

Problems of Sports Organization and Lack of Activity of Crisis Management Based on Situation Model of Design Following the Covid-19 Virus Pandemic

Marko Kimi Milic^{1*}, Amiya Bhaumik²

^{1,2}Lincoln University College, Malaysia

*Correspondence: marko@lincoln.edu.my

ABSTRACT

The problem caused by the Covid-19 virus pandemic has largely caused long-term damage in all areas of the industry. The sports industry, which is one of the most profitable and is constantly growing, has suffered a major blow in financial and organizational terms due to insufficient preparation, insufficient education of management in sports organizations for crisis management.

In this research, based on reference, empirical, comparative and phenomenological methods, we will prove that the problem involves a solution that is reflected in the proper conduct of all crisis management processes that primarily anticipate a possible problem, then tools for solving it, so any sports organization will not come to a situation of unprofitability, risk of bankruptcy and disappearance from the market scene during a crisis.

Keywords: Crisis management, Covid-19, sport organization, sport industry

1. Introduction

The world became aware at the end of 2019, when one of the biggest crises ever broke out, the Covid-19 virus pandemic, which had huge consequences for public health and the economy. We learned about the infectious disease at the beginning of January 2020, which resulted in quarantine, locking, distancing people from each other, disabling the process of current life, and also current business activities without any precedent in favor of preventing infection.

The business of sports organizations, in addition to the basic goal of playing sports to improve the quality of life, spirit and mind, is based on large business potentials that result in a good financial balance, large infrastructure that is used for sports events and other activities that can use the city, i.e., the country in which the stations, halls and other playgrounds are located, then as a tourist potential that results in increased gross national income of the state. For the functioning of any sports organization to function fluidly, in addition to the basic management functions, there must be secondary but important segments of management that will be based on crisis management which, due to situations such as the current Covid-19 virus pandemic, can be predicted, warns of certain danger and thus, through the situational design model, prevents difficulties and losses in business.

According to Pries-Heje and Baskerville (2010), the science of design in management as a way of adapting resources to the environment, as well as generative production that occurs

when rational abilities are aligned in a way that differs from analytical productions valued in science, are more universal, and deal with a general class of problems.

Throughout everyday life, human lives have had various obstacles that have been reflected in wars, infections, epidemics and pandemics, but none like the Covid-19 pandemic has changed human consciousness so much, caused long-term fear, and changed business flows. Many companies and organizations suffered the hardest fate during the Covid-19 pandemic, so we could see profitable organizations all over the world that experienced a complete collapse in a very short time.

We can look for reasons for different explanations, but from a professional and scientific point of view, we can see the shortcomings that led to it.

Al-Dabbagh (2020) explain crisis management, i.e., crisis management as an administrative approach to dealing with crises in crisis conditions with preparation for planning ways to resolve them, which directly represents a method that primarily depends on the ability to predict potential crises and develop scenarios for resolving them, diagnosing weaknesses within the organization, where they are placed under strict supervision before the escalation of the situation and the emergence of genesis. The science of crisis management as an intermediate field between sociology, psychology and other social sciences, which led to its development in line with the important theoretical developments achieved by these sciences, which achieved a similar shift in crisis management so that crisis management became a separate science with their concepts and theories.

For example, the Olympics have been the largest sporting event in the world since sport was defined. While wars were fought in ancient Greece, during the Feast Games the wars ceased, and the Games would take place.

For the first time in history since the modern Olympics, the Games have not been held due to the Covid-19 virus pandemic.

According to Krnjaic (2020), Japan suffered huge financial losses due to the failure to hold the 2020 Olympic Games, just 122 days before the start of events, with a loss of USD 26 billion for the construction of the stadiums and all the associated costs necessary to host the Olympic Games.

Unlike monitoring only, the basic functions of management, the situational design model allow us to rely on our empirical experiences, self-initiated assessment based on our knowledge that we have acquired so far, in making decisions that often have to be made quickly and in adverse conditions. approach the problem according to the system of adjustment to the anticipated or already existing problem.

1.1 Statement of the Problem

We have witnessed many events that have had a negative impact on the functioning of sports organizations such as wars, tornadoes, hurricanes, terrorist attacks, but no one has counted on a virus pandemic that is much riskier for business because it has long-term, virtually invisible actions that are difficult to control.

