Improving service-center employees’ performance by means of a sport sponsorship

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This research study has received no external funding.

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Purpose

Sponsorships targeting an internal audience e.g. employees are still under-researched. The purpose of this study is to investigate how employees perceive and evaluate a sponsorship that is designed with the purpose of improving customer services and explore how the company may benefit from the sponsorship.

Methodology

The study is anchored in critical realism and based on a single case study using multiple methods. We survey the impact of the sponsorship on employees’ (N=653) perceptions of their ability to communicate with customers, to perform their personal best, to engage in teamwork, as well as employee retention. We use individual and group interviews to qualify the analysis and our access to company data on customer satisfaction rates to provide an indication of the effect of the sponsorship.

Findings

Results indicate that close to half the employees respond that the campaign positively impacted their ability to communicate, improve personal performance, and to engage in teamwork. Our analysis also reveals that the commitment of the direct leader has an impact on employees’ interest and commitment to the campaign. Data on customer satisfaction shows that reducing the number of dissatisfied customers and increasing the number of customers willing to recommend the company to others has been accomplished, thus indicating that the sponsorship has had a positive impact on company performance.

Originality

The study provides empirical based knowledge to the hitherto limited research on the internal audience of sponsorships. The study provides a plausible indication of a positive relation between a sponsorship design and company performance.
Introduction

This paper investigates how a sport sponsorship is used as a strategic means in human resource management (HRM). It draws on a case-study at a Danish insurance company to illustrate how a sport-sponsorship campaign improved competencies and teamwork among service-centre employees. What is assumingly an example of a novel HRM design urges us to critically reflect on the use of sport sponsorships in corporate life.

One among many characteristics of modern sport is its ability to motivate people passionately and engage them emotionally (Smith and Stewart, 2010), which has made sport an useful tool for consumer-oriented marketing. While sponsorship research has a long tradition in investigating marketing perspectives (Cornwell and Maignan, 1998; Walliser, 2003; Cornwell, 2014), more recent emphasis has been placed on how the sponsor’s affiliation with sport affects corporate employees (Pichot et al. 2008; Farrelly et al. 2012; Khan et al. 2013; Edwards, 2016; Hofer and Grohs, in press). This sponsorship trend – of which this paper is a part – represents a move away from consumer-oriented to employee-oriented marketing. Research has so far been scarce in the empirical and conceptual examination of the combination of sport sponsorships with HRM theory and practice (Pichot et al. 2008; Edwards, 2016). Thus this article seeks to fill this gap by merging insights from the HRM literature with sponsorship research. Taking as its point of departure the case of a sponsorship’s assumingly successful impact on competencies and teamwork, as evidenced by employees’ self-reported perceptions and firm performance data (to which the author/s had access), the article proceeds by outlining how sport sponsorship interventions can be observed in working life. Accordingly the purpose of the study was to explore how the employees of an insurance company perceived and assessed a sport sponsorship which, according to the company’s senior management, aimed at improving employees’ competencies and team working skills. Subsequently we explore if this sponsorship indicates an improvement of the firm
performance linked to its customer services (i.e. increasing number of ambassadors and decreasing number of dissatisfied customers). We investigated this by surveying the employees’ perceptions of the sponsorship’s impact on their communication, personal performance, teamwork, and retention intentions, as well as their assessment of the competitive design of the sponsorship under study. Using insights gained from interviews as well as from data on customer satisfaction, we link the qualitative data to our quantitative analysis in order to discuss the specific HRM design made possible in this case by an employee-oriented sport-sponsorship.

Merging insights from the sponsorship and HRM literature

Employee-oriented sponsorships

In the past authors have often characterized research on the strategic use of sponsorships as being scarce and limited (Cornwell and Maignan, 1998); however, it has long been noted that corporate sponsorship engagement is no longer predominantly a result of philanthropic activity (Copeland et al. 1996; Dolphin, 2003), and today sponsorships appear to be much more closely integrated into strategic management (Demir and Söderman, 2015). Companies engaged in sport sponsorships can develop these into a distinctive strategy to support existing marketing and communication efforts and thus create a competitive advantage (Amis et al. 1999) or to distinguish a brand from those of its competitors, thus adding value to it (Cornwell et al. 2001). Accordingly, sponsorship management shares similarities with HRM initiatives as both can endow a firm with competitive advantages (Pichot et al. 2008). Nonetheless, sponsorship research remains a discipline dominated by marketing (Walliser, 2003; Cornwell, 2008, 2014), and research that deals with non-consumer-focused audiences is limited in quantity (Khan and Stanton, 2010). Some empirical contributions have focused on the internal audiences of companies engaged in sponsorships (Grimes and Meenaghan, 1998; Hickman et al. 2005; Khan et al. 2013; Edwards, 2016; Hofer and Grohs, in
press), but so far few empirical studies have integrated sponsorship and HRM features (as suggested by Pichot et al. 2008, and Farrelly et al., 2012). In the study by Farrelly et al. (2012) sport sponsorship is used as a means of communicating corporate identity and stimulating employee performance. Their study provides examples that improved customer communication has been achieved following a sponsorship-related learning and coaching program, although a limitation of the study is that it does not provide empirical data to show anything about how employees evaluate the interventions. Likewise, employees’ communication can be perceived as a service quality that can be positively affected by a corporate sponsorship, as suggested in the model developed by Khan and Stanton (2010). Some studies have identified increased organizational pride among employees due to corporate sponsorship engagement (Hickman et al., 2005; Edwards, 2016). For instance Hickman et al. (2005) identified a positive correlation between employees’ affinity with the sponsored team and organizational identity, organizational commitment and attention to customer satisfaction while Grimes and Meenaghan (1998) – despite finding a high level of organizational pride in sponsoring – did not find that sponsorship involvement led employees to perceive their company as becoming a more desirable employer. Cornwell (2014) recently claimed that ‘one of the areas where sponsorship has the largest unrecognized potential to contribute is in addressing internal audiences’ (p. 141), which is in keeping with the conclusion drawn by Walraven et al. (2012) and their suggestion for future research. Accordingly, we find it useful to draw on HRM insights in this study.

