Study on the Operating Model of Social Entrepreneurship of Shanghai Non-profit Sports Organizations

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Abstract: By using the methods of documentation, logical analysis and induction, this paper analyses the current situation of social entrepreneurship of non-profit sports organizations in Shanghai under the pressure of development resources, such as “capital gap” and “capacity gap”, points out the current situation of social entrepreneurship of non-profit sports organizations in Shanghai and the development constraints they are facing, and innovatively puts forward the way to build social entrepreneurship capacity of non-profit sports organizations in Shanghai. In order to promote the sustainable development of social entrepreneurship of non-profit sports organizations in Shanghai.

1. Introduction

Since the reform and opening up, China’s non-profit sports organizations have experienced from less to more, from weak to strong, from single to pluralistic, and gradually become an important force in the development of sports undertakings. Especially with the transformation of government’s sports administrative functions and the promotion of the physical reform of sports associations, non-profit sports organizations are not only in sports management and sports public service, but also in the body. In the field of sports industry, irreplaceable functions have been highlighted, but the development of non-profit sports organizations in China is far from enough. In the complex environment of competition with profit-making sports organizations and government sports departments, there are some outstanding problems in non-profit sports organizations that need to be solved urgently. Taking Shanghai as an example, with the long-term planning of sports up to 2025, in order to basically achieve the goal of building a world-famous sports city, Shanghai’s sports undertakings have gained a good momentum of vigorous development. Taking this as an opportunity, non-profit sports organizations are growing and growing, but there are still many bottlenecks in the overall development. For example, the ability to integrate sports resources is weak, and the income channel is single. Non-profit sports organizations have “capital gap” and “capacity gap”, which are facing greater development pressure. Social entrepreneurship is a strategic choice made by non-profit sports organizations to enhance their ability of self-sustainable development. Non-profit sports organizations can and should rely on the sports market mechanism to implement social entrepreneurship and solve the problem of capital and capacity constraints. In this study, the theory of sports strategic management, value theory and performance evaluation are used to analyze the entrepreneurship of non-profit sports organizations in Shanghai. On this basis, the operation mode of social entrepreneurship of non-profit sports organizations in Shanghai is constructed, and the theoretical model is verified by taking different types of non-profit sports organizations as samples.

2. The Academic History of Social Entrepreneurship Operation of Non-Profit Sports Organizations at Home and Abroad


By consulting the relevant literature abroad, it is found that the relevant research abroad is
relatively mature. The research on social entrepreneurship of non-profit sports organizations in Europe and the United States no longer stays in the static exploration of characteristics and the development of defining concepts, but gradually begins to enter the dynamic process research field, which mainly focuses on operation and business model. The essence of social entrepreneurship of non-profit sports organizations is to create a new sports business model to provide products and services to meet the sports needs that the existing system cannot meet. This can be regarded as a complement to the market mechanism in the case of government sports management failure.

At present, the research on social entrepreneurship of non-profit sports organizations mainly focuses on the following four directions: firstly, some scholars try to define social entrepreneurship to distinguish it as a unique research phenomenon (Dees, Gillian Sullivan Mort) [1,2]; secondly, some literatures focus on the limited resource environment of social entrepreneurship of non-profit sports organizations (Austin, Stevenson & Wei-Skille) [3]. Third, some studies focus on the constraints and promotion of social entrepreneurship of non-profit sports organizations; finally, some scholars focus on the performance measurement of social entrepreneurship of non-profit sports organizations. These studies mainly focus on case studies and qualitative descriptions. Although the research on Social Entrepreneurship Model of non-profit sports organizations by foreign scholars is in the conceptual stage, the above research provides a useful reference for us to explore the successful genes of social entrepreneurship of non-profit sports organizations and build an analytical framework of social entrepreneurship operation model of non-profit sports organizations.

