

HOLACRACY IN SPORT MANAGEMENT: TRANSITION FROM TRADITIONAL STRUCTURES TO PARTICIPATORY MODELS

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ABSTRACT

The aim of this paper is to investigate the potential, advantages and applicability of the holacracy management model in sport management. In addition, it is also one of the main objectives of the study to evaluate the contributions that can be provided by the transition from traditional hierarchical structures to participatory models such as holacracy and the challenges that this transition brings. In this respect, this article evaluates the potential, advantages and applicability of holacracy as an innovative management model in sport management. Replacing traditional hierarchical structures, holacracy aims to increase organisational agility by offering employees more autonomy, flexibility and participation. In this study, the foundations of the holacracy concept are discussed and the contributions and challenges of this model in sport management are analysed in detail. The literature review revealed that holacracy supports fast decision-making processes in sport organisations, encourages innovation and increases the creativity of individuals. However, it is also emphasised that factors such as organisational adaptation, cultural challenges and cost may pose difficulties in the implementation process. As a future perspective, it is suggested that the integration of holacracy model into sport management should be carefully planned and hybrid models should be developed.

Keywords: Sport, Sport Management, Holacracy

1.0 INTRODUCTION

In its simplest definition, management is defined as the process of performing a task through others. For management scientists, management is a structure in which there is a hierarchical order (Satici, 1998). Throughout history, human beings have developed and applied various models to meet their management needs (Göksel, 2024). These models can be generally classified as classical, neo-classical, modern and post-modern management approaches (Seçtim & Erkul, 2020). However, it is not easy to categorise the developments in management approaches. Different approaches can be grouped together under generally accepted headings according to similar characteristics in terms of their starting points, emphases, objectives and scopes (Koçel, 2020).

Compared to traditional management models where the hierarchical structure is dominant, the 'Holacracy Management' model has gained an important place among today's management practices (Göksel, 2024). Holacracy is an approach that emerged as an alternative to traditional management models and its main purpose is to make organisations more flexible, highly adaptable and participatory (Liebert, 2020).

While the human need to make decisions and take action without authority emphasises both the need to be a social being and the need for management, holacratic management aims to make organisations more effective by meeting these basic needs (Göksel et al., 2024). Holacracy is a dynamic and participatory management model that emerged as an alternative to traditional hierarchical management models (Robertson, 2015). It aims to delegate responsibility and authority to employees so that organisations can make faster, flexible and effective decisions (Bernstein et al., 2016). The importance of innovative management models such as holacracy is gradually increasing, especially in areas such as sports organisations that show rapid change and have a dynamic structure (Göksel, 2024). While traditional management approaches are generally based on a centralised structure, holacracy eliminates this centralised structure and increases the autonomy of teams and individuals (Nair, 2016). Especially in the field of sport management, the need for such distributed management models is increasing day by day in order to increase organisational agility and improve business processes (Chen, 2017; Schell & Bischof, 2022). In this context, holacracy has the potential to revolutionise the management of sport organisations (Noori & Tinaztepe, 2022).

2.0 METHOD

The aim of this study is to investigate the potential, advantages and applicability of the holacracy management model in sport management. In addition, it is also one of the main objectives of the study to evaluate the contributions that can be provided by the transition from traditional hierarchical structures to participatory models such as holacracy and the challenges of this transition. Traditional review method was used as a method in the study. The traditional review method is defined as a research method that summarises and analyses the existing literature on a particular topic in a non-systematic way. This method aims to reveal general trends and main discussion points by synthesising a large body of knowledge on the subject (Grant & Booth, 2009).

In the traditional review method, researchers can utilise scientific articles, books, reports and other academic sources (Paré & Kitsiou, 2017). Within the scope of this study, the potential, advantages and applicability of the holacracy management model in sport management were examined in depth in line with the existing literature. In the research process, PubMed, Web of Science, ResearchGate and Google Scholar databases were scanned and academic studies on the subject were identified and analysed. The scientific studies obtained from the relevant databases were meticulously analysed and a comprehensive body of information on the subject was created.