The HRM literature on sport

Practices of sport in various forms, including as a component of managing human resources, are found within private companies today (Pichot et al. 2009). In recent reviews of studies on strategic human resource management (Lengnick-Hall et al. 2009; Jackson et al. 2014) sport does not take a
prominent position (with Wright et al. 1995; Wolfe et al. 2006 and Edwards, 2016 as interesting exceptions). This, however, does not imply that varieties of sport topics are absent and disconnected from a variety of HRM issues: The recent study by Edwards (2016) provides substantial empirical foundation for claiming that an ‘Olympic effect’ caused by a sponsorship could be positively associated with employees’ organizational pride and CSR perceptions. The examples from a French context provided by Pichot et al. (2009) sketch out corporate sport activities linked to employee training and motivational tools as well as corporate identity constructions, while Knoppers (2011) shows how male senior managers perceive their sport history and how sport supports managerial work as a masculine endeavor. In other settings, sport at work has been used to manage employee overweight, thus linking it to the corporate social responsibility of improving public health (Mik-Meyer, 2008). Katz (2001) discusses the transition point where sports teams become the inspiration for team management at the workplace and warns that ‘used inappropriately, sports comparisons can lead managers and their employees astray’ (p. 56). Likewise, the use of competitive systems in companies is also regularly identified (Backes-Gellner and Pull, 2013) and although these systems do not explicitly refer to elite sport, one can argue that they share similarities by adopting the competitiveness symbolic of elite sport settings.

Linking a sponsorship to HRM efforts can be viewed as a contribution toward investigating the relationships between performance management, enhanced performance and employee engagement, which according to Gruman and Saks (2011) is an area that currently suffers from little empirical work. Our case presented here draws attention to how HRM efforts that seeks to improve employee competencies and teamwork are implemented in organizations. This includes studying the crucial role of sub-CEO management (Sikora and Ferris, 2014), how the relationship between a superior leader and his/her subordinates can influence how the latter experience performance appraisal processes (Elicker et al. 2006), and how middle managers have to play
competing roles (Bryant and Stensaker, 2011). Often there is a discrepancy between intended and implemented HRM (Khilji and Wang, 2006). With these insights in mind our study places a much greater focus on differentiation in HR architecture between firms and, indeed, within a firm for instance by designing efforts targeted a specific group of employees (Becker and Huselid, 2006). Following this adoption of the importance of differentiation within the firm, Kehoe and Wright (2013) argue that ‘... additional work is still needed assessing the role of employees’ perceptions of HR practices in determining their attitudinal and behavioral outcomes’ (p. 367). Therefore, differentiation - as we investigate how a specific HR-design is created to fit an explicit and delimited group of employees within the firm - as well as employee perceptions - as we empirically rely on insights gained from addressing the employees of the target group - are two perspectives that will be highlighted in this paper once we try to merge HRM insights and internally oriented sponsorships.

**Methodology**

Our study is founded on a critical realist perspective (Sayer, 2004), implying that we reject a simplified cause-and-effect explanation. Like Tourish (2013), we remain reluctant to adopt an Evidence-Based Management approach (and its ramifications), and as an alternative Tourish (2013) suggests that ‘Evidence-Oriented Organizing’ is a research practice to be adopted. Evidence is still the goal, although it relies on some degree of contingency: ‘...the goal of social science is viewed as being to generate plausible rather than definitive hypotheses about causal relationships and from which fresh streams of research can be developed...’(p. 185). Accordingly, in this paper we believe that if both quantitative and qualitative methods are used properly, ‘...they may still serve the aim of reducing ignorance, increasing knowledge and generating insight’ (Tourish, 2013, p. 185). Inspired by Hesketh and Fleetwood (2006), empirical research is conceived as a useful starting point rather
than an end game. As this paper deals with a case study, we see it as a starting point that provides empirically founded insights from one company which we will use for further discussion. However, we adopt the idea that `a single case study must be able to stand on its own. The key opportunity it has to offer is to understand a phenomenon in depth and comprehensively’ (Easton, 2010, p. 119). Therefore in order to conduct a comprehensive case study, we adopt multiple methods to analyze data from various sources.

Introducing the case – connecting a service center and Olympic rowing

In late 2010 the company Topdanmark A/S decided to sponsor a team composed of some of the most successful Danish Olympic rowers in recent times (the boat won three gold and two bronze medals at the Olympic Games between 1996 and 2012 and will henceforth be referred to as G4). Topdanmark is the second largest Danish insurance company.

Previously, the company had been engaged in sponsoring an internationally successful female handball team, a sport that for decades was one of the most popular mass-media sports in Denmark (Horky and Nieland, 2013) in terms of television viewers, numbers of practitioners, competitive merits and its ability to attract sponsor support. The shift to rowing represented a significant change: rowing hardly attracts any mass-media attention (apart from the Olympic tournament every four years), and to a large extent Danish elite rowers have remained amateurs in financial terms (AUTHOR). The prime purpose of the sponsorship was to use it internally to create a specific communication platform focusing on service-center employees (N. 981) who were in contact with customers on a daily basis and provided telephone service support. The overall strategic goals of the company were to: 1) reduce the percentage of dissatisfied customers to <5%; and 2) increase the number of ‘customer ambassadors,’ i.e. nurture a positive word-of-mouth marketing effect (Anderson, 1998). The means to achieve this were to improve employee-customer
interaction by investing in strategic HR; thus, the sponsorship was not directed towards all company employees but to a restricted group of service-center employees.

