what's happening on the field. We're not teaching coaching or sports psychology. This is about the business of the sports industry."

Early on, the specialty courses are applied to the basic management courses "so students can see that there is a link between sports courses and what they're doing on an academic level," says Williams. For instance, students follow a

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general marketing course with a sports marketing course, a finance course with sport business and finance, and business law with sports law. “From that perspective, we really build on what has already been covered in business school and add what is unique about the sports industry. We also look at the areas that are currently being emphasized in the sports industry,” says Williams. Additional electives—such as athletics administration, sports facility management, sports event management, and sports communication—give students a chance to specialize even more.

In fact, many sports management courses are tailored to high-profile issues recently in the news. “In the sports finance class, we’re looking at some of the current revenue generation issues in sports, such as stadium construction issues and public versus private funding,” says Mayo. “This is a huge issue, particularly if taxpayer money is involved. Not a whole lot of research has been done, but some studies say that a new stadium’s economic impact on an urban area might not be what it was first proposed to be.”

Most schools supplement regular courses by bringing in speakers from around the industry to give students a veteran’s perspective on the field and the job market. The University of Oregon sponsors an annual trip to San Francisco that allows students to

meet with sports-related companies there, and a trip to New York City for second-year graduate students that is underwritten by the National Basketball Association. On past trips, students have met with sports figures such as the president of ESPN and the commissioners of the NBA, the National Hockey League, and Major League Soccer. Says Burton, “All these top industry people are really knowledgeable—not about the number of home runs someone has hit, but about what’s happening to the rating system, what’s happening to attendance trends, and what’s happening in the development of new stadiums.”

Minor Leagues

While the courses and trips offer a great introduction to the world of sports business, internships are really the key to success—perhaps even more than they are in other areas of business school.

“Traditionally, in the sports business, the portal of entry has been through internships,” says Mayo. “Whereas an accounting student doing an internship may get paid nicely for it, a lot of internships in sports management traditionally are unpaid. But they serve as a way of starting the networking process and getting to know people. I say to students that while I’d like to tell them it’s about *what* they know—and it is to some degree now—it’s still mostly about *who* they know.”

Internships can be as varied as the industry itself. For example, students from Nichols have interned with sports apparel company Puma, NFL teams, golf events, the marketing department of *Sports Illustrated*, NASCAR, sports radio, and an athletic department at an East Coast university. “The internships are absolutely individualized to the students,” says Williams, who requires students to research the companies where they’d like to work so that she can try to get them the appropriate experience. “I could say, ‘Look, this is a great opportunity!’ But just because I think an internship would be exciting doesn’t mean it’s the career path that’s right for this student.”

Nichols students not only do a practicum—what Williams describes as a “part-time” internship of about ten hours a week—but they also do a 12- to 15-week 40-hour internship in a second area. “I think having two practical experiences allows students to try out a couple of different areas and helps them to build their resumes,” she says. “I think these experiences also help them see the link between what we’re doing on an academic level and what’s really going on in the big, wide world.”

At ASU, student internships are designed to bring value to





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both the students and the corporations that hire them. “We feel that our students can handle significant projects that a sports executive doesn’t have time to do. It might be a project for which he would like to hire an outside consultant, but he doesn’t want to make the investment. Our students can help,” says Mokwa.

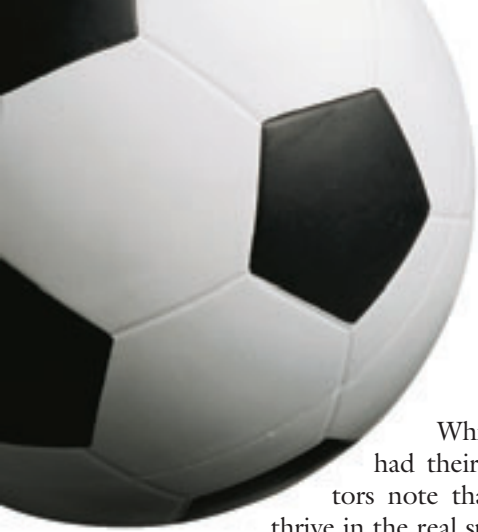
ASU also has sponsored projects that potentially can benefit both a sports team and a business organization. One such project was a sponsorship evaluation in which the team, a sponsor, and the students assessed “the clarity of the sponsorship, the way it was being implemented, and its financial returns. Both sides worked together to understand the scope and nature of the sponsorship and figure out ways they could improve it,” Mokwa says.

The Rookie Season

Students with concentrations in sports management have used their internships—and their degrees—to score an impressive variety of full-time jobs. “Two of our graduates have gone to work for the Yankees in the marketing sponsorship and media relations areas. One student, who was an attorney before he came to Seton Hall, has become a director of team operations for NFL Europe. Other graduates have gone to the league offices of the NBA,” says Mayo.

“Our graduates have gone everywhere, all over the world,” says Burton. “They’ve been hired by the NFL, the NBA, the WNBA, the United States Olympic Committee, Nike, Adidas, NBC Sports, and Disney.”

Mokwa, too, can tell of graduates who took jobs with sports teams to work on fan development, suite sales, and stadium marketing. But one of his favorite stories is of a student who joined the Arizona Diamondbacks to help run baseball camps for disadvantaged youths—a job that requires him to raise money from major sponsors and star players to build new playing fields and refurbish old ones. “He has to coordinate the entire project, working as a construction superintendent on one side and, on the other side, working with the players and the community to promote this endeavor,” says Mokwa. “All these different groups are involved, from the players to the people who put up the fencing, and he helps negotiate all these deals. It’s more than just Randy Johnson throwing out the first pitch to a young Hispanic batter.”



While the programs have all had their successes, the administrators note that not every graduate will thrive in the real sports world. Some find, for instance, that they can get their expected “MBA salary” more quickly in a more traditional field. But because all these students have a good grounding in core business techniques, they can still find jobs. “Some students may go through the program and say, ‘This is not for me.’ But the good news is, they’ve still got a business degree,” says Williams.

The Final Score

The question remains: Does such a specialized niche degree really result in a more marketable student? Williams thinks the degree is still new enough that employers are just beginning to realize how valuable it is. “I think now there’s a greater recognition that students with some background in sports management may have a higher level of knowledge that’s going to be useful,” she says. The real strengths of the program are the internship and the basic management skills, Williams points out. “Especially in many entry-level positions, they’re looking for outgoing, creative, flexible people with initiative,” she says.

Mokwa believes passionately that niche programs are good for the students and good for the school. The sports business niche is just a recent addition to ASU’s other focused programs—in areas such as services marketing and management, supply chain management, and information technology management. “A strong niche can give a school an edge when companies recruit for students, especially if those companies are only going to recruit at a few schools,” Mokwa says.

Mokwa notes that many factors might prompt corporations to send recruiters to a particular university. “Do their senior executives have degrees from that university? Is the school in their geographical area? Or does the school provide a program that is unique and that distinctively adds value to what they do in their corporations?” he asks. “At ASU, we wanted to find niches that gave us a dominant share of the recruiter’s mind and produce student skills in key areas. Our students graduate with greater expertise than other students in those areas, and that makes them special, compared to a peer school that is turning out MBAs in traditional functional areas.”

In any case, sports management seems like a niche that’s destined to be a winner. It covers all the bases of finance, strategy, marketing, and operations, and also gives students a special edge. Schools that offer sports management may find it soon becomes their MVP—most valuable program. **Z**