Sports organizations were not ready for the Covid-19 virus pandemic and did not implement crisis management through the management processes on which it is based. Managers in sports organizations are not sufficiently qualified and specialized to use the crisis

management system in unforeseen situations through a situational design model in management.

1.2 Objectives of the Study

The study is designed to investigate the relationship between the crisis management practice used and the situational design model in sports organizations during the Covid-19 virus pandemic and the positive or negative effects that are caused. The specific objectives of this study are:

- I. To determine the usefulness of using situational design models through crisis management processes during the Covid-19 virus pandemic and in general.
- II. To investigate the consequences of sports organizations during the Covid-19 virus pandemic due to inadequate management process

1.3 Research Questions

The following questions will be answered in this study:

- I. Is crisis management necessary for the successful operation of any sports organization?
- II. Could financial and other damage have been prevented if sports organizations had used the crisis management system in the right way and at the right time, and the leaders of the organizations used the situational design model?

1.4 Research Hypotheses

The following hypotheses were tested:

H1: There will be no significant links between 'normal' crisis management and pandemic response

H2: There will be significant links between Covid-19 and the collapse of many organizations due to lack of crisis management activities.

2. Literature Review

2.1 Crisis Management and Pandemic Response

The difference in "normal" or normal crisis management differs from the pandemic response in that the other does not have a clear end. What happened unexpectedly is that many sports organizations did not take the situation seriously enough, they underestimated it, resulting in a sudden blow for which they had no solution. The situation with the pandemic has not always been the same, but has changed, and as it has changed, so have they kept their regimes in line with the situation, which means that organizations must also adapt their processes to the current situation and current events that crisis management does not change already customizable.

Pan and Meng (2016) state that crisis events follow a certain order with different strategic strategies at different points during the crisis cycle. By dividing the crisis event into separate phases, the decision management process can become very dynamic, rather than routine as in the basic four functions of management, where the activities are in complete cohesion with the situational design model in management. In this way, the leaders of the decision-making process, through the mentioned phases, can effectively manage crises to prevent their occurrence.

We can notice a very great similarity between the definition of crisis explained by Pan and Meng (2016) based on which crisis is defined as a prolonged event identifying crisis through the metaphor of medical disease through four phases. In the first phase (prodromal), traces or hints of a potential crisis begin to appear. In the second phase (crisis outbreak), the crisis starts with a triggering event. In the third phase (chronic), the effects of the crisis persist after correcting mistakes or adopting certain activities. In the fourth phase (resolution), a clear signal appears indicating that the crisis no longer worries stakeholders and consumers.

If we notice these five phases, there is a clear opinion that in crisis situations there is enough time for adequate response using crisis management, if the first phase is identified in time, which leaves sports organizations free to warn and anticipate the negative effects of the crisis. can bring.

Nohria (2020) sports organizations need to develop the ability to quickly assess ongoing changes in the environment so that they can obtain a response and a potential solution based on simple principles. This means that a single global network of coordination in the communication of the organization should be created, i.e. A central organizational body through which coordination will flow, whereby organizations can quickly adapt to events by reacting immediately to disturbances that are gaps within each sports organization separately, while reducing the loss of physical and human resources. The network should function in such a way that it recognizes the threat in a brief time, coordinates and reacts. Such an organizational body should solve problems in progress with disciplined methods, which is a feature of the situational model of design in management.

2.2 Crisis of Sports Organizations Due to Covid-19 Pandemic Due to Lack of Use of Crisis Management

According to research by Parnell et al. (2020), during the H1N1 flu pandemic, all sporting mega events took place: the 2010 Vancouver Winter Olympics, the 2010 FIFA World Cup in South Africa. During the outbreak of the Ebola virus, the 2015 African Cup of Nations (in Equatorial Guinea) was organized together with the Olympic Games in Rio, Brazil in 2016. During the outbreak of the Zika virus, although certain athletes did not attend for fear of infection, it was a subjective decision.

Covid-19, as already mentioned in this study, has brought some new rules that are different from anything before. While competitions took place despite various crisis situations, this Covid-19 pandemic caused tectonic changes on the planet because, unlike any crisis before, it closed borders, sports events, completely reduced or interrupted the financial flow of sports organizations, postponed sponsorship contracts and disrupted the entire sports industry.