2.2. Review on the Research Status of Social Entrepreneurship of Non-profit Sports Organizations in China

The earliest introduction to social entrepreneurship of non-profit organizations in China was a research report on Social Enterprises of Economic Cooperation and Development Organizations, which was translated by Professor Liu Jitong of Peking University in 2004. Since 2006, the dissemination of social entrepreneurship ideas of non-profit organizations has been further developed. From the perspective of social entrepreneurship of non-profit sports organizations, domestic research on non-profit sports organizations began in 2003, with 61 articles. Ma Zhihe and Zhang Lin [4] believed that non-profit sports organizations occupied an important position in China’s sports cause. This paper expounded the connotation of non-profit sports organizations from the perspective of social theory. They believed that non-profit sports organizations could provide sports public goods at low cost under the condition of government failure and market failure, and were irreplaceable organizational carriers for effectively allocating sports resources. Hui [5] believed that in the construction of the “cooperativeism” model of public sports service in China, non-profit sports organizations acted as the third party outside the government and the market, which was more suitable for China’s national conditions. Lu Xunjin and Yang Yikun [6] considered that the overall governance was the thinking of the development of non-profit sports organizations, and put forward the external development of non-profit sports organizations. Guarantee mechanism. In short, in recent years, Chinese scholars actively pay attention to the history and current situation of the development of non-profit sports organizations and summarize their development experience, while the research on social entrepreneurship of non-profit sports organizations is still in the blank.

According to the analysis of the above research results, in recent years, Chinese government managers and scholars have paid active attention to the current situation and reform direction of public stadiums, summarized their development experience, and discussed some important issues such as the operation reform mode of public stadiums.

Based on the research and practice at home and abroad, this study considers that there are several important issues to be further solved and discussed:

First, the connotation and scope of social entrepreneurship of non-profit sports organizations. Although there are business enterprise operation modes for reference, because the main mission of non-profit sports organizations is to create sports social value, the operation modes of non-profit sports organizations and commercial enterprises are quite different. Starting from the operation
mode, this paper systematically expounds the significance of social entrepreneurship of non-profit sports organizations embedded in society and the creation of sports value, clarifies the differences between the operation mode of non-profit sports organizations and commercial enterprises, and provides a new strategic choice for the sustainable development of non-profit sports organizations.

Secondly, the index of the operation and evaluation system of social entrepreneurship of non-profit sports organizations is carefully studied. This is conducive to the performance measurement of the operation mode and the social value of sports, and to the clear direction of the operation mode of non-profit sports organizations, so that the performance indicators of the social entrepreneurship mode of non-profit sports organizations can play their due role. This is also the basis for the social entrepreneurship model of non-profit sports organizations to continuously create social value of sports.

3. Background of Reform of Social Entrepreneurship Operation of Sports Organizations


Social entrepreneurship is a new way to solve social problems. Wolfgang Chapf (1998), a well-known German sociologist, pointed out that social entrepreneurship is a creative practice, which uses new means to better manage social problems than previous practices. The mission of social entrepreneurship is to cultivate new social organizations and solve increasingly complex new social problems by establishing new operational mechanisms. Social entrepreneurship can come from non-profit sports organizations, sports administrative departments or sports enterprises. Social entrepreneurship should be a cross-border collaboration [1].

As the third sector of social sports, non-profit sports organizations are the main body of social sports entrepreneurship. They have made great contributions to the development of social sports and mass sports in many fields, such as public sports services, community sports, sports disability assistance, sports health, sports education, training and so on, including drawing lessons from some methods of sports commerce, including those created in the field of sports public welfare. Some methods, using entrepreneurship model to help solve social sports problems, make the entrepreneurship of social sports organizations sustainable, and become an indispensable part of promoting the development and progress of sports in human society.

The effectiveness of social sports organization entrepreneurship needs to go through the process of diffusion (widely simulated) and institutionalization, which requires the joint efforts of various social sports forces. From the history of sports modernization in western developed countries, the leading force of entrepreneurship of social sports organizations has a changing process: in the 19th century, entrepreneurship of sports technology was mainly driven by the market, which was a matter of the private sector (sports enterprises), while entrepreneurship of social sports organizations was a matter of “government sports administrative departments and political actions”. Nowadays, “non-governmental sports departments have taken over the entrepreneurship of social sports organizations, and Entrepreneurship of social sports organizations has changed from a political action to a task of sports management”. This shows that the main body and leading force of entrepreneurship of social sports organizations have shifted from government sports administrative departments to society and non-profit social sports organizations. Of course, government sports administrative departments and sports enterprises still participate in social sports entrepreneurship in their own way. At present, China’s non-profit sports organizations are experiencing many changes, which constantly impact the existing social sports structure or sports system, and may affect the direction of social sports change. At present, with the development of the third sports department in our country, driven by the government sports administrative department, non-profit sports organizations are the main body. Sports enterprises and sports participation groups constitute the diversified main body of social sports entrepreneurship. Therefore, non-profit sports organizations are the main body of social sports entrepreneurship, and social sports entrepreneurship is the responsibility and mission of non-profit sports organizations.
3.2. Restrictive Factors and Ability Demands of Social Sports Organizations

Social sports organization is not only a rational form of organization, but also a period of transformation with political and economic system reform and social sports structure. The government sports administrative department needs to make use of the function and function of social sports organization to adapt to the changing social sports situation. However, due to the restriction and influence of many factors, social sports organizations are facing certain practical difficulties and difficulties, which limit their normal functions.