The internal sponsorship campaign used three overall themes, health, competencies and teamwork, as its pivotal points. This study concentrates solely on the last two themes, i.e. on researching how employees perceived the effort to improve competencies and teamwork. The contract was signed in early 2011, which was to be a year of preparation before leading to a peak in the first half of 2012, parallel to the preparations for the Olympic competition in London. The sponsorship campaign, named Denmark’s Best Customer Service, was designed as a competition between service center employees belonging to five business sectors of the company: Agriculture, Damages/Injuries, Trade & Industry, Life Insurance, and Private & Partners. The company’s intranet used semiotic tokens known from rowing to create a virtual reality inspired by competitive sport settings (see Appendix A). Furthermore, rowers acted as inspiration coaches, signed Christmas cards for the employees, and the company produced small videos in which the rowers, for instance in a boat consisting of four persons, discussed how they delivered mutual criticism – which according to the company’s top management shared similarities with the way the service-center work was organized in small teams. The elite rowers actively engaged in 2011, while being significantly less present at the company during the first part of 2012 due to preparations for the Olympic competition. Finally, they engaged at the post-Olympic company activities.

Despite being designed as a competition between five business sectors (which in a Scandinavian country with a strong trade-union legacy can be controversial), performance was not linked with a monetary reward system. In that sense it could be characterized as a fun culture (Jenkins and Delbridge, 2014), but without neglecting the purpose of improving organizational market performance. The campaign was officially ended in September 2012 when the company organized two regattas for employees with the participation of the Olympic rowers.
Qualitative interviews

The study is based on seven research interviews (see Table 1). While one-person interviews aimed at generating deep insights of a single person’s perceptions, the group interviews had the intention also to take advantage of the dynamics emerging from interactions between employees who knew each other on beforehand. Marketing Director represents a key figure in this study since the sponsorship, despite its HR orientation, belonged to the marketing department’s portfolio and through our communication and collaboration with him we obtained access to other top managers and were given access to the group of employees we surveyed. Two interviews with him were followed up by two informal conversations and a group interview with two project employees with the purpose of gaining additional insight into the practical organization of the sponsorship campaign, as well as obtaining substantial information prior to designing and conducting the survey. All interviews were semi-structured, but each interview had a specific focus point (e.g. initial decision making or the practical planning of the sponsorship campaign; see Table 1). We decided to conduct group interviews with two groups of service-center employees in which we intended to build on the empirical insights gained from the survey while simultaneously taking advantage of the interaction between the interview subjects (Merton and Kendall, 1946). Interview partners were guaranteed anonymity and informed that they could decline to answer questions they considered improper and terminate the interview at any time if they so wished. The interviews, lasting between 40 and 112 minutes, were recorded and subsequently transcribed verbatim. All interviews took place at the company’s offices. The insights and quotations from the group interviews used in this paper focused on sections in which we addressed the implementation and evaluation of the HRM design, which implied looking at the crucial role of middle managers.
Quantitative design

The sample: From the 981 service-center employees contacted, a completion rate of 66% was obtained, which resulted in a final sample of 653 respondents, 72% of whom were females and 28% males. 10% were middle managers while the rest were employees. The company’s business was divided into five sectors (number of employees and percentage of sample in brackets): Private & Partners (282, 43%); Trade & Industry (37, 6%); Damages (221, 34%); Life (93, 14%); and Agriculture (20, 3%). Finally, 61% of the respondents were paid a fixed salary while 39% were remunerated according to a combined salary and bonus system. With regards to employee tenure, about 10% of the respondents had worked for the company less than a year, 16% one to two years, 16% three to four years, 29% five to ten years and 30% more than ten years. Prior to launching the questionnaire, we invited two employees for a pilot test and a subsequent conversation in order to clarify and detect potential misunderstandings.

Our questionnaire addressed four areas in which we thought the sponsorship campaign might have an impact on employees: Communication is often linked to sponsorship management (Crompton, 2004), for instance by measuring media exposure or how customers absorb a message. In the study conducted by Farrelly et al. (2012) the power of sport sponsorship is used as a means of communicating corporate identity and improving employee performance. Likewise, employees’ communication with customers can be perceived as a service quality that can be positively affected by a corporate sponsorship, as suggested in the model developed by Khan and Stanton (2010). Personal performance and teamwork are also identified as being positively affected by sponsorship-linked internal marketing in the study by Farrelly et al. (2012). Other studies have also explored a HRM design to improve customer services by focusing on individual working competencies and
teamwork (Batt, 2000; Feng et al. 2014). Investigating employee retention is inspired by research emphasizing employee attachment and intention to remain with the organization after evaluating HR practices (Kehoe and Wright, 2013) while Grimes and Meenaghan (1998) – despite finding high levels of organizational pride in sponsoring – did not come to the overall conclusion that sponsorship involvement led employees to perceive their company as having become a more desirable employer. In addition, the competitive design of the sponsorship campaign is included as an area of interest, because competition is considered one of the genuine characteristics derived from elite sport (Shilbury, 2012). The use of competitive systems in companies is also regularly identified (Backes-Gellner and Pull, 2013), and although these systems are not explicitly connected with elite sport, one can argue that they share some similarities by adopting the competitiveness symbolic of elite sport settings and the competitive design is used as a control variable in the analysis.

Instruments and analysis: Three main strands of analysis are undertaken in this paper. Firstly, the employees’ perceptions of the effect of the sport-sponsorship campaign on four areas of work in a HRM and organizational context were examined (each represented by a single item, self-reported, measured post facto, dependent variables [DV] 1-4; see the methodological limitations section at the end of the paper). These areas were: external communication, personal performance, teamwork and employee retention. In order to investigate whether the internal sport sponsorship might have a different impact on different demographic groups, the relationship between the DVs and a range of independent variables (IV) was examined (see below). In addition, we designed an item asking specifically to their perception of the competitive design adopted from elite sport because the campaign was created as an competition between the five sectors of the service center (see also Appendix A).
Secondly, the survey was designed to examine the extent to which the employees perceived themselves to be engaged in the campaign, and how they assessed the commitment to the campaign of their closest manager. The inclusion of the question about middle-manager commitment resulted from the first round of interviews in which especially the employees responsible for the project addressed the importance of commitment shown by middle managers. In addition, it was suspected that previous interest in sports in general, knowledge about the G4 (Olympic rowing team) in particular, might have an impact on employee commitment to the campaign (Hickman et al. 2005) whereas another study showed that identification with a specific sport did not coincide with a strong customer orientation (Miller and Johnson, 2008). Consequently, identification with sport was measured as well.