According to Drewes, Daumann & Follert (2020), the importance of spectators at matches is one of the most important segments of the sports market, with sports organizations coming from ticket sales for a sporting event, with the Covid-19 pandemic at a loss from ticket sales. , could already rely on contracts with TV companies because all events were played without the presence of the audience, with broadcasters, i.e., television companies had increased income, while sports organizations received only benefits based on the transfer of copyright, which is certainly already was defined before the Covid-19 pandemic.

Like Nicola et al. (2020), the year 2020. had many scheduled sporting events such as the Euro 2020 football tournament, which was postponed for 12 months due to the Covid-19

pandemic. Although the International Olympic Committee ordered that despite the pandemic, preparations be held for the Olympic Games in Japan, they had to postpone until 2021, and the decision was supported by all national Olympic federations and athletes. The Australian Grand Prix of Formula 1 has been postponed, and Bahrain and Vietnam have decided to cancel their matches until further notice. These are just a few examples; Devices for golf, tennis, athletics, basketball, rugby, cycling, boxing, snooker and skating are facing failures and delays to stop the spread of the disease. This will inevitably have a significant financial burden, the weight of which will only come to light.

Unfortunately, all these events were postponed due to the real danger posed by the Covid-19 pandemic, but on the other hand, the organizations faced the crisis very unprepared and depended exclusively on the World Health Organization and other official bodies, whereby their business activities could not to coordinate in accordance with the principles of crisis management.

3. Methodology

In this study we adopted a descriptive survey research design. A phenomenological method was used to explain the situation related to the Covid-19 pandemic, an empirical method that would indicate earlier crises based on which we would compare the difference between the current Covid-19 pandemic compared to previous crises, as well as indicate positive, i.e., negative effects that result in inadequate use of crisis management resources and situational design model in given decision-making moments.

4. Results and Discussion

Table 1: The Example of Football Leagues Shows Cancelled Due to the Covid-19 Pandemic

Country	League	Date of postponement	Proceedings	Notes
Austria	Tipico – Bundesliga	March 18	Restart June 2	Matches played behind closed doors
Belgium	Jupiler Pro League	March 13	The season is cancelled on May 15	Club Brugge appointed Champion
Czechia	Fortuna Liga	March 12	Restart May 23	Matches played behind closed doors
Denmark	3 F Superliga	March 12	Restart May 23	Matches played behind closed doors
England	Premier League	March 12	Restart June 17	Matches played behind closed doors

France	Ligue 1	March 13	The season was cancelled on April 30.	Paris Saint Germain was appointed Champion
Germany	Bundesliga	March 13	Restart May 16	Matches played behind closed doors
Italy	Serie A	March 9	Restart June 20	Matches played behind closed doors
Netherlands	Eredivisie	March 12	Season cancelled April 24	No champion appointed
Norway	Eliteserien	The season has not started	Restart June 16	Matches played behind closed doors
Poland	PKO Ekstraklasa	March 13	Restart May 29	Matches played behind closed doors
Portugal	Liga NOS	March 12	Restart June 3	Matches played behind closed doors
Russia	Premier Liga	March 17	Restart June 19	Matches played behind closed doors
Scotland	Scottish Premiership		Season cancelled May 18	Celtic Glasgow was appointed Champion
Spain	La Liga	March 12	Restart June 11	Matches played behind closed doors
Sweden	Allsvenskan	The season has not started	Restart June 14	Spectators allowed
Switzerland	Raiffeisen Super League	March 2	Restart June 19	Matches played behind closed doors
Turkey	SPORTOTO SüperLig	March 19	Restart June 12	Matches played behind closed doors

Source: Drewes, Daumann & Follert (2020)

The data shows us that the leagues started and stopped working in an uncoordinated manner, as the situation with the Covid-19 pandemic developed. This indicates to us that not only clubs should have a pre-designed plan of crisis management activities, but also that

leagues as organizers of competitions should use the tools of this model. In this case, the clubs were to some extent organizationally dependent on the national commitment that organized the league.

Had the clubs had an elaborate crisis management plan, following the pandemic situation, they could have foreseen the difficulties of using crisis management tools and not start the championship at all, knowing that it would be interrupted several times as is the case with Sweden and Norway.