In addition, all sources used in the research process were properly cited and scientific ethics rules were fully complied with. The method of the study aims to provide a theoretical basis for a better understanding of the effects of the holacracy management model in sports management by compiling and analysing the existing information in the literature.

3.0 LITERATURE REVIEW

3.1 Basics of Holacracy Concept

Holacracy is a management model that draws attention with its basic principles that differ from traditional management approaches. Although the concept of Holacracy is basically a term first

developed in 2007 under the leadership of Brian Robertson, Robertson's book *Holacracy: The Revolutionary Management System that Abolishes Hierarchy* (2015) is considered as the founding father of this management model (Sarioğlu Uğur, 2017). In the holacratic management approach, there are no concepts such as manager or supervisor and managers cannot use their authority (Robertson, 2015). However, in case of any problem arising among the team, they can come together and intervene in the problem (Şeremet & Uçakkuş, 2023). Holacracy provides a framework that allows employees to manage themselves and provides more flexibility in organisational processes (Göksel, 2024). Rather than being a large constitutional democracy, Holacracy works like a federal system of authority where small units have almost full responsibility in their jurisdictions (Bodie, 2018).

While the Holacracy model offers a decentralised structure, it differs from the centralised structure of the traditional hierarchy (Springer, 2014). In the holacracy concept, power moves from leaders to all subordinates who manage processes in the organisation as a whole, and power is distributed throughout the organisation rather than operating from the top down, which gives freedom to individuals and teams while ensuring that they remain committed to the purpose of the organisation (Biłyk, 2017). In a Holacracy structure, duties and responsibilities are defined in terms of roles, not individuals, and these roles can be dynamically updated according to organisational needs (Nair, 2016). This management model enables individuals to take more responsibility by horizontally distributing the power dynamics within organisations and aims to increase their creativity and productivity (Nair, 2016).

Holacracy also allows organisational structures to become more democratic. Small teams, called circles, manage decision-making processes among themselves, while adapting to the overall goals of the organisation (Bernstein et al., 2016). In organisations with a holacratic management approach, solid cooperation and respectful interaction between employees have a high priority, and since there is no hierarchical structure, employees tend to create a sense of community (Weirauch et al., 2023). This structure minimises the time loss and decision-making difficulties encountered in traditional hierarchical systems (Göksel, 2024). Thanks to its ability to quickly adapt to changing conditions, holacracy facilitates change management in organisations and helps them gain competitive advantage (Krasulja et al., 2016).

The implementation of holacracy also involves a number of challenges. Managers of some organisations think that holacracy is too complex and that this management approach should be abandoned when necessary (Street & Feeney, 2022). Therefore, the consequences of the transition from traditional hierarchy to holacracy need to be carefully evaluated and understood. Furthermore, lessons learned from previous implementations of holacracy are crucial in guiding organisations to successfully adopt holacracy practices and integrate them into their core values (Kumar & Mukherjee, 2018). While in traditional management approaches, decisions are usually made by top management, holacracy offers an alternative to centralised management approaches by spreading these processes to employees at all levels (Noori & Tinaztepe, 2022). This leads to a more participatory management culture in organisations (Chen, 2017; Gajdosík & Skorková, 2024).

3.2 Holacracy Practices in Sport Management

Sport management is a multidimensional process that involves not only the organisation of physical activities but also the effective management of economic, social and cultural dynamics. Sport organisations, which have become an important part of modern societies, are undergoing structural transformations to adapt to the rapid changes brought about by the information age (Balcı & Kalfa, 2024). Especially technological developments enable new applications such as data analytics, performance tracking and strategic planning in sport management (Kwon et al., 2007; Passfield & Hopker, 2017). However, the commercialisation of sport and its integration into market dynamics under the influence of neoliberal policies have led to significant changes in management approaches (Erturan Ögüt, 2014). In this context, there is a need for management to evolve into a flexible and people-oriented structure that supports innovation (Cortellazzo et al., 2019).