Thirdly, the effect of employee commitment to the campaign in relation to the four different DVs was examined through multivariate multiple regression (general linear model) analysis to compare the impact of the employee commitment to the campaign on the four dependent variables.

The specific wording of the single-item measures are (our translation from Danish);

‘As a result of the campaign The Best Customer Service in Denmark in 2012 I experience that...’
followed by: ‘My communication with the customer has become’ (hereafter DV1 Communication);
‘My focus on performing my personal best has become’ (DV2 Personal Performance); and ‘My cooperation with colleagues on a common goal has become’ (DV3 Teamwork). Answers were given in a five-point Likert response format, from ‘much worse’ to ‘much better’. The fourth DV labelled Employee Retention asked ‘Has the campaign given you the desire to work for the company in the future?’ with answers given in a 3-point Likert response format, from ‘less desire’ to ‘more desire’ (see Table 2). Finally, to investigate perceptions of the competitive design we asked ‘The campaign was designed as a competition between the five business sectors. How did you experience the
competition between the business sectors?’ with five-point Likert response format, from ‘very positive’ to ‘very negative’.

Six different specific quantitative methods were used for analysis, all conducted using SPSS. First frequency analyses of the dependent and independent variables were conducted to evaluate the overall effect of the sponsorship campaign. Secondly independent samples t-test, one-way ANOVA and bi-variate correlation analysis, were used to investigate the relationship between employee and manager commitment, as well as the correlation with the general interest in sport. Furthermore, in order to be able to compare the effect of the employee commitment to the sponsorship campaign across four different dependent variables, multivariate multiple regression was utilized. The multivariate multiple regression is used when examining multiple dependent variables which are suspected to be correlated and is fundamentally very similar to ANOVA, but compares vectors of means, rather than means. Since the dependent variables are measured on an ordinal scale, the traditional concerns with regards to applying parametric methods to ordinal data apply (Jamieson, 2004; Norman, 2010; Murray, 2013). However, given the ordinal dependent variables, additional simple ordinal logistic regressions conducted in order to get a further indication of the soundness of the results – while these are not strictly comparable (different models, with different dependent variables), we have included as a further safeguard and as a comparative result to the multivariate multiple linear regression.

Customer satisfaction rating system

Our intention was to generate a plausible explanation for the relationship between the actual HRM design, employee reception and company performance. We had access to secondary data documenting the company’s performance specifically related to the service center sector. In 2010 the company introduced the ASMA system that evaluated customers’ rate of satisfaction subsequent
to communication with employees from the company. A rating of 1-2 is considered very low while 9 represents those considered to be ambassadors, i.e. satisfied customers who are ready to recommend the company to friends and social relatives. These data provided by the company were used to give an indication of whether or not the company managed to reach its strategic goal of reducing the percentage of dissatisfied customers and increasing the number of ambassadors, thus gaining a positive word-of-mouth marketing effect.

Results

Surveying employee perceptions - Quantitative insights

The overall effect of the sponsorship campaign. Based on the self-reported scores overall, the sponsorship campaign led to significant, if not major, improvements in all four HRM areas examined in the survey (see Table 2 below), with the exception of employee retention which shows to be only a slightly affected by the campaign. At a glance, the result of the campaign shows upwards 40-50% of the employees reporting improvement as direct results of the HRM sponsorship campaign, with 8-12% reporting large performance improvements. Taken together with the overall improvement in organizational performance related to customer services (see the discussion on the customer satisfaction ratings below) this indicates a relatively high impact of the sport sponsorship campaign.

::: INSERT TABLE 2 HERE :::::

Respondent commitment to campaign and interest in sport. Overall, with regard to the respondents’ commitment to the sponsorship campaign, the majority of respondents reported both themselves and their managers as being at least to some extent committed to the campaign (see Table 3 below).
Examining how commitment to the campaign correlates with other key variables, there are several things to note. Firstly, with regard to the self-reported commitment to the campaign, using independent samples t-test there was found to be significant difference in commitment for employees (M=3.35, SD=1.010) and managers (M=4.30, SD=0.749) conditions; t(89.971)=-9.242, p =0.000. That is, managers tended to evaluate their own commitment as being a good deal higher than non-managers. Secondly, the respondents who reported no interest in sports at all (about 5% of the sample) were significantly less committed to the campaign, using one-way ANOVA showed a significant effect of general interest in sports on employee commitment at the p<.05 level for the three conditions, F(4, 648) =7.003, p = 0.000. Post-hoc analysis with Bonferroni correction (to account for multiple comparisons) showed that respondents answering ‘no interest in sports’, were significantly lower in terms of commitment than the higher interest in sport categories. No interest in sport compared to little, some, high and very high, interests (mean difference= -0.770, -0.785, -0.961, -0.885, p= 0.000), bi-variate correlation Spearman’s rho -0.107, p=0.000, Pearson -0.142, 0.006. Finally, employee commitment to the campaign was strongly correlated with manager commitment to the campaign; i.e., when manager commitment to the campaign was evaluated as high, so was employee commitment. Spearman’s rho 0.486, Pearson 0.481, p=0.000.