In the modern sense, Chinese social organizations are the product of government governance and entrepreneurship in the 1990s. Under this background, all kinds of sports organizations in society have made great progress with the vigorous development of sports undertakings. In addition, the central government has promulgated many relevant systems and policies to actively promote the autonomy and autonomy of social sports organizations. Social sports organizations gradually show distinct characteristics of folk, voluntary and public welfare. These three characteristics also reflect the essential attributes of the “non-governmental sports organizations” of non-profit sports organizations. Therefore, in nature, the boundary between Non-profit sports organizations and government sports administrative departments should be very clear. However, in reality, since the beginning of the 1990s, in the situation of underdeveloped domestic economy, in order to give full play to the advantages of centralized efforts in running sports, competitive sports has taken the lead in implementing the government-led model represented by the “national system”. With this as the keynote, most domestic sports social organizations have developed under the decentralization and support of sports administrative departments. When some non-profit sports organizations are established and developed by acquiring top-down resources, many social sports organizations are still lack of independence. The main leaders of many important civil society sports organizations are government officials who are shunted out after the institutional reform. Members of civil society sports organizations generally welcome people with “official” background to the leadership of the organization. They believe that “the status of a sports association usually depends on the weight of the leaders of the participating units”. The power and resources of officials will be conducive to the development of sports organizations. It can be seen that not only most officially and semi-officially-run civil society sports organizations have not got rid of the control of business authorities, but also many pure non-governmental social sports organizations would rather give up “non-governmental” in exchange for linking with power resources. This leads to the following dilemmas: firstly, the loss of autonomy or independence weakens the advocacy role of sports organizations; secondly, sellers’doctrine will lead sports organizations to distort their mission when they seek funds from government sports administrative departments; thirdly, they show the tendency of administration of “semi-bureaucratic” social sports organizations, resulting in bureaucratization or over-specialization and loss of flexibility.

3.2.2. Challenges Brought by the Commercialization Model of Social Sports Organizations

Commercialization is one of the unavoidable challenges for social sports organizations. Under the background of commercialization, the competition of sports resources is intensifying, and the financial support of government sports administrative departments for social sports organizations will be built on the basis of full competition, which pushes social sports organizations into the sports market and in accordance with the law of market economy. Social sports organizations should not only compete with similar sports organizations, but also with for-profit sports organizations. Profit-making sports organizations have great advantages in sports resources, manpower and management, which poses great challenges to traditional social sports organizations. If social sports organizations want to survive and develop continuously in competition, they must explore new models. This means that in order to achieve the goal and mission of sports organizations, social sports organizations should learn to use the theory of marketing and human
resources management, and must master the ability to solve the development problems of sports organizations by using commercialized model. In fact, the idea of non-profit sports marketing has been more popular in the United States in the 1990s.

3.2.3. Lack of Professional Social Sports Organization Management Talents

Without high-quality sports managers, there will be no high-level social sports organizations. With the general improvement of economy, society and mass education level, mass sports are becoming more systematic, scientific and rational consumption. Social sports organizations with high-quality sports management personnel have strong sports ability and high credibility, and the masses are more willing to participate in and support such social sports organizations. However, at present, most social sports organizations are weak in activity, management, entrepreneurship, expansion and sustainable development. The internal cause is related to the low level of sports talent team construction of social sports organizations, which makes the management professional level of most social sports organizations low and the human resources management deficiencies in all aspects. Most social sports organizations generally encounter difficulties in recruiting professional talents. Even if successful sports talents are recruited, the stability of sports talents is not strong and the turnover rate is high due to the imperfect salary and incentive mechanism. The above constraints have a long-term impact on the professionalization of social sports organizations.

4. Social Entrepreneurship of Non-Profit Sports Organizations in Shanghai

Since the 1990s, China’s non-profit organizations (NPOs) have made considerable progress. As of the first quarter of 2011, the Ministry of Civil Affairs has registered 246,000 social organizations, 2,243 foundations and 19,000 private non-enterprise units. Non-profit organizations have become an important force in social and economic development. Their business scope covers all areas of social life and has increasingly become an important force for social entrepreneurship [2].