The transformation of sport management is not only at the organisational level, but also related to leadership models and training strategies that support the individual development of athletes. Adopting modern leadership insights to enhance athlete performance and strengthen team dynamics has a critical role in increasing the competitiveness of sport organisations (Ntoumanis & Quested, 2016). As a result, sport management assumes the responsibility of protecting the cultural and social values of sport while adapting to changing social and economic conditions. Management is necessary both in the process of organising people, which is a vital requirement for the continuity and welfare of societies, and in the process of organisations successfully continuing their activities and achieving their goals, solving the problems experienced with appropriate methods, creating perfect systems, and increasing the happiness of people (Genç, 2017). Sports organisations require flexibility and innovation in management models due to their dynamic and ever-changing structures (Göksel, 2024). Holacracy offers features that can meet this need in sports management. The application of this model in sport management supports especially fast decision-making processes and improves the performance of organisations (Bernstein et al., 2016). The Holacracy model supports innovation and creativity in management by encouraging individuals and teams to take more responsibility in sport organisations (Nair, 2016). It enables technical teams in sports clubs to work autonomously among themselves and accelerates decision-making processes (Noori & Tinaztepe, 2022). Furthermore, holacracy increases commitment and motivation by enabling athletes and other employees to participate more in organisational processes (Chen, 2017). Performance management is a critical element in sport organisations and holacracy can offer an effective solution in this area. The system of circles and roles allows individuals' performances to be evaluated more clearly and creates a structure that is compatible with organisational goals (Göksel, 2024). In this context, holacracy is a powerful tool that can help sport organisations achieve their strategic goals (Bernstein et al., 2016).

3.3 Contributions of Holacracy to Sport Management

Management is the sum of the work and efforts to ensure the co-operation of people and to lead them towards a goal (Özalp, 2010). Holacracy model enables to adopt a more flexible and participatory management approach instead of traditional hierarchical structures in sport management. One of the most important contributions of this model is that it increases organisational flexibility. Given the rapidly changing nature of the sport world, innovative models such as holacracy can strengthen the agility and adaptability of sport organisations (Göksel, 2024).

One of the contributions of holacracy to sport management is that it provides opportunities to increase the creativity of employees. This model allows individuals to manage their roles dynamically, increasing their motivation and commitment to take responsibility (Nair, 2016). Especially in sports organisations, individuals taking on roles according to their abilities can positively affect both individual and team performance (Göksel, 2024). Another important contribution is that holacracy accelerates decision-making processes. While in traditional management systems decisions are usually made by top management, holacracy distributes decision-making processes to teams and individuals (Robertson, 2015). In sport organisations, this is particularly advantageous in situations where decisions need to be made quickly, such as match-day operations or transfer processes (Bernstein et al., 2016).

Holacracy also offers a structure that encourages innovation in sport management. The system of circles and roles allows individuals to develop new ideas and increases the capacity of organisations to produce innovative solutions (Göksel, 2024). In this context, sport organisations can gain competitive advantage by adopting the holacracy model (Noori & Tinaztepe, 2022).

3.4 Challenges that Holacracy may face in Sport Management

Sport management faces many challenges due to rapidly changing social, economic and technological dynamics. In the information age, there is an increasing need for innovation and flexible adaptation processes for sport organisations to remain competitive (Balcı & Kalfa, 2024). However, while this need necessitates radical transformations in leadership and management models, it also contradicts traditional structures that resist these transformations. The commercialisation of sport, especially with the impact of neoliberal policies, has led to the concentration of financial resources on certain branches such as football, which has overshadowed the social dimensions of sport (Erturan Ögüt, 2014). As a result, mass sports activities and the development of amateur sports have been negatively affected by this situation. Despite technological advances, the integration of data management and performance analytics systems requires expertise and cost, which creates an additional burden for sports organisations, and centralised approaches make effective solutions to crises difficult (Erturan Ögüt, 2014). All these difficulties once again reveal the necessity of strategic planning and modern management approaches in sport management.