Commitment to the sponsorship campaign and the four HRM areas. In this section, our primary analytical interest is to examine the extent to which the respondents’ commitment to the sponsorship campaign can be used to explain the overall effect of the campaign. That is, how much of the variance in the dependent variables (DV 1-4), can be explained by how the respondents
evaluated their own commitment to the sponsorship campaign. Data was analyzed by multivariate multiple regression using a series of control variables (see below). The analysis regression revealed a significant effect for employee commitment to the campaign on the four dependent variables. Wilks’ Lambda = 0.865, F (16, 1922.264) = 5.864, p = 0.000, partial eta squared = 0.035. Power to detect was 1.000. The Box’s test of equality of variance shows no significant differences among the covariance matrices (160.413, p = 0.196). The Levene’s test of equality of the error variances showed significantly different error variance for all the dependent variables and as a result a supplementary Kruskal-Wallis test was also conducted on the four DVs. The results showed highly significant differences between the DVs and the different levels of employee commitment. Finally, bi-variate correlation was used to ensure that multicollinearity among the DVs was not an issue.

Results of the multivariate multiple regression shows that the effect of the employee commitment to the campaign on the four DVs, when controlling for the effects of a series of demographic and possibly impactful variables (gender, bonus pay, tenure, managers-employees, general interest in sports, knowledge of the G4, as well attitude towards the competitive design), that group differences in the commitment to the campaign accounted for respectively 7.1% (DV1), 7.1% (DV2), 10.0% (DV3), 3.4% (DV4) of the variation in the dependent variables (see table 4 below), showing employee commitment to the campaign having the largest impact on cooperation and least on turnover intention. It should be noted here that employee turnover is measured on a different scale, and while standardized in the multivariate multiple regression, it should be cautiously interpreted. All in all, the multivariate multiple regression shows that respondent commitment to the campaign had a significant, but relatively minor, effect for all four HRM areas examined, with the simple ordinal logistic regressions indicating comparable results (Cox and Snell pseudo R-square used, see table 4 below).
In response to the item explicitly asking to their perception of the competitive design, 16% reported it as `very positive´ and 28% `somehow positive´, whereas the vast majority (52%) reported a neutral perception. 3% perceived it as `somehow negative´ while 1% reported a very negative perception.

_Dual roles of middle managers and the inspiration from elite sport - qualitative insights_

Leader commitment was a central topic in these interviews, and generally the interviews point to leader commitment as a crucial variable. It is worth emphasizing that the quantitative results showed that middle managers had a higher level of commitment than ordinary employees. Thus, from the outset there were no indications that enabled us to conclude that middle managers _per se_ would respond negatively to the sponsorship campaign. Subsequent qualitative insights into the process of how the campaign was implemented provide us with arguments to explain why middle managers hold a central position.

Three female employees from the Agriculture sector, which won the internal competition, all expressed their general satisfaction with the campaign. In particular – and without them being asked directly about this – one successful and famous Danish rower was mentioned throughout the interview as an important contributor to the campaign. Both the commitment of this particular rower and the early involvement of their team leaders were regarded as being decisive elements in the commitment of employees working in this business sector. In the group interview an employee from Agriculture mentions `how to receive criticism´ as one aspect that has changed during the campaign which led to this dialogue:
Interviewer: Can you mention some concrete examples of where a change has occurred? Just before you mentioned how you receive criticism.

Employee 1: I think this whole team spirit. The teamwork that you do for a common cause. Or you may say to one [colleague, eds.], that this wasn’t just as good, but next time can you just try then? Well, it becomes more constructive, it [dialogue between the employees, eds.] has become more open, I think we have created a better cohesion.

Employees 2: We also speak more nicely to the customer, in the phones.

In contrast, employees from Private & Partners, the business sector that performed worse in comparison (see Table 5), had mixed emotions about the campaign: in particular, there were criticisms about the communication process in the initial phase of the campaign. One participant described the internal competition as something that employees were compelled to participate in while another argued that campaign-related activities collided with the normal workload and urgent duties. Asked directly about how the leader of their own business sector promoted the intentions of and ideas behind the campaign, one employee responded: ‘I don’t think I heard what this was all about from the mouth of our leader’. Despite these negative judgments, the group admitted that they enjoyed working for a company where the management cared about their employees – even though they expressed doubts about the strategic effects of the campaign. Or expressed more directly by one employee as the transfer from elite rowing to a work situation is compared: “[...] they spend two years in order to perform for five minutes, That’s crazy. Two years of your life on stand-by [...] It hasn’t been the same for us”. Thus, a fundamental doubt that direct transfer of elite sport skills to a service center context can be identified, is articulated by some employees.
An interesting perspective emerging from the interviews with the two employees in charge of the campaign was their admission that:

*there has also been an element of compulsion. That is because some bosses higher up in the hierarchy are committed to it. And suddenly they compete for which of their departments do well.*

Accordingly, the implementation of the competitive design of the campaign from the top management down to employee level became a crucial task for these two ad hoc project employees, and they, too, perceived team leaders as crucial connecting links. One experience they both gained during the campaign was the multifaceted fields of responsibilities of the team leaders. On the one hand, they were supposed to implement new ideas emerging from top-down decisions, but they were simultaneously engaged in managing the daily routines of the various customer service teams.

*Customer satisfaction ratings – an indicator of successful HRM implementation*

The overall strategic purpose was to reduce the number of dissatisfied customers to a level below 5% and increase the number of customer ambassadors. In Table 5 the values of each of these sectors for 2010 are indexed at one hundred. The values are then shown again for 2011, considered to be the year of implementing the campaign, and for 2012 when the campaign ended (date of termination: 30.04.2012) and finally by the end of November, 2012. The numbers are based on the customer satisfaction rating system (ASMA), which was introduced by the company in 2010. Although a level of dissatisfied customers below 5% was not reached by the end of April 2012, four out of five business sectors were able to reduce the percentage of dissatisfied customers during the campaign. In a similar way, all five business sectors managed to increase the percentage of
ambassadors. At the end of the campaign Agriculture was proclaimed the winner while Private & Partners was ranked fifth, based on the index values at the end of April 2012.