As an internationalized metropolis with advanced economy, society and culture, Shanghai is not only economically developed and socially harmonious, but also constantly progressing in the process of sports reform. In line with the situation of the national sports reform, the sports administrative departments in Shanghai have gradually explored the pattern of the joint development of sports by the government and society, and various kinds of non-governmental sports organizations have been increasing in society. From the role and functions played by these non-governmental sports organizations, it is undoubted that they have become an indispensible part of the development of sports in Shanghai. According to Professor Salamon of Johns Hopkins University, their attributes are classified as non-profit sports organizations, which have six basic characteristics: (1) regularity, i.e., legal status of formal registration; (2) popularity, i.e., separation of organization from government; (3) non-profit, i.e., no profit for its owners; (4) autonomy, i.e., autonomy. To be able to control their own activities; (5) volunteerism, that is, there is a significant voluntary participation in their activities and management; (6) public welfare, that is, to serve certain public purposes [3]. Judging from the characteristics of the above-mentioned non-profit organizations, the sports non-profit organizations in Shanghai generally come from enterprises, institutions, social organizations, other social forces and individuals, which do not aim at state-owned assets or profit-making, and take sports activities as the main content of social organizations. According to statistics, by the end of 2015, the total number of non-profit sports organizations in Shanghai was 244, ranking in the forefront of the country. The scope of business mainly includes: (1) guidance and service of mass sports fitness; (2) organization and service of leisure sports, entertainment sports, sports tourism; (3) organization, performance and service of various folk sports competitions; (4) technical training of talents in various sports events. Survey data show that sports competitions, performances and training carried out by Shanghai non-profit organizations mainly include basketball, table tennis, badminton, track and field, chess and card, shuttlecock, swimming, football, volleyball, martial arts and so on. Most of the funds in the process of developing these sports are subsidized by the government sports administrative departments, and constitute the main source of funds for non-profit sports organizations. Obviously, the amount of
funds subsidized by the government sports administrative departments directly affects the operation of non-profit sports organizations’ activities.

5. Assumption of Ways to Improve the Social Entrepreneurship Ability of Shanghai Non-profit Sports Organizations

Under the background that social sports organizations have become important partners in the governance of cooperative sports, over-emphasizing the government’s administrative management of social sports organizations has obviously greatly restricted the effective operation and development of social sports organizations, explored the guiding sports management mode, and used more sports policy guidance and sports services to cultivate and enhance social sports organizations. Ability, at the same time, to supervise its sports performance, can provide ideas on Sports Management for effectively solving the predicament of Shanghai social sports organizations.

5.1. Improve the Supervision Mechanism of Purchasing Sports Services and Provide the Effectiveness of Non-Profit Sports Organizations

From the operational mode of developed countries, the government’s allocation is one of the main sources of funds for most social sports organizations. The most commonly used way of government funding is to purchase sports public services. By purchasing sports public services from social sports organizations, government sports administrative departments can provide sports public services at a lower cost without additional sports institutions and personnel. By providing sports public services to the government, social sports organizations can realize their organizational concept at the same time. It also acquires operational resources. Now the problem to be solved is how to solve the contradiction between government funding and ensuring the autonomy of social sports organizations. As the government is the investor, it is easy to interfere in public sports services without great details, which makes social sports organizations lose their autonomy and due sports value. The current dilemma lies in how the government purchases sports services, whose sports services it purchases, how to judge the effect of sports services and how to regulate sports purchasing behavior, and how to ensure that social sports organizations provide sports services in the process of creating greater heterogeneity and flexibility than the government itself, while ensuring that the operation of sports projects conforms to the standards, all of which need further improvement. The experience of developed countries shows that carrying out effective evaluation and certification and strengthening the supervision of project process are effective ways to improve the quality of sports purchasing service. In practice, the government can guide and support the social sports organizations needed by the government and society by means of project planning and improving the evaluation system.