Although the Holacracy model offers significant advantages in sport management, it may also face some challenges. One of these challenges is the adaptation problems experienced in the process of transition from the existing structures of organisations to holacracy. Especially in sport organisations that are used to traditional hierarchical structure, it may take time to accept this change (Noori & Tinaztepe, 2022). Another challenge is the level of uncertainty and complexity encountered in holacracy practices. In the holacracy model, the roles of individuals and teams can change dynamically, which can make the management of processes more complex (Nair, 2016). In a field such as sport management that requires intensive and rapid decision-making, this complexity can make management processes even more difficult (Göksel, 2024). Cultural challenges may limit the applicability of holacracy in sport management. In organisations with a centralised management approach, it may be difficult for employees and managers to adapt to this model (Chen, 2017). Moreover, self-management skills of individuals in sport management are critical for the effectiveness of the holacracy

model. However, since not every employee can be expected to have this skill, this may create additional difficulties in implementation (Bernstein et al., 2016). The Holacracy model can also pose challenges in terms of cost and time. The implementation of this model requires organisations to redesign their existing systems. This process can be costly in terms of both time and financial resources (Noori & Tinaztepe, 2022).

3.5 Future Perspective and Recommendations

Holacracy stands out as a model that is likely to be adopted more in the future in sport management. Given the rapidly changing nature and complexity of the sport industry, this model can offer organisations significant advantages in terms of adaptability and agility (Göksel, 2024). However, tailoring this model to the specific needs of sport organisations is critical for future research and applications (Noori & Tinaztepe, 2022). Holacracy can accelerate the decision-making processes of sport organisations and encourage innovation. However, full adoption of this model requires fundamental changes in organisational culture and leadership (Bernstein et al., 2016). Especially in the sport industry, it is important for leaders to gain awareness of this model and improve the self-management skills of teams to increase the applicability of holacracy (Chen, 2017). Future research should examine the effectiveness of holacracy in sport management in more detail. In particular, it should focus on the impact of this model on the performance management and strategic goal achievement processes of sport organisations (Göksel, 2024). In addition, it would be useful to conduct studies evaluating the effects of holacracy practices on the individual development and motivation of athletes (Nair, 2016).

For the successful implementation of the holacracy model in sport management, organisations should carefully plan the transition process to this model. In this process, it is important to train employees, redesign the organisational structure and provide the necessary technological infrastructure (Noori & Tinaztepe, 2022). In addition, to increase the applicability of the model, the development of hybrid models that combine holacracy with existing management approaches can also be considered as a future strategy (Chen, 2017). Holacracy also has the potential to redefine the understanding of leadership in sport management. This model requires leaders to take on a role that facilitates co-operation between teams rather than playing an authoritarian role (Bernstein et al., 2016). In the future, the adoption of such leadership approaches in sport organisations can both increase the effectiveness of holacracy and facilitate its adaptation to the changing dynamics of the sport industry (Göksel, 2024).

4.0 RESULTS AND DISCUSSION

In this article, the contributions of holacracy to sport management, challenges encountered and future application possibilities are discussed. Holacracy is an innovative and dynamic management model that stands out as an alternative to traditional hierarchical structures in sport management. While this model offers advantages to organisations such as flexibility, rapid decision-making and innovation, it also brings challenges such as uncertainty and adaptation (Noori & Tinaztepe, 2022). Given the rapidly changing nature of sports organisations, holacracy has significant potential in this sector (Göksel, 2024). Holacracy can play an important role in performance management, achieving strategic goals and innovation processes of sport organisations (Bernstein et al., 2016). However, for this model to be fully

adopted, organisational culture and structure need to be redesigned to adapt to holacracy (Chen, 2017). In the future, it is important to conduct further research on the effectiveness of holacracy in sport management and to examine in detail how this model can be adapted to the specific needs of sport organisations (Nair, 2016). By offering a new paradigm in sport management, holacracy can create an opportunity to overcome the limits of traditional structures and adopt a more participatory management approach (Göksel, 2024). Future research should examine the applicability and effectiveness of holacracy in sport management in more depth. Furthermore, investigating the effects of this model on the strategic goals of sport organisations, performance management and individual development may contribute to the development of new application models for holacracy. In conclusion, while holacracy offers important opportunities for innovation and agility in sport management, a careful planning process is required for organisations to successfully adopt this model.

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