

ENDURANCE: Entrepreneurial Capacity-building for Sport

Commonalities between Sport and Entrepreneurship

(ENDURANCE IO2T1 Output)

Country Notes CROATIA

Introduction

This Country Note on Commonalities between Sport and Entrepreneurship in Croatia has been prepared by Porec Sport Association as an initial output within the ENDURANCE Intellectual Output 2, Task 1 “Identify common traits and links between sports and entrepreneurship”. Its aim is to provide an informed insight within the area under investigation for the next stages of the project. In addition, its purpose is to inform project stakeholders and broader audience in sports and entrepreneurship communities about first advances of the ENDURANCE project.

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Commonalities between Sports and Entrepreneurship: ENDURANCE conceptual framework



Topic 1: Individual personality traits common for sports and entrepreneurship

The review of resources on overlaps and links between sports and entrepreneurship in Croatia yielded the following list of commonalities among the individual personality traits:

- Persistence
- Perseverance
- Accuracy
- Seriousness
- Precision
- Permanence
- Diligence
- Stubbornness

This data emerged from in-depth interviews of respondents (sports entrepreneurs), however, the desk analysis showed that in addition to the above common features, it was concluded that the features of innovation, proactiveness and risk taking must be added.

As essential part of sport and entrepreneurship, innovation in equipment and technology can lead to new products, new sports, new sales channels such as web stores. Through sport new ideas can thrive and provide the basis for entrepreneurship to occur. Proactiveness in managing sport teams or business teams leads to develop better overall team performance. A characteristic of entrepreneurs is their emphasis on risk-taking. It is generally accepted that people participating in sport are risk-takers.

Also, additional data emerged from in-depth interviews regarding individual personality traits common for sport and entrepreneurship are:

- Socialization
- Fair play
- Strength of mind
- Responsibility

Sport can be a link between athletes, sports teams and the community (educational institutions, non-profit organizations, local governments, local entrepreneurship). By getting involved in sports, people socialize, make contacts and contribute to the development of their social skills.

Fair play is not only an essential element of sport, it has also become a more general philosophy of respect for others and respect for rules, whether on the sporting field or in business or other competitive endeavours. Any competition whether sporting or enterprising certainly requires strength of mind and can be a fostering factor in winning a match. Respondents also mentioned responsibility as well as respect for opponents who can be part of fair play.

Topic 2: Other individual-level fostering factors

The review of resources in Croatia yielded the following list of fostering factors strengthening the link between sports and entrepreneurship from among the other individual-level aspects:

- Growing up in an entrepreneurial family
- A lot of athletes in the environment
- Health problems in the environment
- Connections, networks...

Growing up in an entrepreneurial home brings benefits in many ways - by fostering a passion for youth work, by gaining invaluable business experience in reality long before many peers begin their journey to entrepreneurship, by building personality (resilience, patience...). The previous experience of a sports entrepreneur is mostly focused on sports in the area. Accordingly, potential entrepreneurs listen to and perceive the needs of the athletes of which they are a part. Based on the identified needs, they come up with an idea that they can then turn into an entrepreneurial venture.

A potential idea can also be aimed at solving problems that athletes and people face, including health problems.

At the same time, a very important fostering factor is the connections on the basis of which an entrepreneurial venture can be realized. In performing their activities, athletes are in constant connection with the local community, with different professions (therapists, psychologists, kinesiologists, event organizers, travel organizers), with different nationalities (at international competitions), and have a wide range of connections that can help them for further entrepreneurship realization.

Topic 3: External supporting & triggering factors

The review of resources in Croatia yielded the following list of external supporting and triggering factors that enhance the commonalities and foster pathways between sports and entrepreneurship:

Respondents in-depth interview mostly believe that sports entrepreneurship is not visible and recognized in Croatia, but there is enough potential to start entrepreneurship in the field of sports. The main obstacles or challenges of entrepreneurship that they mention are:

- Laws
- State administration
- Taxes
- Bureaucracy.

A survey conducted in Croatia in 2014 (J. Nakić, A. Stilin, Lj. Tomljenović, 2015) shows similar results, ie states that the expected obstacles to starting an entrepreneurial venture in sports are: bureaucratic-administrative problems, disinterest of the environment and lack of institutional support.