Nonetheless, by the end of October 2012 – nearly two months after the regatta for employees – four out of the five business sectors had reached values of 5% or lower of dissatisfied customers (data provided by the company on November 30th 2012 – percentage/index compared to 2010 in brackets): Private and Partners (5%/127), Trade and Industry (4.5%/135), Damages (7.6%/127), Life (4.1%/149) and Agriculture (2%/170). However, these values slightly increased again by the end of November, 2012 (see Table 5). By February 4th 2013 the overall percentage of dissatisfied customers was 5.6% and the percentage of ambassadors was 41; when the ASMA system was introduced in 2010 (prior to the campaign), the figures were 8.1% and 34% respectively (data provided by the company on February 5th 2013). Thus, according to its own figures the company successfully managed to reduce its percentage of dissatisfied customers and improve its percentage of ambassadors. As we can identify a positive effect of the HRM design on customer ratings, then the following: it improved during the final phase of the campaign (spring 2012) and continued to do so immediately after the campaign ended, indicating a short-term positive effect, before slightly decreasing again until February 2013. However, the values remained improved when compared with those at the start of the campaign.

Discussion

A plausible explanation for this improvement in the company’s performance with regard to customer ratings can be ascribed to the HRM design that explicitly uses a sport sponsorship as a
lever for employee teamwork and commitment. Thus, overall this study can be added to the various studies (Grimes and Meenaghan, 1998; Hickman et al. 2005; Edwards, 2016) documenting the positive employee effect of sport sponsorship engagement. Furthermore, this case illustrates how a sponsorship has been designed explicitly to fulfill HRM purposes, contrary to the above-mentioned studies where the HRM effect of a sponsorship has been merely complementary to traditional marketing goals (e.g. increasing consumer awareness, branding). It is worth emphasizing, though, that our study shows a significantly lower level of commitment among employees with no interest in sport. This can point to the limitations of such a HRM design which might rely solely on an existing passion for sport in order to be successfully implemented and adopted by employees, although in our specific case, only about 5% of the respondents reported no interest in sport.

Like the employees surveyed in Grimes and Meenaghan (1998), our respondents did not report any change in their intention to remain with the company, and studies making use of this success parameter are still ambiguous. But the generally positive perceptions relating to communication, teamwork, personal performance, and the competitive design clearly add an empirical foundation to the model introduced by Farrelly et al. (2012) as our study also evaluates how employees evaluate the sponsorship. However, our qualitative insights also reveal mixed opinions for instance the transfer of inspiration from elite rowing to work settings is critically evaluated by some employees. Our case exemplifies how a classical marketing tool such as sponsorship may support HRM designs. By using our access to data on customer satisfaction, we are even able to extend empirically the scope suggested by Farrelly et al. (2012) as we provide a plausible explanation for why the company improved its customer service performance. Thus, our study adds an empirical foundation on which to investigate the link between performance management, enhanced performance and employee engagement pointed out by Gruman and Saks
(2011) and Khilji and Wang (2006); and, furthermore, it forms a basis to explore the relationship between employees’ perceptions and behavioral outcomes required by Kehoe and Wright (2013).

Our study confirms the crucial role of middle managers and, accordingly, HRM differentiation refers not only to the five business sectors involved in the service center but also to the difference in hierarchy between employees and middle management. Apart from the fact that middle managers were generally more committed to the campaign, it is of utmost interest that employees showed more commitment when their managers did so too. Furthermore, our regression analysis reveals that commitment plays a significant role in explaining communication, personal performance and cooperation. Our qualitative insights likewise show how important the commitment of middle managers is in the early phase of implementation, thus confirming similar findings of other studies (Elicker et al. 2006; Sikora and Ferris, 2014). Our qualitative insights add to our knowledge about the competing roles of middle managers (e.g. Bryant and Stensaker, 2011), shedding light on the dual roles that they are required to play: They must be front runners as soon as innovative and perhaps unfamiliar HRM designs (e.g. driven by sport) are introduced by top managers; simultaneously they remain frontline managers with considerable responsibilities in a work-intensive environment such as a service center.

Contrary to consumer oriented sponsorships, the focus shifts from external mass communication to a much narrower and more targeted employee intra-organizational communication perspective. This is part of a wider tendency in which sport – in its various forms – is used as a tool in HRM for designs in areas outside sport, for instance in private or public sector organizations. The idea is basically to transfer practices and mindsets from sport to other settings and benefit from what are considered core skills and capabilities adopted from and through sport. Not only sponsorships originally suited for mass-media promotion and elite sports like the Olympic Games (Edwards, 2016) or Gaelic football (Grimes and Meenaghan, 1998) can be used for this
purpose; successful sport coaches (Katz, 2001) or athletes (Pichot et al. 2009) may also act as important motivators in corporate settings. Although our case study has provided a plausible explanation of a successful sponsorship design combining elite sport and HRM efforts, we do need to critically challenge this intervention. Transferring and implementing sport practices in corporate settings must be done with caution. Elite sport, for instance the Olympic rowing investigated in this paper, is about pushing the body to its limits and relying on a final peak performance for six minutes. Service center duties take place five days per week for seven hours or over (for a similar observation, see Welbourne et al. 2005). Likewise Katz (2001) warns against the inappropriate use of sport team management, and Mik-Meyer (2008) also addresses the stigmatization of employees who perhaps do not take up physical exercise normally linked with voluntary leisure activities as part of corporate public health interventions. Accordingly, although sport has a hitherto under-explored potential in HRM studies, it should not be considered a new ‘quick fix’ to be implemented uncritically by HR managers without paying any heed to differences between sport and work settings.

**Conclusion**

Our study presents a unique case in which a sport-sponsorship project designed solely as a HRM campaign is investigated. According to the employees, this campaign had positive effects on areas such communication, personal performance, and teamwork. However, employee retention was not affected to the same degree as the other areas. Employee commitment to the campaign showed a high degree of correlation with manager commitment and had a significant, if somewhat minor impact on the four areas investigated. Our access to data on customer satisfaction provided indicators of a successful linkage between the HRM design, improvement of customer services and company performance. Thus, our study not only contributes to the growing, but still limited, body
of employee-oriented sponsorship research but - as explicitly suggested by Pichot et al. (2008) a
decade ago - also addresses core issues within HRM literature by providing empirical insights into
the effects of a HRM project.