Stages of crisis management



Source: Kirvan (2020)

Figure 1: *Stages of Crisis Management Based on Which Sports Organizations Would Anticipate and Prevent the Negative Effects of the Crisis*

According to research Kirvan (2020) stated, the crisis manager is responsible for guiding the responsible organizations in accordance with the established crisis management plan. A crisis manager is usually also a person who has the task of communicating with the public.

If the crisis affects public health or safety, then the crisis manager should speak to the public as soon as possible. In a public crisis, the media will inevitably look for employees to comment. It is important for employees in the organization to know in advance who it is and who is not authorized to talk to the media. Employees who can talk to the media must work in a way that is consistent with what the crisis manager is saying.

Sports organizations, but also national federations should have pre-crisis respondents and scenarios in order to be ready at the time of a possible crisis, so they could implement a crisis response plan in time and thus prevent negative effects, cancel losses, ask sponsors for better conditions. concerning the TV rights because in the case of the Covid-19 pandemic, if the organizations had foreseen and implemented the plans in this way, the benefit could be turned to the benefit of the organizations and not the TV company, whereby the amended sponsorship agreement would require more money than usually during a pandemic.

Many problems of sports organizations have arisen, according to Pena, et al. (2020) due to complete closure to the readiness of athletes and the quality of training, distance the athlete from everyday training routines. Reversibility of training, known as detraining, is crucial to understanding the many changes that athletes go through during the cessation of training, disrupting their future performance.

According to Pena et al. (2020) in the research, a significant impact on the immune system of physical activity of moderate intensity was noted, showing the importance of these practices. Thus, an increase in the number of neutrophil and natural killer (NK) cells, salivary IgA and stress hormones has been reported, with changes in Th1 / Th2 cell responses with a decrease in upper respiratory tract infections (30%). Acute exercise seems to stimulate the exchange of cells of the immune system between lymphoid tissues and blood. On the other hand, intense training can damage the immune system, increasing the risk of possible COVID-19 infection. After an acute attack, there is a temporary suppression of circulating NK cells, restoring average values within 24 hours, except for prolonged, intense and stressful exercise. Based on this, we can conclude that sports organizations are in trouble during the pandemic because for them the athlete is a resource, a source of income, so if the athlete loses quality, and it is evident that in a pandemic will lose quality, there is a direct financial loss for the organization.

4.1 Hypotheses Tested

H1: There will be no significant links between “normal” crisis management and pandemic response.

Based on all the above in this study, "normal" crisis management requires the processes we have explained, and they concern the prediction of a possible crisis situation so that any problem that may arise can be prevented or annulled. Crisis management with pandemic response differs to the extent that the crisis cannot predict the exact end and with the model that exists because of such crises, situational design model, can be based on knowledge and experience with respect to all management processes to prevent the collapse of sports markets and sports organization.

H2: There will be significant links between Covid-19 and the collapse of many organizations due to lack of crisis management activities.

In this research study, it was absolutely confirmed that the collapse of sports organizations, financial losses and others occurred due to inadequate management reactions and non-use of crisis management tools during the Covid-19 virus pandemic.

5. Conclusion

This study examined whether the use of a crisis management process is the best solution for managing sports organizations during a Covid-19 virus pandemic. Variables related to the negative effects that occurred due to the non-use of the crisis management process, as well as the situational design model that every manager with areas in a sports organization had to have, was also examined.

5.1 Implication to Research and Practice

This study was conducted to understand the importance of using the right management processes and models in relation to the assessment of a situation qualified to perform managerial functions.

It is necessary to understand that sports organizations could have been saved or with their costs annulled during the Covid-19 pandemic in order to prevent the foreseen circumstances and in time as much as possible and which depend on internal (within the organization) and not external (Virus Covid-19) factor.

5.2 Future Research

This study was conducted based on examining the relationship between crisis management and the model of situational design and activities of sports organizations during the Covid-19 pandemic.

5.3 Recommendations

Based on the findings of this study, the following recommendations are made:

It is necessary that every sports organization has a plan for the implementation of crisis management activities.

It is necessary for every manager of a sports organization to master the model of situational design in management in order to be able to react in time to good decisions in crisis situations.

Long-term, medium-term and short-term strategies must exist and employees of sports organizations in management positions must be trained to understand, master and use them when the situation finds it.

Conflict of Interest

The authors declared that they have no conflict of interest.

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