The most common limitations of entrepreneurship in sports are: lack of financial resources to invest in sports infrastructure, lack of public interest in investing in sports and recreational facilities, lack of criteria for allocation of financial resources intended for sports, lack of clear definitions of the notion of public good, public interest and public needs, lack of sports and recreation offers in tourism and directions of sports tourism. The main problem at starting up an own entrepreneurial venture in sports is the lack of financial resources, followed by many administrative problems.

However, although research shows insufficient recognition of sports entrepreneurship in Croatia, there are certainly significant motivating factors in Croatia that encourage sports entrepreneurship through:

- Supporting programs for future entrepreneurs at local, regional and national level
- National supporting programs that can contribute to sports entrepreneurship.

Most cities, municipalities and counties in Croatia have developed programs to encourage entrepreneurship. Through these programs, grants are awarded for education, contributions, or business assets.

At the national level, there is a developed system of support that encourages the sports environment and opportunities for sports entrepreneurship, such as tenders for co-financing the organization of major sporting events, construction and equipping of sports facilities, tenders for co-financing sports programs to promote local sports and sports competitions, co-financing of sports training programs, or tenders for encourage the acquisition of professional qualifications of former and current top athletes.

Topic 4: Pedagogical approaches and education

The review of resources in Croatia yielded the following main findings on pedagogical approaches and education that develop and capitalize upon the commonalities between sports and entrepreneurship:

- Insufficient educational materials
- The education system does not recognize entrepreneurship in sport
- Lack of practical knowledge in successful sports clubs, federations and companies engaged in sports activities

Education is a component of social infrastructure and changes are taking place permanently. Changes in Croatia should occur in order to more efficiently educate professionals in entrepreneurship that will meet the needs of sports and the economy. Active teaching methods and educational workshops and seminars should encourage the introduction of systematic education for entrepreneurship in the Croatian education system and, ultimately, the development of entrepreneurial spirit and the acquisition of entrepreneurial competencies.

In practice, educated professionals at colleges and universities (leaders of sports activities, senior sports coaches, professors of kinesiology) have not proved sufficiently operational and independent to design and organize sports and recreational activities, i.e. to with their acquired knowledge in the field of entrepreneurship - management in sports impose as sports managers in sports clubs, societies and other legal entities engaged in entrepreneurial activities related to sports. Most of them are waiting for employment and execution of the given tasks. Trained and professional staff after graduation should study a particular market and the analysis to determine which products-programs do not exist or which could be refined and improved, create adequate programs, offer them for sale to potential customers and organize the implementation of that product-program. The above indicates the need to train specialist knowledge to perform the duties of a sports animation manager who would deal with innovation, planning, organizing, leading, decision-making, control and other important functions of the manager.

Topic 5: Connecting sports and entrepreneurship to create social impact

The review of resources in Croatia yielded the following list of findings on how commonalities between sports and entrepreneurship have potential to create social impact:

- Increased employment
- Increased consumption
- Health promotion
- Positive effects on man (strengthening the mind and body)
- Social utility (recreation and socializing, realization of dreams, goal).

The social community in Croatia is insufficiently informed about the benefits of sport and the opportunities provided by entrepreneurship in sport.

Entrepreneurship in sports refers to the implementation of entrepreneurial programs that achieve their goals through sports. Such projects significantly contribute to the development of economic and social life. Namely, they increase employment and consumption, promote the location and health segments of society. It is known that sport has positive effects on humans. By dealing with it, man builds and strengthens himself and his body. In addition, social utility is important. Contributes to the socialization of society. Some do it for recreation and socializing, and some for the realization of their dreams and fame. The governments of the countries view sport through the positive consequences of tourism and awareness of healthy living.

The economic effects of sport can be observed at the macro and micro levels. Macroeconomic effects of sports are manifested in the industry and trade of sports products, in the construction of sports facilities, tourism, increased productivity, reduced sick leave, organization of major sporting events, while microeconomic effects are visible in sports organizations and companies and sporting events (Bartoluci, Škorić, 2009).

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