Research and managerial implications and methodological limitations

Although research on the internal audience of sponsorships is still in its infancy, it may – with
reference to Hesketh and Fleetwood (2006) – be considered a useful starting point for further
investigations and critical dialogue. An implication for HRM research is that it should take sport
seriously by investigating the positive as well as negative effects of adopting elite sport-inspired
designs.

As we point out at the end of this paper, using sport in all its varieties must be
approached with caution by HR managers and not considered a ‘quick fix’. Sport, taken from either
an elite or a leisure context, does not fit in universally with working life settings. Thus, as much as
we argue that our case presents an example of a successful HRM implementation, we also warn
against overselling the potentials of sport in a corporate context.

As with all studies, our single-case study has its limitations. First, a single-case study
cannot be used for generalization. It must be seen in its context, and the impact of an existing
corporate culture (Chow, 2012) has not explicitly been taken into consideration when we claim that
this case is an example of successful HRM implementation. Second, we consider it a plausible
explanation that the service-center employees’ perception of improved performance was achieved
by means of the sport sponsorship. One limitation, however, is that we have not identified (and
therefore not investigated) other possible initiatives that might have had an impact on improved
customer ratings. For instance, we did not investigate other potential influences that could lead to
positive outcomes such implementation of new IT technologies, employee replacement, or
improved market climate and conjunctures. Furthermore, we did not have access to knowledge on the actual number of customer feedbacks underpinning the index (see table 5), thus this kind of company provided information must be interpreted with critical caution. Third, our study did not (like Edwards, 2016) adopt a longitudinal design that enabled us to investigate and compare the circumstances prevailing in customer services before and after a HRM intervention. Such a research design could have clarified the effects of the sponsorship in more detail. Fourth, the use of single-item, self-reported, measures: The choice of single-item measures was mainly rooted in practical limitations, and issues regarding the overall research design. On the practical side, a shorter survey length, and to reduce possible respondent frustration with repetition (Robins et al. 2001), was prioritized, inter alia, because the respondents were allotted a very limited amount of time to answer the survey in their working hours. From a more general perspective, while single-measures are often not considered as precise as their scale counterparts and have seen some criticism, as well as heated debate, in the business research methods literature recently (Bergvist 2016; Sarstedt et al. 2016), we consider the usage in this context adequate. Single-item measures are generally highly correlated with multi-item scales on the same subject, even if they have somewhat lower reliability in general and sometimes in terms of predictability. They are often used when it is not complex constructs, such as identity, being measured (Sackett and Larson 1990), and they have, in some cases even been considered ideal (Bergkvist and Rossiter 2007). Single-item, self-reported, measure of self-efficacy, as well as the more general self-esteem, have both been found to be more than adequate in comparison to established scales (Hoeppner et al. 2011; Robins et al. 2001).

References

AUTHOR (2016)


Cornwell, T.B. (2014), Sponsorship in marketing. Effective communications through sports, arts and events, Routledge, New York, NY.


Sackett, P. R., and Larson, J. R., Jr. (1990), “Research strategies and tactics in industrial and organizational psychology”. In M. D. Dunnette & L. M. Hough (Eds.), *Handbook of*


Appendix A

The use of G4 for the creation of an internal communication platform. The rowing competition adopted from indoor rowing illustrates the contemporary performance level in terms of customer satisfaction of the five sectors of the service center from week to week. Furthermore, through the intranet employees are able join a quiz, be updated on the campaign and receive knowledge advice related to rowing and the company.
## Qualitative sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Form</th>
<th>Time period</th>
<th>Primary foci points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing Director</td>
<td>Individual interview</td>
<td>August 2011</td>
<td>- Initial decision making</td>
</tr>
<tr>
<td></td>
<td>Conversation</td>
<td>March, 2012</td>
<td>- Practical organization of the campaign</td>
</tr>
<tr>
<td></td>
<td>Individual interview</td>
<td>June, 2012</td>
<td>- Achievements through the campaign</td>
</tr>
<tr>
<td></td>
<td>Conversation</td>
<td>August, 2012</td>
<td>- Pre-survey planning</td>
</tr>
<tr>
<td>Two project employees</td>
<td>Group interview</td>
<td>August, 2012</td>
<td>Hands-on organization and pre-survey planning</td>
</tr>
<tr>
<td>HR Director</td>
<td>Individual interview</td>
<td>September, 2012</td>
<td>Strategic HRM and elite sport and pre-survey planning</td>
</tr>
<tr>
<td>Pilot test and discussion</td>
<td>Informal discussion</td>
<td>September, 2012</td>
<td>Improve survey quality</td>
</tr>
<tr>
<td>Three Service center employees</td>
<td>Group interview (Agriculture)</td>
<td>October, 2012</td>
<td>Motivation, commitment and health</td>
</tr>
<tr>
<td>Three Service center employees</td>
<td>Group interview (Private and partners)</td>
<td>October, 2012</td>
<td>Motivation, commitment and health</td>
</tr>
<tr>
<td>CEO, HR and Marketing Directors</td>
<td>Group interview</td>
<td>December, 2012</td>
<td>Decision making, leadership and critical reflections</td>
</tr>
</tbody>
</table>

*Table 1. Qualitative empirical data sources for the case study.*
### Table 2: Frequency distribution of the four dependent variables and competitive design (n = 653).