5.2. Establishing a Government Sports Administrative Coordination and Management Organization to Achieve Closer Cooperation between the Government and Social Sports Organizations

Combining the successful experience of foreign countries and the operation practice of social sports organizations in Shanghai in recent years, the establishment of an efficient multi-party coordination mechanism is related to the development of social sports organizations and the provision of sports services. Sports institutions that implement multi-party coordination mechanism usually have better communication on the development of sports services and the operation of sports institutions. There are fewer contradictions and conflicts in the process of sports operation and the provision of resources, while sports institutions that lack coordination mechanism often have larger conflicts. For example, in the United States, federal, state and municipal sports organizations have been established to plan, coordinate and serve social sports organizations. For example, the Mayor Volunteer Center under the Mayor’s Office of New York City has grasped the information of more than 20,000 social organizations providing services in New York City. By timely understanding the sports needs of community residents, it coordinates relevant social sports organizations to provide sports to communities and citizens. Education service has become the hub
of social sports organizations, communities, citizens and mayors.

5.3. Cultivating the Management Talents of Social Sports Organizations and Promoting the Professional Level of Social Sports Organizations

In many countries, there is a shortage of sports management talents in social sports organizations. Social sports organizations in developed countries generally have a team of professional managers because of their good sports management system. The characteristics of sports talents managed by social sports organizations in developed countries are as follows: firstly, sports quality is high, sports managers have rich sports management experience and experience, sports innovation spirit and sports public welfare ability; secondly, sports managers have reasonable salaries, and their salaries are relatively high. Although the direct salaries will not be higher than those of business managers, indirect salaries, especially the spiritual and social harmony. Emotional reward is one of the factors that make it attractive to sports talents. Therefore, in order to improve the current situation of talent shortage in social sports organizations, the government should start from the following aspects: firstly, support more colleges and universities to set up social sports management, social sports work and other specialties, train and transport sports professionals for social sports organizations, and promote the professionalization and professionalization of sports talents in social sports organizations; secondly, with the help of various sports training institutions. Provide professional training for leaders of social sports organizations, and provide professional sports assistance for capacity building of social sports organizations. Thirdly, strengthen the construction of sports support team. Encourage the behavior of sports volunteers, publicize and develop the spirit of sports volunteers in the whole society. Finally, the government should formulate supporting measures in the aspects of social sports security and sports titles identification, so as to ensure the rational flow of sports talents between social sports organizations and other sports organizations, and provide a strong external environment for the construction of sports talents team in social sports organizations.

6. Conclusions

Background of the reform of social entrepreneurship operation of sports organizations: 1. Social entrepreneurship: the important responsibility and mission of social sports organizations: Social entrepreneurship is a new way to solve social problems. Wolfgang Chapf (1998), a well-known German sociologist, pointed out that social entrepreneurship is a creative practice, which uses new means to better manage social problems than previous practices. The mission of social entrepreneurship is to cultivate new social organizations and solve increasingly complex new social problems by establishing new operational mechanisms. The effectiveness of social sports organization entrepreneurship needs to go through the process of diffusion (widely simulated) and institutionalization, which requires the joint efforts of various social sports forces. 2. The restrictive factors and ability demands of social sports organizations: (1) the conflict between the concept of government sports administrative departments and the management of social sports organizations; (2) the challenges brought by the commercialized model of social sports organizations; (3) the lack of professional social sports organization management personnel.

To improve the social entrepreneurship capacity of Shanghai non-profit sports organizations, the following ideas are proposed: 1. Perfecting the supervision mechanism of purchasing sports services and providing the effectiveness of non-profit sports organizations. In practice, the government can guide and support the social sports organizations needed by the government and society by means of project planning and improving the evaluation system; 2. Establishing a government sports administrative coordination and management organization to achieve closer cooperation between the government and social sports organizations, Sports institutions that implement multi-party coordination mechanism usually have better communication on the development of sports services and the operation of sports institutions. There are fewer contradictions and conflicts in the process of sports operation and resources provision, while sports institutions that lack coordination mechanism often have larger conflicts; 3. Training social sports
organization management personnel to enhance the professional level of social sports organizations. The government should start with the following aspects: first, support more colleges and universities to set up social sports management, social sports work and other specialties, train and transport sports professionals for social sports organizations, and promote the professionalization and professionalization of sports talents in social sports organizations; secondly, use various sports training institutions to carry out professional training for leaders of social sports organizations, and provide social sports organizations with professional training. The capacity-building of sports organizations provides professional assistance in sports. Thirdly, strengthen the construction of sports support team. Encourage the behavior of sports volunteers, publicize and develop the spirit of sports volunteers in the whole society. Finally, the government should formulate supporting measures in the aspects of social sports security and sports titles identification, so as to ensure the rational flow of sports talents between social sports organizations and other sports organizations, and provide a strong external environment for the construction of sports talents team in social sports organizations.

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