<table>
<thead>
<tr>
<th>Variable</th>
<th>Much worse</th>
<th>Somewhat worse</th>
<th>Unchanged</th>
<th>Somewhat better</th>
<th>Much better</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication</td>
<td>0.0</td>
<td>0.0</td>
<td>54.5</td>
<td>37.7</td>
<td>7.8</td>
</tr>
<tr>
<td>Personal performance</td>
<td>0.0</td>
<td>0.0</td>
<td>52.2</td>
<td>35.8</td>
<td>11.9</td>
</tr>
<tr>
<td>Team work</td>
<td>0.0</td>
<td>0.0</td>
<td>54.2</td>
<td>37.2</td>
<td>8.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Less desire to stay with company</th>
<th>Unchanged</th>
<th>More desire to stay with company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee retention</td>
<td>0.6</td>
<td>86.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Variable</th>
<th>Very negative</th>
<th>Somewhat negative</th>
<th>Neutral</th>
<th>Somewhat positive</th>
<th>Very positive</th>
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<tbody>
<tr>
<td>Competitive design</td>
<td>0.8</td>
<td>3.7</td>
<td>48.9</td>
<td>30.2</td>
<td>16.5</td>
</tr>
</tbody>
</table>

### Table 3: Frequency distribution of employee evaluation of commitment to the campaign in percent: How would you evaluate your ‘own/your managers’ commitment to the campaign? (n=589).

<table>
<thead>
<tr>
<th>Commitment Level</th>
<th>Your own</th>
<th>Your manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very committed</td>
<td>11.0</td>
<td>36.0</td>
</tr>
<tr>
<td>Somewhat committed</td>
<td>35.8</td>
<td>32.8</td>
</tr>
<tr>
<td>Sometimes committed</td>
<td>35.8</td>
<td>22.8</td>
</tr>
<tr>
<td>Somewhat uncommitted</td>
<td>11.7</td>
<td>6.5</td>
</tr>
<tr>
<td>Very uncommitted</td>
<td>5.6</td>
<td>2.0</td>
</tr>
</tbody>
</table>
Table 4: Employee commitment and DV1-4 Multivariate multiple regression model, GLM, and simple logistic regression (n= 628).

<table>
<thead>
<tr>
<th></th>
<th>Partial eta squared*</th>
<th>Adjusted R Square</th>
<th>Pseudo R-square (Cox &amp; Snell)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication</td>
<td>0.071 (0.121)***</td>
<td>0.093</td>
<td>10.8***</td>
</tr>
<tr>
<td>Personal performance</td>
<td>0.071 (0.124)***</td>
<td>0.096</td>
<td>11.5***</td>
</tr>
<tr>
<td>Cooperation with colleagues</td>
<td>0.100 (0.161)***</td>
<td>0.134</td>
<td>15.4***</td>
</tr>
<tr>
<td>Employee retention</td>
<td>0.034 (0.151)***</td>
<td>0.124</td>
<td>0.44***</td>
</tr>
</tbody>
</table>

*number in parentheses is for the full corrected model, *** statistical significance at <0.001 level
### Table 5. Customer Satisfaction Rating System January 2010 – November 2012. Values (except indexation) are measured in percentages of all customers. Data was provided by the company on August 21st 2012 and on 30th of November, 2012. In 2011, the year of implementation, indexation of ambassadors was not an integrated element in the campaign, but was re-introduced during the peak period (January to May 2012). Agriculture was the symbolic ‘winner’ of the campaign as it by the end of the peak period was the business sector which most improved its dissatisfied customer index in 2012 compared to the index based on the values of 2010 (from 100 to 131).

<table>
<thead>
<tr>
<th>Business Area</th>
<th>2010 – from 18.06 to 31.12</th>
<th>Index 100 (2010 values)</th>
<th>2011 - Year of implementation</th>
<th>Index 2011 compared to 2010</th>
<th>2012 peak period –01.01 – 30.04</th>
<th>Index 2012 compared to 2010</th>
<th>Status November 30th 2012</th>
<th>Index November 30th 2012</th>
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<tbody>
<tr>
<td><strong>Private and Partners</strong></td>
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<td></td>
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<tr>
<td>Dissatisfied customers</td>
<td>6,5</td>
<td>100</td>
<td>6,8</td>
<td>96</td>
<td>6,5</td>
<td>100</td>
<td>6,1</td>
<td>107</td>
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<tr>
<td>Ambassadors</td>
<td>37</td>
<td>100</td>
<td>36</td>
<td>97</td>
<td>39</td>
<td>105</td>
<td>40</td>
<td>108</td>
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<tr>
<td><strong>Business and Industry</strong></td>
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<td></td>
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<tr>
<td>Dissatisfied customers</td>
<td>6,9</td>
<td>100</td>
<td>6,4</td>
<td>108</td>
<td>5,5</td>
<td>125</td>
<td>6</td>
<td>115</td>
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<tr>
<td>Ambassadors</td>
<td>27</td>
<td>100</td>
<td>31</td>
<td>115</td>
<td>33</td>
<td>122</td>
<td>33</td>
<td>122</td>
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<tr>
<td><strong>Damages</strong></td>
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<tr>
<td>Dissatisfied customers</td>
<td>10,4</td>
<td>100</td>
<td>10,2</td>
<td>102</td>
<td>9,6</td>
<td>108</td>
<td>8,9</td>
<td>117</td>
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<tr>
<td>Ambassadors</td>
<td>34</td>
<td>100</td>
<td>38</td>
<td>112</td>
<td>40</td>
<td>118</td>
<td>40</td>
<td>118</td>
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<tr>
<td><strong>Life</strong></td>
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<td></td>
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<tr>
<td>Dissatisfied customers</td>
<td>8,0</td>
<td>100</td>
<td>6,3</td>
<td>127</td>
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<td>118</td>
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<td>136</td>
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<tr>
<td>Ambassadors</td>
<td>29</td>
<td>100</td>
<td>39</td>
<td>134</td>
<td>39</td>
<td>134</td>
<td>40</td>
<td>138</td>
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<tr>
<td><strong>Agriculture</strong></td>
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<td></td>
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<tr>
<td>Dissatisfied customers</td>
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<td>5,2</td>
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<td>5,1</td>
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<td>146</td>
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<tr>
<td>Ambassadors</td>
<td>31</td>
<td>100</td>
<td>34</td>
<td>110</td>
<td>38</td>
<td>123</td>
<td>38</td>
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